

**Colston's School**

Annual report and financial statements

Registered Company number 2792699

Registered Charity Number 1079552

31 July 2021

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**Annual report and financial statements for the year ended 31 July 2021**  
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**Governors, Directors and Charity Trustees**

The Governors of Colston's School are both the School's charity trustees under charity law and the directors of the charitable company.

The members of the Governing Body who served in office as Governors during the year and subsequently are as follows:

T S Ross <sup>A B C</sup> (Chair, resigned 30/9/21)	C J Duckworth
N P Baker <sup>A B C D</sup> (Chair)	C H Green <sup>A</sup>
B Allpress <sup>C</sup>	M J Hughes <sup>B</sup>
K Bishop (appointed 25/11/21)	C J H Lucas
M A Burchfield <sup>A</sup>	A M Seddon <sup>B</sup> (resigned 6/10/21)
A Burrell <sup>B C</sup>	M Sooriyabandara (appointed 10/1/22)
G Cross <sup>B</sup>	J Worthington <sup>C</sup>
A Currie (appointed 25/11/21)	J Wright <sup>A D E</sup>

<sup>A</sup> denotes member of the Finance and General Purposes Committee

<sup>B</sup> denotes member of the Education Committee

<sup>C</sup> denotes member of the Welfare and Safeguarding Committee

<sup>D</sup> denotes former pupil of the school

<sup>E</sup> denotes parent of a former pupil of the School

N P Baker is also a Director of Colston's School Foundation.

**Key Executives and Professional Advisors**

Headmaster	J McCullough
Deputy Head	P Hill
Head of the Lower School	D Edwards
Bankers	HSBC Bank plc, Cabot Circus, Bristol, BS1 3BA
Auditor	Saffery Champness LLP, St Catherine's Court, Berkeley Place, Bristol, BS8 1BQ
Solicitors	Veale Wasbrough Vizards, Narrow Quay House, Narrow Quay, Bristol BS1 4QA
Investment Managers	Smith & Williamson, Portwall Place, Portwall Lane, Bristol, BS1 6NA
Website	<a href="http://www.colstons.org">www.colstons.org</a>

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The Board of Governors present their annual report and the audited financial statements for the year ended 31 July 2021.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 (FRS 102).

**Reference and administrative information**

Colston's School is a company limited by guarantee (registration number 02792699) and a registered charity (registration number 1079552). It has no share capital and the liability of each member in the event of winding-up is limited to £1 (2020: £1). It is exempt from the requirement to include the word "limited" in its name. Its registered office and principal address is at Bell Hill, Stapleton, Bristol BS16 1BJ.

**Structure, Governance and Management**

The School was originally established in 1710. It operates under a Scheme approved by the Charity Commission dated 9 January 2004.

**Governing Document**

The School is governed by its Memorandum and Articles of Association issued on 9 January 2004.

**Governing body**

As set out in the governing document, up to ten of the Governors are nominated by the Society of Merchant Venturers and up to eight are co-opted by the Board of the Company.

Service on the Board is for a term of four years and retiring Governors can be re-elected provided that more than two thirds of the Directors resolve that in their opinion they should be eligible to do so because of their particular involvement with, and the importance to the Charity of, any particular project or undertaking or any other aspect of the affairs of the Charity.

**Recruitment and training of Governors**

The Governing body regularly appraises the spread of skills and expertise represented to identify the appropriate specialist skills and eligibility required by new Governors. New Governors are inducted into the workings of the School by the Chair of Governors, Headmaster and Director of Finance. Governors keep up to date with legislation and other factors through membership of the Association of Governing Bodies in Independent Schools (AGBIS), Independent Schools Inspection briefings, Independent Schools Council briefings and external training courses.

**Organisational management**

The Governors, as Trustees of the School, are legally responsible for the overall management and control of the School and meet each term. The work of implementing their policies is delegated to the Committees. The Finance and General Purposes Committee meets six times a year and the Education Committee meets once a term. The Welfare and Safeguarding committee, established in 2016, meets once a term.

The day-to-day running of the School is delegated to the Headmaster in accordance with the strategic direction and budgets set by the Governors. He is assisted by the Senior Management team (including the Deputy Head), the Head of the Lower School together with the Director of Finance and Facilities. The Headmaster attends all meetings of the Governing Body. Remuneration of Key Management Personnel and the Senior Management Team is reviewed and agreed annually by the Trustees.

The School is an HMC school (the Headmasters' and Headmistresses' Conference), an IAPS school (Independent Association of Prep Schools) and a member of both AGBIS (Association of Governing Bodies of Independent Schools) and ISBA (Independent Schools' Bursars Association), all of which provide the School with regular information and advice about relevant changes in regulation and best practice.

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**Group structure**

The charities of The Hilborne Foundation and the Colston's School Foundation are consolidated into these financial statements due to the deemed control the School is considered to have over their operations and strategy which arises from the aligned objectives and close interaction between the trustees.

**Our objectives, aims and principal activities**

**Objects**

The primary object of the charity is the advancement and the education of boys and girls in the Bristol region.

**Aims and Ethos**

The School's aims are as follows:

- To provide opportunities for pupils to fulfil potential in all areas; academic, creative, sporting and social
- To encourage a spirit of service in pupils, so that they may become confident, respectful and responsible citizens
- To prepare pupils for effective participation in higher education and employment, providing opportunities for leadership and encouraging initiative and independence.

Colston's is a grounded, holistic school where individuals of many and varied talents, abilities and backgrounds work together in order for each individual to maximise their potential in all areas. Academic ability and effort are highly valued but so too are abilities and effort in other areas; creative, physical, social and philanthropic. Staff and students recognise that academic outcomes are important but they also recognise that there is a great deal more to an education in the broader sense. Pupils are provided with many opportunities to learn much more than that which is required to pass examinations and should understand their position in and responsibility to their wider community.

**Objectives for the year**

The Governors' main objectives continued to be:

- To maintain the current high standards of academic achievement of pupils in conjunction with the development of sporting, cultural and social skills.
- To widen access to the School by continuing to provide a combination of academic, music, drama, sporting and artistic scholarships and means-tested bursaries.
- To continue to maintain and improve the facilities to provide a stimulating learning environment including the best use of technology.
- To prepare and support pupils to achieve their wider ambitions beyond school whether it be to attend the University or further educational establishment of their choice, obtain an apprenticeship or find suitable employment.

The activities undertaken for the advancement of these objectives are detailed in the 'review of activities and achievements' section below.

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**Public benefit**

The Charity in accordance with its objects provides education for boys and girls aged 3-18. The Governors have considered the Charity Commission's general guidance on public benefit.

*Fee Assistance*

The Governors are committed to broadening access to the School by offering means-tested financial support in the form of bursaries, and all those applying to the school are provided with information about the fee assistance available. Bursaries, which in exceptional circumstances can be up to 100% of the full fees, are available to all prospective pupils who meet our general entry requirements. The scale of such awards is determined on the basis of means. Without this fee assistance, these pupils would not receive the benefit of the excellent all-round education provided by Colston's School. During the 2020/21 academic year, 139 and therefore 18% of pupils were in receipt of bursary assistance.

Academic, sports and music scholarships are awarded each year to recognise high achievement and capability, all of which will contribute to the life of the school. Scholarships are awarded as a percentage of the full fee and can be awarded in addition to a means tested bursary. To help families with more than one child at the school and to underline the importance of continuity for families we offer a sibling discount.

Colston's operates a Sixth form Scholarship programme with three partner schools in Bristol: Oasis Academy Brightstowe, Merchants Academy and Orchard School. This programme offers talented students, who would not normally consider a fee-paying education, the opportunity to study sixth form at Colston's. The scholarship covers the full cost of the fees and is made for the duration of the student's education in the sixth form, subject to continued performance and good conduct. During the year ended 31 July 2021 there were 15 such scholars in the sixth form at Colston's (2020: 13). The School received £423,140 (2020: £479,956) charitable funding towards its scholarship and bursary awards.

*Benefit to the local community and use of School facilities*

The school welcomes external clubs and organisations to use many of its facilities on a not-for-profit basis. Unfortunately, due to the restrictions caused by the Covid-19 pandemic this was minimal during the year, but has resumed now restrictions have allowed.

The Colston's Outreach programme provides pupils with an opportunity to volunteer with various service providers, including charities, schools and care homes in Bristol. In the Sixth Form, students are encouraged to engage with the local community by volunteering outside of school on either Tuesday or Thursday afternoons as well as free periods. Our normal programme includes a network of providers in the local area, including Glenfrome Primary school, The Worthies, The Elms and Frenchay care homes. Pandemic restrictions meant that opportunities to volunteer and serve face-to-face were limited in 2020 - 2021, but the school community was determined to continue to help at a time when the need was greatest. Senior pupils used technology to make recordings of stories for use in local primary schools while others took on mentoring and tutoring roles over Zoom and Teams. Some pupils went to Glenfrome Primary School to help maintain their Forest School and allotment. Pupils in all age groups created hundreds of Christmas cards for five local Care Homes which were very well-received. The Charity Committee organised the collection of almost 1000 tins of canned food for a local food bank in December 2020 which helped provide vulnerable families with meals in Winter. As part of the Commendable Challenges programme, many pupils volunteered by helping neighbours with shopping and gardening, tidying up local communal areas and walking dogs for those self-isolating.

The school is fully involved in the Bristol Education Partnership's efforts across Bristol.

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**Strategic report**

**Review of activities and achievements**

The school responded to the 2020 toppling of the Colston statue and worldwide debate on racial inequality by developing a comprehensive programme of activities designed to educate pupils on the debates in Bristol and beyond. Part of this programme centred on understanding Colston's role in the slave trade and the impact the slave trade had on those transported from West Africa to the Americas, and also the impact on Bristol. There were also wider issues concerning diversity, equality and inclusion. Tutors and History teachers led seminars to prepare pupils for online meetings with leading academics and authors. These included Professor Madge Dresser (Bristol University), Dr Onyeka Nubia (Nottingham University), Lilleith Morrison (on behalf of Paul Stephenson), Adaobi Nwaubani (Nigerian journalist), Kerry McCarthy MP, Sir Robert Sims MP and Francis Greenacre (local historian). In addition, we linked up live with two US Congressmen to gain a US perspective and staff attended an inset talk with Dr Shaun Sobers (UWE) on decolonising the curriculum. The school teamed up with Anti-Slavery International for a day of activities on Modern Slavery and live question and answer sessions with their education officer. Colston's pupils also attended a series of seminars with Monica Thomas on diversity and racism. These activities ran throughout the Autumn Term 2020 and helped inform and educate all members of the Colston's community on these important issues, with recordings of meetings and reports made available online.

In the summer of 2021, the Governors of Colston's School launched a formal consultation on the future of the school's name. Pupils at the school had been engaging in the topic since the Autumn term of 2020 following the events that had taken place in Bristol during that summer. Materials were made available on our website to support stakeholder groups and the general public who were invited to have a say on the topic. The survey, received over 2,500 responses. More than 1,000 responses came from members of the public, with their overall opinion being in favour of retaining the name. However, analysis of the feedback of those respondents who were closer to the school, such as current pupils, more recent former pupils and staff, showed that they were more inclined to see a change in the name of the school as a positive step. The Governors have therefore announced in December 2021 that the school will change its name. The process of choosing a new name has begun and will involve students, former pupils, parents and staff. The new name will be announced in the summer of 2022.

There were 785 (2020: 772) pupils on the school roll at the end of the year.

Sixth Formers achieved a 100% (2020: 100%) pass rate in their A-Levels with 84% (2020: 85%) of results at the top grades A\* - B. There were many impressive individual performances, enabling students to gain places on a range of competitive courses and apprenticeships with 87% of our leavers achieving their first-choice. Destinations and courses include four medics, one chiropractic, biomedical science and sports science at Birmingham, politics at Exeter and a Degree Apprenticeship with a local accountancy firm. Three students gained scholarships with Bristol Bears and one student a tennis scholarship in the USA. No students applied to Oxford or Cambridge this year. GCSE pass rates were also as impressive, with 100% (2020: 98%) of pupils achieving 5 or more 9-4 grades including English and Maths and 99% (2020: 99%) of all grades being 9-4.

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**Strategic report (continued)**

The Future Leaders programme continued to provide students in the Sixth Form with a unique and valuable set of skills and experiences as they enter an increasingly competitive world. It aims to provide opportunities for students to:

- Understand what employability skills are and reflect on the development of these skills in themselves.
- Develop and apply employability skills through a range of authentic activities delivered with the support of industry and academia.
- To become more commercially aware and make informed decisions about their future careers and higher education options.
- To develop the skills, they will need to successfully apply for university places, apprenticeships and jobs.

The programme faced considerable difficulty as we normally rely on attracting a range of in person outside speakers and companies to support the programme. However, we were quickly able to adapt our teaching methodology, and were able to run a modified programme. Due to our existing strong links with a range of universities and employers, we were able to provide content through the medium of Teams. We were also able to provide year 12 with a delayed programme of professional projects in September 2021. These were completed face to face and involved a range of new partners including John Lewis, PACT (a charity working with HM Prisons) and the University of Bath's Sport Science department.

The careers department started a new initiative for year 10 in the summer of 2021, the World of Work Day. A number of local employers visited and ran a variety of sessions that year 10 could opt into.

The pandemic made some of our charity fundraising events difficult but we were able to raise funds through casual clothes days, cake sales and sponsored events, as well as selling poppies and collecting tinned food. Pandemic-related charities benefitted most, such as food banks and homeless charities. We also raised almost £1000 for Anti-slavery International, £1000 for the Wallace & Gromit Grand Appeal and £1000 for St Peter's Hospice in recognition of the work done to support a Colstonian and their family. We worked closely with the Marmalade Trust with pupils providing feedback on their "Loneliness Awareness Week" package for schools.

Many of our annual activities were forced to adapt to meet covid restrictions. Our Act of Remembrance, which raised hundreds of pounds for the Royal British Legion, took place on the 1<sup>st</sup> XV rugby pitch and was an impressive, solemn and thoughtful occasion with the entire school stood in silence, led by the Heads of School and senior CCF cadets. Our Carol Service moved to the Hilborne Garden and saw carols sung, hot chocolate enjoyed and a Winter Wonderland environment complete with decorations, lights and a snow machine. The Summer Drama Production went ahead outside in creative fashion with the audience following the actors on a trail around the school as the drama unfolded.

Colston's was fully involved in the Bristol Education Partnership's efforts across Bristol. Since September 2020 Colston's students have been involved in the Climate Change Challenge (a series of conferences and workshops about how we can tackle this from a school perspective), Creative Industries days (where around 30 pupils heard about a range of careers and industries), an Art competition, a BEP Cookery book, chess competitions and Oxbridge collaboration. For staff there were lots of workshops and talks offered over the year culminating at a Teacherfest throughout June.

The Commendable Challenges programme which had proved so successful in the Summer Term continued throughout the 2020-2021 academic year replacing the lunchtime clubs programme. A wide range of challenges were added addressing all areas of a holistic education creating a fully eclectic mix of online activities led by teachers.

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**Strategic report (continued)**

The CCF responded to the pandemic by moving its Year 9 training programme to Saturday mornings. This proved extremely popular with cadets and staff and saw record numbers volunteer to continue with the CCF training at the end of the year. While trips beyond school gates were not possible, our impressive onsite fields and woodland provided an ideal environment for cadet training to the extent that Saturday morning training has become a covid-keep.

The Duke of Edinburgh's Award continued in adapted fashion throughout the year with candidates working towards their Certificates of Achievement while expeditions weren't possible. Pupils worked towards their Physical, Skill and Volunteering sections under new special conditions. We were fortunate to be able to run Bronze day-expeditions for Year 9 in the summer and for Sixth Form Gold candidates as well; these expeditions were the first trips that many had participated in since the start of the pandemic and it was wonderful to see the enjoyment pupils gained from setting off with a group of friends on their adventures. The Ten Tors competition was cancelled.

The Summer Term saw a reduced Activity Week for Years 7 – 9 with some water sports in Bristol Harbour, a day at Mojo-Active and trips to Thorpe Park. The Year 10 Work Experience Week wasn't possible and, with most museums and activity centres still closed, the range of activities was less than in previous years.

The House Cup competition continued in a rather curtailed fashion with competitions held where viable. The Hockey, Cricket and Athletics competitions proved possible alongside a range of online events such as photography, drama, reading and creative writing. Sadly, the rugby, cross-country and Song weren't possible and House spirit was affected a little by year group bubbles and academic tutor groups. The Cup was retained by Roundway and we look forward to renewing lively competition in 2021 – 2022.

The Lower School were delighted to be able to fully open their doors to all students in September, operating a year group bubble system. A highlight of the term was Christmas with each year group taking part in a pre-recorded Christmas show that was shared with families to watch online. The children also enjoyed supporting the local community through creating a range of cards and gifts that were given to local care homes, and in return the children were treated to a magical Winter Wonderland experience in our on-site Forest School.

Sadly, the start of Spring Term saw us back in a national lockdown, and once again our fantastic staff turned their hand to a rotation of remote lessons for children at home and live lessons for key worker children in school. Thankfully the Summer Term saw a more normal return to school for children and staff alike, with a range of activities and events that had been missed throughout the year. Year 6 managed to perform their fantastic show 'Pantastic' to a live audience in the school's Theatre; children in the Early Years enjoyed visits from the local Police Horses and the Fire Service; all year groups took part in some competitive but hugely fun sports days; and despite there being no residential trips once again, days trips were enjoyed to Go Ape by several year groups.

**Financial Review**

The Governors believe that the School has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements (see principal accounting policies). The consolidated financial statements include the results of Colston's School, The Hilborne Foundation and the Colston's School Foundation. The consolidated Statement of Financial Activities for the year is set out on page 15. The school statement of financial activities is set out on page 16.

**School**

The net income for the year was £35,345 (2020: -£213,575). The net operating surplus before depreciation and major capital expenditure was £694,894 (2020: £488,999).

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The school receives restricted income from The Hilborne Foundation, the Old Colstonian Society, the Old Colstonian Charitable Trust, the Roger Newport Foundation, the John James Foundation, the Society of Merchant Venturers and a number of other sources. The School does not undertake significant fundraising activities or engage any professional fund raisers. The sole fees incurred raising funds are the investment management fees held in The Hilborne Foundation.

Hilborne Foundation

Investment income in the early part of the year was significantly impacted by the pandemic and although this recovered later in the year investment income decreased to £155,588 (2020: £159,563). However, the financial recovery resulted in the investment value increasing to £5.0m by the year end (2020: £3.9m).

During the year, the Foundation supported the school with a donation of £117,000 (2020: £117,000) providing support for 25 pupils who otherwise may not be able to attend the School.

Colston's School Foundation

The Foundation received donations from Old Colstonians totalling £26,438 (2020: £20,303).

During the year, the Foundation donated £16,875 (2020: £40,875) to the School providing support for 5 pupils who otherwise may not be able to attend the school.

**Reserves policy**

The group has unrestricted funds of £6,166,644 (2020: £5,634,922) and the School, £5,948,928 (2020: £5,393,300). The School is fortunate to have endowment funds and Governors seek to manage reserves, arising from annual operating surpluses and investment returns, at a level which is considered adequate to meet the future needs of the School, in terms of capital expenditure and otherwise equipping the school with the resources needed to maintain the standard of education currently provided.

The Governors also believe that it is prudent to have sufficient free reserves to ensure that the School is able to continue with its obligations in the event of a shortfall in income or unexpected upturn in expenditure. Free reserves are represented by current assets less current liabilities excluding advance fee payments, and total £1,271,958 at year end (2020: £607,091). Governors consider an optimum range to be £2.5m-£3m, representing one term's working capital requirements, and seek to further improve liquidity to this level.

**Investment policy and objectives**

The Governors may invest in such investments as they shall in their absolute discretion think fit. In practice, the School does not hold any long-term investments other than an investment made arising from donations to generate an annual income for prizes in the Charities Official Investment Fund. The Hilborne Foundation investment portfolio is managed on a discretionary basis to provide a balanced return between longer-term capital growth and current income with a medium level of risk. In view of the requirement to pay bursaries there is a need to provide a sustainable income stream which is capable of growing in real terms. Whilst there is no formal benchmark, investment performance is monitored by reference to the FT All Share Index and the APCIMS Balanced Index.

**Principal risks and uncertainties**

The Governors are responsible for the management of risks faced by the School. A Risk Register, based on the risk mapping model recommended by the Charities Commission, is maintained and potential risks outlined under the categories of: governance, operational, financial, environmental and compliance. This is reviewed at least annually by the Senior Leadership Team and the Governing body. In addition, there are detailed terms of reference for all Committees, comprehensive strategic planning, budgeting and management accounting and an established organisational structure with clear lines of reporting.

The School has a comprehensive insurance policy with an educational specialist and reviews the level of cover in

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detail each year prior to renewal. This is reviewed by the Finance and General Purposes Committee. It also takes specialist advice from external consultants. One of the principal uninsurable risks affecting the School, is a decline in pupil numbers due to competition from other independent and state schools, the economic climate and demographic changes. The School is addressing this by ensuring that the education offered by the School remains attractive and affordable.

*Coronavirus disease (COVID-19) pandemic*

The COVID-19 pandemic is ongoing in the UK. The school re-opened to all pupils from September 2020 with all government issued guidance being strictly followed to ensure we minimised the transmission of COVID-19. However, lockdown after the Christmas period meant that the school had to close its doors again in January 2021, to all but key worker and vulnerable children. The school re-opened, in line with current Government guidance, on 8<sup>th</sup> March 2021.

During the period of the return to remote teaching in early 2021, tuition fees were discounted at rates of between 6% and 15% depending on year group. The school also undertook a cost reduction exercise and secured further financial support via the Government's Coronavirus Job Retention ('furlough') Scheme where possible.

Investments, specifically the Hilborne investment, were initially impacted by the pandemic; however, they have recovered from £3.9m at the start of the financial year to £5.0m at the end of the year.

The pandemic continues to present risks to the School in respect of its ability to operate normally, as well as wider financial impacts which may arise from challenging economic circumstances. However, demand for places at Colston's remains high.

**Future plans**

School: The key objectives as reported above are unchanged. In addition to Future Leaders, we aim to increase opportunities for younger students to broaden their education through partnership work with extended agencies. It is hoped that these partnerships will include Bristol maintained schools. Capital expenditure plans are being reviewed alongside the ongoing pandemic.

Hilborne Foundation: It is the Trustees' intention to sell the investment property, ensure that the remaining outstanding matters with the Executors are resolved and the residual assets are transferred from the estate. The Foundation has pledged to continue its existing level of support for bursaries and scholarships, and continue to help the school to realise its capital projects.

Colston's School Foundation: It is the Trustees' intention to continue to build on the re-engagement with former pupils of the School and to continue to provide assistance with bursary support.

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**Statement of Trustees' responsibilities in respect of the report of the governors and the financial statements**

The trustees are responsible for preparing the report of the governors and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group's excess of expenditure over income for that period. In preparing each of the group and charitable company financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations or have no realistic alternative but to do so.

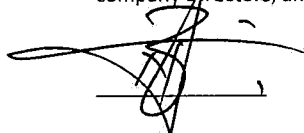
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

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

**Statement of disclosure to auditor**

So far as each person who was a trustee at the date of approving this report is aware, there is not relevant audit information of which the School's auditors are unaware. Additionally, the trustees individually have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the School's auditors are aware of that information.

The report of the Governors, incorporating the Strategic Report, was approved by order of the Governors, as the company Directors, and signed on its behalf by:



**N P Baker**  
Governor

Date: 26/1/22



**C H Green**  
Governor

Date: 26/1/22

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**Independent auditor's report to the members**

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**Opinion**

We have audited the financial statements of Colston's School for the year ended 31 July 2021 which comprise the consolidated statement of financial activities, the charity statement of financial activities, consolidated balance sheet, charity balance sheet 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 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 charitable company's state of affairs as at 31 July 2021 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

**Colston's School**  
**Annual report and financial statements**  
**For the year ended 31 July 2021**  
**Independent auditor's report to the members**

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We have nothing to report in this regard.

**Other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

- adequate 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 Trustees' Responsibilities Statement set out on pages 9-10, the trustees (who are also 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 to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under the Companies Act 2006 and under the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

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.

**Colston's School**  
**Annual report and financial statements**  
**For the year ended 31 July 2021**  
**Independent auditor's report to the members**

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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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

**Identifying and assessing risks related to irregularities:**

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

**Audit response to risks identified:**

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our 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, and to the charitable company's trustees as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Colston's School**  
**Annual report and financial statements**  
**For the year ended 31 July 2021**  
**Independent auditor's report to the members**

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*Saffery Champness LLP*

**Michael Strong (Senior Statutory Auditor)**  
for and on behalf of Saffery Champness LLP, Statutory Auditor  
Chartered Accountants  
St Catherine's Court  
Berkeley Place  
Clifton  
Bristol  
BS8 1BQ

Date: 10/2/22

**Colston's School**  
**Annual report and financial statements**  
**Consolidated statement of financial activities**  
**For the year ended 31 July 2021**

		General Funds	Restricted Endowment	Expendable Endowment	Other Restricted	Total 2021	Total 2020
		£	£	£	£	£	£
<b>Income</b>							
Donations and legacies	2	91,825	-	26,438	325,475	443,738	959,961
<i>Income from charitable activities:</i>							
School fees	3	8,864,538	-	-	-	8,864,538	8,050,415
Other ancillary income	4	105,734	-	-	-	105,734	126,224
<i>Income from other trading activities:</i>							
Trading income		29,751	-	-	-	29,751	40,609
Investment income	5	-	63,596	144,838	-	208,434	231,795
<b>Total income</b>		<u>9,091,848</u>	<u>63,596</u>	<u>171,276</u>	<u>325,475</u>	<u>9,652,195</u>	<u>9,409,004</u>
<b>Expenditure</b>							
<i>Costs of raising funds:</i>							
Trading costs	7	17,457	-	-	-	17,457	19,078
Fundraising costs	7	-	-	26,190	-	26,190	55,291
<i>Expenditure on charitable activities:</i>							
Education	7	8,587,196	-	-	304,498	8,891,694	8,740,095
Depreciation	7	142,194	514,139	-	3,216	659,549	702,574
<b>Total expenditure</b>	7	<u>8,746,847</u>	<u>514,139</u>	<u>26,190</u>	<u>307,714</u>	<u>9,594,890</u>	<u>9,517,038</u>
<b>Net income/(expenditure) before transfers</b>	6	345,001	(450,543)	145,086	17,761	57,305	(108,034)
Transfers	16	186,721	(63,596)	(123,125)	-	-	-
<b>Net income / (expenditure)</b>		<u>531,722</u>	<u>(514,139)</u>	<u>21,961</u>	<u>17,761</u>	<u>57,305</u>	<u>(108,034)</u>
Realised gain/(loss) on investment assets		-	-	149,135	-	149,135	137,534
Unrealised gain/(loss) on investment assets	11	-	-	801,934	565	802,499	(559,561)
<b>Net movement in funds</b>		<u>531,722</u>	<u>(514,139)</u>	<u>973,030</u>	<u>18,326</u>	<u>1,008,939</u>	<u>(530,061)</u>
Fund balances brought forward		5,634,922	8,401,414	5,035,488	49,043	19,120,867	19,650,928
<b>Fund balance carried forward</b>		<u>6,166,644</u>	<u>7,887,275</u>	<u>6,008,518</u>	<u>67,369</u>	<u>20,129,806</u>	<u>19,120,867</u>

All incoming resources and resources expended are derived from continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities. There is no material difference between the net expenditure for the year as stated above and their historical cost equivalent. Therefore, there is no requirement to include a separate reconciliation of net income for the year, for the purposes of the Companies Act 2006.

**Colston's School**  
**Annual report and financial statements**  
**Charity statement of financial activities**  
**For the year ended 31 July 2021**

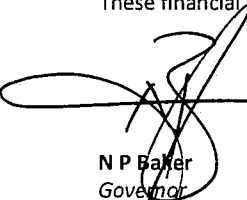
	<i>Note</i>	<b>General Funds</b>	<b>Restricted Endowment</b>	<b>Other Restricted</b>	<b>Total 2021</b>	<b>Total 2020</b>
		£	£	£	£	£
<b>Income</b>						
Donations and legacies	2	91,825	-	459,350	551,175	953,876
<i>Income on charitable activities:</i>						
School fees	3(a)	8,998,413	-	-	8,998,413	8,209,290
Other ancillary income	4	105,734	-	-	105,734	126,224
<i>Income from other trading activities:</i>						
Trading income		29,751	-	-	29,751	40,609
Investment income	5	-	63,596	-	63,596	82,982
<b>Total income</b>		<b>9,225,723</b>	<b>63,596</b>	<b>459,350</b>	<b>9,748,669</b>	<b>9,412,981</b>
<b>Expenditure</b>						
<i>Costs of raising funds:</i>						
Trading costs	7	17,457	-	-	17,457	19,078
Fundraising costs	7	-	-	-	-	-
<i>Expenditure on charitable activities:</i>						
Education (excluding depreciation & refurbishment costs)	7	8,597,945	-	438,373	9,036,318	8,904,904
Depreciation	7	118,289	514,139	27,121	659,549	702,574
<b>Total expenditure</b>	7	<b>8,733,691</b>	<b>514,139</b>	<b>465,494</b>	<b>9,713,324</b>	<b>9,626,556</b>
<b>Net income/(expenditure) before transfers</b>	6	<b>492,032</b>	<b>(450,543)</b>	<b>(6,144)</b>	<b>35,345</b>	<b>(213,575)</b>
Transfers	16	63,596	(63,596)	-	-	-
<b>Net income/(expenditure) before other recognised gains and losses</b>		<b>555,628</b>	<b>(514,139)</b>	<b>(6,144)</b>	<b>35,345</b>	<b>(213,575)</b>
Gain on investment assets	11	-	-	565	565	9
<b>Net movement in funds</b>		<b>555,628</b>	<b>(514,139)</b>	<b>(5,579)</b>	<b>35,910</b>	<b>(213,566)</b>
Fund balances brought forward		5,393,300	8,401,414	290,667	14,085,381	14,298,947
<b>Fund balance carried forward</b>		<b>5,948,928</b>	<b>7,887,275</b>	<b>285,088</b>	<b>14,121,291</b>	<b>14,085,381</b>


All incoming resources and resources expended are derived from continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities. There is no material difference between the net expenditure for the year as stated above and their historical cost equivalent. Therefore, there is no requirement to include a separate reconciliation of net income for the year, for the purposes of the Companies Act 2006.

**Colston's School**  
**Annual report and financial statements**  
**Consolidated balance sheet**  
**As at 31 July 2021**

	Note	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Permanent endowment			5,587,275		6,101,414
Other assets			8,376,790		8,273,106
			<u>                    </u>		<u>                    </u>
Tangible assets	10		13,964,065		14,374,520
Investments:	11				
Permanent endowment			2,300,000		2,300,000
Expendable endowment			5,253,343		4,231,072
			<u>                    </u>		<u>                    </u>
			21,517,408		20,905,592
<b>Current assets</b>					
Stocks	12	5,533		4,584	
Debtors	13	408,487		476,076	
Cash at bank and in hand		2,488,799		1,601,679	
		<u>2,902,819</u>		<u>2,082,339</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(2,909,795)</u>		<u>(2,621,516)</u>	
			<u>                    </u>		<u>                    </u>
<b>Net current (liabilities)</b>			(6,976)		(539,177)
			<u>                    </u>		<u>                    </u>
<b>Total assets less current liabilities</b>			21,510,432		20,366,415
<b>Creditors: amounts falling due after more than one year</b>	15		(1,380,626)		(1,245,548)
			<u>                    </u>		<u>                    </u>
<b>Total net assets</b>			20,129,806		19,120,867
			<u>                    </u>		<u>                    </u>
<b>Represented by:</b>					
Unrestricted general funds			6,166,644		5,634,922
Restricted funds	16a)		67,369		49,043
Restricted funds – permanent endowment	16b)		7,887,275		8,401,414
Restricted funds – expendable endowment	16c)		6,008,518		5,035,488
			<u>                    </u>		<u>                    </u>
<b>Total funds</b>	17		20,129,806		19,120,867
			<u>                    </u>		<u>                    </u>

These financial statements were approved by the Governors on <sup>26/1/22</sup>..... and were signed on its behalf by:

  
**N P Baker**  
*Governor*

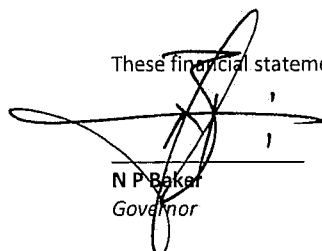
  
**C H Green**  
*Governor*

Company registered number: 02792699

**Colston's School**  
**Annual report and financial statements**  
**Charity balance sheet**  
**As at 31 July 2021**

	Note	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Permanent endowment			5,586,920		6,101,414
Other assets			8,377,145		8,273,106
			<u>13,964,065</u>		<u>14,374,520</u>
Tangible assets	10		13,964,065		14,374,520
Investments:	11				
School			4,019		3,454
Investment Property			2,300,000		2,300,000
			<u>16,268,084</u>		<u>16,677,974</u>
<b>Current assets</b>					
Stocks	12	5,533		4,584	
Debtors	13	351,944		439,185	
Cash at bank and in hand		2,345,606		1,396,282	
			<u>2,703,083</u>	<u>1,840,051</u>	
Creditors: amounts falling due within one year	14	(2,885,000)		(2,913,596)	
			<u>(181,917)</u>	<u>(1,073,545)</u>	
<b>Net current (liabilities)</b>					
			(181,917)		(1,073,545)
<b>Total assets less current liabilities</b>			<u>16,086,167</u>		<u>15,604,429</u>
Creditors: amounts falling due after more than one year	15		(1,964,876)		(1,519,048)
			<u>(1,964,876)</u>		<u>(1,519,048)</u>
<b>Total net assets</b>			<u>14,121,291</u>		<u>14,085,381</u>
<b>Represented by:</b>					
Unrestricted general funds			5,948,928		5,393,300
Restricted funds	16(a)		285,088		290,667
Restricted funds - endowment	16(b)		7,887,275		8,401,414
			<u>14,121,291</u>		<u>14,085,381</u>
<b>Total funds</b>	17		<u>14,121,291</u>		<u>14,085,381</u>

These financial statements were approved by the Governors on 26/1/22 and were signed on its behalf by:

  
 N P Baker  
 Governor

  
 C H Green  
 Governor

Company registered number: 02792699

**Colston's School**  
**Annual report and financial statements**  
**Consolidated cash flow statements**  
**For the year ended 31 July 2021**

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	<b>2021</b>	2020
	£	£
<b>Cash flows from operating activities</b>		
Net expenditure for the year	57,305	(108,034)
<i>Adjustments for:</i>		
Depreciation, amortisation and impairment	659,549	702,474
Investment income	(238,430)	(231,795)
Interest payable and similar charges	-	-
	<hr/>	<hr/>
	478,424	362,645
Decrease in trade and other debtors	67,589	15,116
(Increase) / decrease in stocks	(949)	(2,035)
(Decrease) / increase in trade and other creditors	155,613	92,381
(Decrease) in payment of fees in advance	-	-
Increase / (decrease) in advance payment of fees	217,744	195,116
	<hr/>	<hr/>
<b>Net cash from operating activities</b>	918,421	663,223
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Proceeds from sales of investments	760,986	807,124
Acquisition of investments	(831,623)	(631,253)
Interest received	4	308
Investment income	174,830	148,505
Rental income	63,596	82,982
Acquisition of tangible fixed assets	(249,094)	(19,337)
	<hr/>	<hr/>
<b>Net cash from investing activities</b>	(81,301)	388,329
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
Interest paid	-	-
Increase in loan finance	50,000	-
	<hr/>	<hr/>
<b>Net cash from financing activities</b>	50,000	-
	<hr/>	<hr/>
Net increase / (decrease) in cash and cash equivalents	887,120	1,051,552
Cash and cash equivalents at 1 August	1,601,679	550,127
	<hr/>	<hr/>
<b>Cash and cash equivalents at 31 July</b>	2,488,799	1,601,679
	<hr/> <hr/>	<hr/> <hr/>

**Colston's School**  
**Annual report and financial statements**  
**Notes to the financial statements**  
**For the year ended 31 July 2021**

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**1 Accounting policies**

**Company information**

Colston's School is a company limited by guarantee incorporated in England and Wales (registered number 02792699). Its registered office is Colston's School, Bell Hill, Stapleton, Bristol, BS16 1BJ.

**Presentation of financial statements**

The financial statements of the School have been prepared under the historical cost convention, modified to include the revaluation of investment properties at fair value, in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the 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) (Charities SORP (FRS 102)), the Charities Act 2011 and the Companies Act 2006.

The entity is a public benefit entity as defined under FRS 102.

The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

**Basis of accounting**

The accounting policies that the School has adopted to determine the amounts included in respect of material items shown in the balance sheet and also to determine the income and expenditure have been applied consistently in the current and prior year and are shown below.

**Basis of consolidation**

The consolidated financial statements include the results of Colston's School, Colston's School Foundation (company no 06886088 charity no 4045697) and the Hilborne Foundation (charity no 1049044) for the year to 31 July 2021. The Colston's School Foundation was established with the sole purpose of creating a bursarial fund for Colston's School. The Hilborne Foundation was set up by Joan and Kenneth Hilborne with the sole purpose of advancing education through the creation of bursaries and the provision of financial assistance to the School. The School is deemed to have control over these charities through the aligned objectives and close interaction between the trustees. All entities in the group have the same year end and consistent accounting policies.

**Going concern**

The Governors have prepared the accounts on a going concern basis which they consider is appropriate despite the continuation of the COVID pandemic.

The school has developed a remote teaching provision which it can revert to in order to fulfil its contractual obligation and therefore protecting tuition fee income.

The Governors are satisfied that there are no material uncertainties in respect of the school's ability to continue operating as a going concern.

**Income**

Income is recognised when the School has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the School has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

**Colston's School**  
**Annual report and financial statements**  
**Notes to the financial statements**  
**For the year ended 31 July 2021**

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*Accounting policies (continued)*

*Income (continued)*

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

School fees receivable are accounted for in the year in which the service is provided. They are stated after deducting scholarships, bursaries and other remissions granted by the School and the staff salary sacrifice scheme, but include contributions received from restricted funds for scholarships, bursaries and other grants. Fees received in advance of education to be provided in future years under an advance fee payments scheme contract are held as interest-bearing liabilities until they are either taken to income in the term when used or else refunded.

**Expenditure**

All expenditure is accounted for on an accruals basis, and is recognised when there is a legal or constructive obligation to pay for expenditures.

*Costs of raising funds*

Trading costs represent the costs borne by the School in respect of the trading income. Fundraising costs represent the costs of an administrator.

*Charitable activities*

These costs represent the cost of providing education at the School and the upkeep and improvement of the facilities.

*Support costs*

Support costs comprise the direct costs, including staff, attributable to School activities and an appropriate apportionment of indirect costs. They are allocated to the one charitable activity, being the provision of education.

*Irrecoverable VAT*

Any irrecoverable VAT is charged to the Statement of Financial Activities, or capitalised as part of the cost of the related assets, where appropriate.

**Colston's School**  
**Annual report and financial statements**  
**Notes to the financial statements**  
**For the year ended 31 July 2021**

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**1 Accounting policies (continued)**

**Recognition of liabilities**

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions and events.

**Fund accounting**

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Governors in furtherance of the general objectives of the School.

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

The permanent endowment represents the value of the land and buildings transferred by Colston's Hospital Trust under a 125 year lease in 2004 net of subsequent repair and maintenance costs and enhancements. The expendable endowment represents the estimated final value of the assets due to the Hilborne Foundation and the actual assets of the Colston's School Foundation.

**Pension costs**

The School contributes to the Teacher's Pension Scheme ("the TPS") at rates set by the Scheme Actuary and advised to the Governors by the Scheme Administrator.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Group in such a way that the pension cost is a substantial 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 benefit method. As stated in note 20, the TPS is a multi-employer scheme and the Group is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**Tangible fixed assets and depreciation**

Tangible fixed assets are normally stated at cost, less accumulated depreciation, at rates calculated to write off the cost, less their estimated residual values over the expected useful economic lives of the assets concerned on a straight-line basis. The annual rates used for this purpose are:

Furniture and equipment	Ten to four years
Land and buildings	Ten to fifty years dependent on their economic life
Motor vehicles	Four years

Assets with a cost below £500 are not capitalised.

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**1 Accounting policies (continued)**

**Investments**

The investment value represents the market value of the investments managed by Smith and Williamson on behalf of the Hilborne Foundation. The SOFA includes the net gains and losses arising on valuation and disposals of equities under the direct control of the Foundation throughout the year.

Investment properties are revalued annually, in accordance with FRS102 to open market value by external valuers. Depreciation is not provided in respect of freehold investment properties.

**Investment properties**

Investment properties are properties held primarily for either capital appreciation or to earn rentals. Properties meeting this classification are initially measured at cost. Subsequently, they are valued at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

**Leases**

Costs in respect of operating leases are charged on a straight-line basis over the lease term.

**Stock**

This represents food, uniform and other consumables which are stated at cost.

**Basic financial instruments**

*Trade and other debtors / creditors*

Trade debtors represent outstanding fees and sundry charges that have been invoiced and are receivable from parents for services delivered. They are recognised initially at transaction price less attributable transaction costs. Trade and other creditors represent invoiced costs for approved transactions and are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

*Interest-bearing borrowings classified as basic financial instruments*

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

**Critical accounting estimates and areas of judgement**

Estimates and judgements 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.

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**1 Accounting policies (continued)**

***Critical accounting estimates and assumptions***

The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

***Impairment of debtors***

The School makes an estimate for the recoverable value of fees receivable and other debtors. When assessing impairment of debtors, management considers factors including the ageing profile of debtors and historical experience, including the impact of the Coronavirus disease pandemic. See note 13 for the net carrying amount of the debtors.

***Useful economic lives of tangible assets***

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives of the assets so these are re-assessed annually and amended when necessary to reflect current estimates. See note 10 for the carrying amount of the property plant and equipment, and note 1 for the useful economic lives for each class of assets.

***Valuation and classification of investment properties***

The School has a number of properties which earn rental income; some being rented out to staff and others to third parties. The Trustees judge that where a property is primarily rented to a member of staff as part of their employment then this results in the property being used in charitable activities and is therefore classified as land and buildings. If a property is held to earn rental income, and could be let on the open market, then it is deemed to be an investment.

The latest external valuation was undertaken in September 2019 by RICS qualified persons. For the current year the Trustees have reviewed local sales prices and data on local property prices to assess whether there would have been a material movement in the valuation.

***Critical areas of judgement and estimation uncertainty***

The area of critical judgement is the investment property valuations which is noted above.

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**2 Donations and legacies**

<b>Consolidated</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Individuals	26,543	165,165
Government grants	81,395	420,492
Charitable foundations	335,800	374,304
	<u>443,738</u>	<u>959,961</u>
	<u><u>443,738</u></u>	<u><u>959,961</u></u>
 <b>School</b>	 <b>2021</b>	 <b>2020</b>
	<b>£</b>	<b>£</b>
Individuals	100	205
Government grants	81,395	420,492
Charitable foundations	469,680	533,179
	<u>551,175</u>	<u>953,876</u>
	<u><u>551,175</u></u>	<u><u>953,876</u></u>

Government grants received in the year related to the Coronavirus Job Retention Scheme.

**3 (a) School fee income**

<b>Consolidated</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Gross fees	10,719,291	10,100,606
Less: Total bursaries, grants and allowances	(2,144,018)	(2,371,272)
Add back: Scholarships; grants etc paid by restricted funds	289,265	321,081
	<u>8,864,538</u>	<u>8,050,415</u>
<b>Net fee income</b>	<b>8,864,538</b>	<b>8,050,415</b>
	<u><u>8,864,538</u></u>	<u><u>8,050,415</u></u>
 <b>School</b>	 <b>2021</b>	 <b>2020</b>
	<b>£</b>	<b>£</b>
Gross fees	10,719,291	10,100,606
Less: Total bursaries, grants and allowances	(2,144,018)	(2,371,272)
Add back: Scholarships; grants etc paid by restricted funds	423,140	479,956
	<u>8,998,413</u>	<u>8,209,290</u>
	<u><u>8,998,413</u></u>	<u><u>8,209,290</u></u>

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**3 (b) Grants, awards and prizes from restricted funds comprise**

<b>Consolidated</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Scholarships, grants etc	289,265	321,081
Prizes and leaving awards	6,528	4,868
	<hr/>	<hr/>
<b>Net fee income</b>	<b>295,793</b>	<b>325,949</b>
	<hr/> <hr/>	<hr/> <hr/>
 <b>School</b>	 <b>2021</b>	 <b>2020</b>
	<b>£</b>	<b>£</b>
Scholarships, grants etc	423,140	479,956
Prizes and leaving awards	6,528	4,868
	<hr/>	<hr/>
	<b>429,668</b>	<b>484,824</b>
	<hr/> <hr/>	<hr/> <hr/>

The above scholarships and grants were made to 72 individuals (2020: 72).

**4 Other ancillary income**

<b>Consolidated and School</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Other ancillary activities</b>		
School bus	48,881	48,764
Insurance commissions -	-	7,576
Learning support	14,970	6,538
Tuck and wrap around care	41,883	63,346
	<hr/>	<hr/>
	<b>105,734</b>	<b>126,224</b>
	<hr/> <hr/>	<hr/> <hr/>

**5 Investment income**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Income from investments – expendable endowment fund	144,834	148,505
Income from investment – restricted fund	63,596	82,982
Bank interest received	4	308
	<hr/>	<hr/>
	<b>208,434</b>	<b>231,795</b>
	<hr/> <hr/>	<hr/> <hr/>

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**6 Net income/(expenditure)**

	<b>2021</b>	2020
	£	£
Net income is stated after charging:		
Auditor's remuneration (excluding irrecoverable VAT) for audit services – consolidated	16,500	16,500
Auditor's remuneration (excluding irrecoverable VAT) for audit services – school only	14,500	14,500
Depreciation on tangible fixed assets	659,549	702,474
Payments to defined benefit pension schemes	851,773	802,994
Payments to defined contribution pension schemes	60,871	65,217

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**7 Resources expended**

<b>Consolidated</b>	<b>Staff Costs £</b>	<b>Other Costs £</b>	<b>Depreciation £</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Cost of generating funds</b>					
Trading costs	17,457	-	-	17,457	19,078
Fundraising costs	-	26,190	-	26,190	55,291
<b>Expenditure on Charitable activities</b>					
Teaching	5,910,491	372,804	-	6,283,295	6,018,146
Welfare	-	404,508	-	404,508	516,343
Premises	337,067	742,637	529,283	1,608,987	1,510,510
Grants, awards and prizes	-	295,793	-	295,793	325,949
Support costs	381,939	446,455	130,266	958,660	1,071,721
<b>2021</b>	<b>6,646,954</b>	<b>2,288,387</b>	<b>659,549</b>	<b>9,594,890</b>	<b>9,517,038</b>
<b>2020</b>	<b>6,422,465</b>	<b>2,391,999</b>	<b>702,574</b>	<b>9,517,038</b>	
<b>School</b>	<b>Staff Costs £</b>	<b>Other Costs £</b>	<b>Depreciation £</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Cost of raising funds</b>					
Trading costs	17,457	-	-	17,457	19,078
Fundraising costs	-	-	-	-	-
<b>Expenditure on Charitable activities</b>					
Teaching	5,910,491	372,804	-	6,283,295	6,018,146
Welfare	-	404,508	-	404,508	516,343
Premises	337,067	753,387	529,283	1,619,737	1,521,260
Grants, awards and prizes	-	429,668	-	429,668	484,824
Support costs	381,939	446,455	130,266	958,660	1,066,905
<b>2021</b>	<b>6,646,954</b>	<b>2,406,822</b>	<b>659,549</b>	<b>9,713,325</b>	<b>9,626,556</b>
<b>2020</b>	<b>6,422,465</b>	<b>2,501,517</b>	<b>702,574</b>	<b>9,626,556</b>	

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**8 Employee information**

**Staff costs - School**

	<b>2021</b>	2020
	£	£
Wages and salaries	5,147,918	4,974,771
Social security costs	504,519	467,248
Pension contributions	912,644	860,257
Agency staff costs	81,873	120,190
	<u>6,646,954</u>	<u>6,422,466</u>
	<u><u>6,646,954</u></u>	<u><u>6,422,466</u></u>

The school introduced a salary sacrifice scheme for School Fees for the year commencing 1 September 2014. This scheme ended 31 March 2021.

**Staff numbers - School**

The average number of employees during the year were:

	<b>2021</b>	2020
	£	£
Teaching	98	100
Administrative and support	43	30
Welfare	14	14
Premises	11	10
	<u>166</u>	<u>154</u>
	<u><u>166</u></u>	<u><u>154</u></u>

88 of the above staff have benefits accruing under the defined benefit Teachers' Pension Scheme (2020: 87) (note 20).

The number of employees whose average annual taxable emoluments (excluding pension contributions) exceeded £60,000 was:

	<b>2021</b>	2020
	£	£
£120,000 to £130,000	1	1
£80,000 to £90,000	2	1
£70,000 to £80,000	-	1

For the members of staff whose average annual emoluments exceeded £60,000 pension contributions amounting to £61,787 (2020: £56,810) were paid for benefits accruing under a defined benefit scheme.

The key management personnel of the school comprise the Trustees, Head of Colston's, Deputy Head of Colston's and Head of the Lower School. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the School was £349,946 (2020: £334,113). Their pay is reviewed annually by the Finance committee.

No Governor received remuneration from the School during the year (2020: nil).

There are no employees of the Hilborne Foundation or the Colston's School Foundation.

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**9 Financing costs - School**

	<b>2021</b>	2020
	£	£
Interest payable and similar charges included within educational support costs		
On loans	35,750	35,750
Total interest payable	35,750	35,750
Bank charges	4,329	8,478
	<u>40,079</u>	<u>44,228</u>

**10 Tangible fixed assets**

	Long leasehold land and buildings	Furniture and equipment	Motor Vehicles	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 August 2020	21,911,777	2,414,682	22,000	24,348,459
Additions	231,825	17,269	-	249,094
<b>At 31 July 2021</b>	<u>22,143,602</u>	<u>2,431,951</u>	<u>22,000</u>	<u>24,597,553</u>
<b>Accumulated depreciation</b>				
At 1 August 2020	7,870,043	2,081,896	22,000	9,973,939
Charge for the year	529,283	130,266	-	659,549
<b>At 31 July 2021</b>	<u>8,399,326</u>	<u>2,212,162</u>	<u>22,000</u>	<u>10,633,488</u>
<b>Net book value</b>				
<b>At 31 July 2021</b>	<u>13,744,276</u>	<u>219,789</u>	<u>-</u>	<u>13,964,065</u>
At 31 July 2020	<u>14,041,734</u>	<u>332,786</u>	<u>-</u>	<u>14,374,520</u>

All of the properties currently utilised by the School (apart from the current CCF building which was rebuilt in 2004) were transferred to the Company by way of 125-year leases at a peppercorn rent. The freehold interests continue to be held by Colston's Hospital Trust. The properties were valued by Alder King in accordance with the RICS Appraisal and Valuation Standards in particular in accordance with UK Practice Statement 1 and Financial Reporting Standard 15 at 31 December 2003, when the leases were granted. They are recorded at cost. Subsequent additions have been recorded at cost.

The net book value of the assets under property leases at 31 July 2021 was £13,744,276 (2020: £14,041,734). The value of assets included within long leasehold land and buildings that are part of the permanent endowment is £5,586,920 (2020: £6,101,414).

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**11 Investments**

Consolidated	2021			2020		
	Investment properties	Securities and other investments	Total	Investment properties	Securities and other investments	Total
At 1 August	2,651,468	3,879,604	6,531,072	2,651,468	4,477,502	7,128,970
Additions	-	831,624	831,624	-	631,253	631,253
Disposals	-	(611,852)	(611,852)	-	(669,590)	(669,590)
Net revaluation gain	-	802,499	802,499	-	(559,561)	(559,561)
<b>At 31 July</b>	<b>2,651,468</b>	<b>4,901,875</b>	<b>7,553,343</b>	<b>2,651,468</b>	<b>3,879,604</b>	<b>6,531,072</b>

Charity	2021			2020		
	Investment properties	Securities and other investments	Total	Investment properties As restated	Securities and other investments	Total As restated
At 1 August	2,300,000	3,454	2,303,454	2,300,000	3,445	2,303,445
Net revaluation gain	-	565	565	-	9	9
<b>At 31 July</b>	<b>2,300,000</b>	<b>4,019</b>	<b>2,304,019</b>	<b>2,300,000</b>	<b>3,454</b>	<b>2,303,454</b>

**Investment properties**

The investment properties include a property in Spain, valued at £351,468 (2020: £353,461), that is currently being marketed for sale.

Investment properties, carried at £2,300,000 in the financial statements, were externally valued by RICS qualified persons in May 2021. For the years ended 31 July 2020 and 31 July 2021 the Trustees assessed the valuation by reviewing local property data to assess their year end valuation. There are covenants in place for these properties through the long leasehold that they are to be used for the benefit of the School.

If held at historical cost the properties would hold a carrying value of £760,434 (2020: £781,452) in the Charity and £1,113,895 (2020: £1,134,913) in the Group.

HSBC hold a First Legal charge over investment properties included in the financial statements with a fair value of £1,485,000 (2020: £1,485,000).

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**11 Investments (continued)**

Investments with a market value of £5,017,649 (2020: £3,876,150) are managed on behalf of the Hilborne Foundation by Smith and Williamson. The portfolio is spread across distinct classes of investment as follows:

	<b>2021</b>	<b>2020</b>
	£	£
UK Listed Equity	1,627,132	1,183,396
UK Alternative Investments Market	787,412	543,655
UK Fixed Interest	310,153	458,870
Overseas Listed Equity	1,918,979	1,539,340
UK Specialist Credit	-	63,000
Multi Asset	95,384	33,638
Overseas Fixed Interest	158,793	54,251
Cash	119,796	-
	<hr/>	<hr/>
<b>Market value at 31 July</b>	<b>5,017,649</b>	<b>3,876,150</b>
	<hr/> <hr/>	<hr/> <hr/>

The School's investments have been invested in the COIF Charities Investment Fund and the income included within prize income (see note 3b).

**12 Stock**

**Consolidated and School**

	<b>2021</b>	<b>2020</b>
	£	£
Consumables	5,533	4,584
	<hr/>	<hr/>

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**13 Debtors**

**Consolidated**

	<b>2021</b>	2020
	£	£
Fees receivable – Gross	288,078	291,526
Bad debt provision	(85,864)	(112,446)
	<u>          </u>	<u>          </u>
Fees receivable – Net	202,214	179,080
Prepayments and accrued income	177,371	268,144
Other debtors	28,902	28,852
	<u>          </u>	<u>          </u>
	<u>408,487</u>	<u>476,076</u>

**School**

	<b>2021</b>	2020
	£	£
Fees receivable – Gross	288,078	291,526
Bad debt provision	(85,864)	(112,446)
	<u>          </u>	<u>          </u>
Fees receivable – Net	202,214	179,080
Prepayments and accrued income	126,141	235,357
Other debtors	23,589	24,748
	<u>          </u>	<u>          </u>
	<u>351,944</u>	<u>439,185</u>

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**14 Creditors: amounts falling due within one year**

<b>Consolidated</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	308,245	240,637
Taxation and social security	131,230	214,908
Other creditors and accruals	931,636	793,076
Refundable deposits	259,750	226,627
Advance fee payments (see note 17)	1,278,934	1,146,268
	<u>2,909,795</u>	<u>2,621,516</u>
	<u>2,909,795</u>	<u>2,621,516</u>
 <b>School</b>	 <b>2021</b>	 <b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	308,245	240,638
Taxation and social security	131,230	214,908
Other creditors and accruals	906,841	785,155
Refundable deposits	259,750	226,627
Advance Fee payments	1,278,934	1,146,268
Loan from the Hilborne Foundation	-	300,000
	<u>2,885,000</u>	<u>2,913,596</u>
	<u>2,885,000</u>	<u>2,913,596</u>

The refundable deposits are repayable when a pupil leaves at the end of term net of any sundry costs. They are included within creditors less than one year as pupils may leave on one term's notice.

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**15 Creditors: amounts falling due after more than one year**

**Consolidated**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Advance fee payments	830,626	745,548
Loan from Old Colstonian Charitable Trust	500,000	500,000
Bounce Back Loan	50,000	-
	<u>1,380,626</u>	<u>1,245,548</u>

**School**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Advance fee payments	830,626	745,548
Loan from Old Colstonian Charitable Trust	500,000	500,000
Loan from The Hilborne Foundation	584,250	273,500
Bounce Back Loan	50,000	-
	<u>1,964,876</u>	<u>1,519,048</u>

On the 24 July 2009 the School entered into a loan agreement with the Old Colstonian Charitable Trust to borrow £500,000. The loan is secured on two residential properties and interest is payable annually in arrears at an initial rate of 5% which is increased annually each January by the inflationary increase in school fees. The loan period was extended for a further ten years in July 2019 and the loan is now due for repayment on 24 July 2029. The rate of interest applicable in the year was 5% (2020: 5%).

On 1 May 2018 the school entered into a loan agreement with The Hilborne Foundation to borrow £250,000. The loan is unsecured and interest is payable at an initial rate of 4% which is increased annually by the inflationary increase in school fees. The rate of interest applicable in the year was 4.3% (2020: 4.3%). The loan is repayable in full on 1 May 2028.

On 27 March 2020 the school borrowed an additional £300,000 from the Hilborne Foundation. This loan is unsecured, interest free and due for repayment in 2031.

The total outstanding balance at the year-end related to these loans is £584,250 (2020: £573,500).

**Advance fee payments**

The School operates a scheme where parents may enter into a contract to pay to the School tuition fees in advance for the duration of their education. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the School, advance fees will be applied as shown below:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
More than 5 years	17,181	34,096
Within 2 to 5 years	328,134	274,799
Within 1 to 2 years	485,311	436,653
	<u>830,626</u>	<u>745,548</u>
Within 1 year (note 14)	1,278,934	1,146,268
	<u>2,109,560</u>	<u>1,891,816</u>

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**16 Restricted and designated funds**

**(a) Restricted funds – others**

**Consolidated**

	Balance at 1 August 2020 £	Incoming £	Outgoing £	Gains, losses and transfers £	Balance at 31 July 2021 £
Bursaries and Scholarships	-	91,086	(89,551)	-	<b>1,535</b>
Society of Merchant Venturers	-	24,000	(24,000)	-	-
Old Colstonian Society	-	15,084	(15,084)	-	-
Old Colstonian Charitable Trust	-	76,539	(76,539)	-	-
John James Foundation	-	30,000	(30,000)	-	-
Roger Newport Foundation	-	55,646	(55,646)	-	-
Prize Fund	3,199	6,524	(7,528)	565	<b>2,760</b>
Sundry donations	2,755	3,395	(6,150)	-	-
MoD donations	18,532	-	(3,216)	-	<b>15,316</b>
Parents Society donations	-	23,201	-	-	<b>23,201</b>
Lawn Tennis Association	4,927	-	-	-	<b>4,927</b>
Theatre seats	19,630	-	-	-	<b>19,630</b>
	<u>49,043</u>	<u>325,475</u>	<u>(307,714)</u>	<u>565</u>	<u>67,369</u>

The bursaries and scholarships fund comprise donations and legacies specifically given to the School for the purpose of enabling the School to provide bursaries and scholarships to pupils who otherwise might not be able to afford the fees. Donations towards bursaries and scholarships received from the Society of Merchant Venturers, the Old Colstonian Charitable Trust, the John James Foundation and the Roger Newport Foundation are shown separately.

During the year, the Old Colstonian Charitable Trust fully sponsored four pupils from Oasis Brightstowe in the Sixth Form. These Scholarships, known as the Tolman Scholarships, are in memory of Jim Tolman who was a former pupil at Colston's School and taught at Oasis Brightstowe. The Trust also supported three further pupils in the Sixth form. Roger Newport was an Old Colstonian and established the Roger Newport Foundation to provide bursarial support to enable both existing and new pupils to study at Colston's in the Sixth Form. The John James Foundation award is in respect of bursarial support for pupils who must live in the city of Bristol and prizes.

The Old Colstonian Society made donations to support several overseas trips and contributed towards the cost of their Administrator, employed by the school.

The Parents' society had another successful year of events. Donations were received to contribute towards the enhancement of the academic provision across a variety of departments. The outgoing movement in the majority of other funds represents depreciation on assets purchased with the funds.

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**16 Restricted and designated funds (continued)**

**(a) Restricted funds – others (continued)**

School	Balance at 1 August 2020 £	Incoming £	Outgoing £	Gains, losses and transfers £	Balance at 31 July 2021 £
Bursaries and Scholarships	-	91,086	(89,551)	-	1,535
Society of Merchant Venturers	-	24,000	(24,000)	-	-
Old Colstonian Society	-	15,084	(15,084)	-	-
Old Colstonian Charitable Trust	-	76,539	(76,539)	-	-
John James Foundation	-	30,000	(30,000)	-	-
Roger Newport Foundation	-	55,646	(55,646)	-	-
Colston's School Foundation – bursaries	-	16,875	(16,875)	-	-
Hilborne Foundation – bursaries	-	117,000	(117,000)	-	-
Hilborne Foundation – Hilborne Garden	16,870	-	(11,405)	-	5,465
Prize fund	2,951	6,526	(7,528)	565	2,514
Sundry donations	2,757	3,393	(6,150)	-	-
MoD donation towards CCF building	18,532	-	(3,216)	-	15,316
Parents Society donations	-	23,201	-	-	23,201
Lawn Tennis Association	4,927	-	-	-	4,927
Theatre seats	19,630	-	-	-	19,630
Hilborne Foundation	225,000	-	(12,500)	-	212,500
	<u>290,667</u>	<u>459,350</u>	<u>(465,494)</u>	<u>565</u>	<u>285,088</u>

**(b) Permanent Endowment funds**

**Consolidated and school**

	Balance at 1 August 2020 £	Movement in reserves			Balance at 31 July 2021 £
		Incoming £	Outgoing £	Transfer £	
Granting of long leasehold interest	6,101,414	63,596	(514,139)	(63,596)	5,587,275
Investment property	2,300,000	-	-	-	2,300,000
	<u>8,401,414</u>	<u>63,596</u>	<u>(514,139)</u>	<u>(63,596)</u>	<u>7,887,275</u>

The income is rental derived from the commercial let of residential properties which has subsequently been transferred to unrestricted funds as these assets were given to the charity to further its charitable purpose. The movement on the long leasehold interest reflects the depreciation on the properties and repair and enhancement costs.

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**16 Restricted and designated funds (continued)**

**(c) Expendable Endowment Fund**

**Consolidated only**

	Balance at 1 August 2020 £	Movement in reserves				Balance at 31 July 2021 £
		Incoming £	Outgoing £	Transfer £	Investment gains £	
Colston's School Foundation	13,554	26,438	-	(16,875)	-	<b>23,117</b>
Hilborne Foundation	5,021,934	144,838	(26,190)	(106,250)	951,069	<b>5,985,401</b>
	<u>5,035,488</u>	<u>171,276</u>	<u>(26,190)</u>	<u>(123,125)</u>	<u>951,069</u>	<u><b>6,008,518</b></u>

The income on the Colston's School Foundation represents donations received from individuals. The transfer is in respect of bursarial support to the School net of interest receivable. The income on the Hilborne Foundation represents interest and investment income earned and the net profit on the sale of investments. The revaluation is on all investments attributable to the Foundation. The outgoings represent various administrative costs and legal fees in finalising the estate and resolving outstanding issues relating to the investment properties.

**17 Allocation of the net assets between funds**

<b>Consolidated</b>	Fixed assets £	Net current assets/ (liabilities) £	Long-term liabilities £	<b>Total £</b>
Unrestricted funds	8,412,587	(865,317)	(1,380,626)	6,166,644
Restricted funds – other	35,402	31,967	-	67,369
Permanent endowment	7,887,275	-	-	7,887,275
Expendable endowment	5,182,144	826,374	-	6,008,518
	<u>21,517,408</u>	<u>(6,976)</u>	<u>(1,380,626)</u>	<u><b>20,129,806</b></u>

<b>School</b>	Fixed assets £	Net current assets/ (liabilities) £	Long-term liabilities £	<b>Total £</b>
Unrestricted funds	8,120,407	(506,603)	(1,664,876)	5,948,928
Restricted funds	260,402	24,686	-	285,088
Endowment - Permanent	7,887,275	-	-	7,887,275
	<u>16,268,084</u>	<u>(481,917)</u>	<u>(1,664,876)</u>	<u><b>14,121,291</b></u>

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**18 Operating lease commitments**

The expense recognised in the year in respect of equipment held under operating leases was £38,752 (2020: £46,484). The remaining lease payments under operating leases for equipment is £58,097 (2020: £78,993) payable:

	2021 £	2020 £
Less than one year	45,470	38,752
Two to five years	12,627	40,241
	<u>58,097</u>	<u>78,993</u>

**19 Analysis of changes in net debt**

**Consolidated**

	At 1 August 2020 £	Cash flow £	At 31 July 2021 £
Cash at bank and in hand	1,601,679	887,120	2,488,799
Debt due after one year	(500,000)	(50,000)	(550,000)
	<u>1,101,679</u>	<u>837,120</u>	<u>1,938,799</u>

**20 Pensions and pension scheme**

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £851,773 (2020: £802,994) and at the year-end £73,680 (2020: £68,328) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pension Scheme Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. Until 31 August 2019, the actuarial valuation of the TPS prepared as at 31 March 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%.

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**Pensions and pension scheme** *(continued)*

The latest actuarial valuation of the TPS was prepared as at 31 March 2016 and the valuation report, confirmed an employer contribution rate for the TPS of 23.6% from 1 September 2019. Employers were also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%. The next valuation, based on data as at 31 March 2020, is underway and any changes to contributions will take effect in April 2024.

**Non-academic staff pension scheme**

From 1 September 1999 the School has made contributions for non-academic staff to a defined contribution pension scheme administered by the Standard Life Assurance Company and the superannuation costs representing the costs payable to the fund in the year amounted to £47,936 (2020: £45,288). It has also made contributions to a defined contribution pension scheme administered by Nest which is an authorised scheme for auto-enrolment and the superannuation costs payable in the year amounted to £4,383 (2020: £4,393).

For these pension schemes the contributions made by the School are charged to the Statement of financial activities when they fall due.

**21 Related party transactions**

The School has a number of related party transactions with the following organisations:

**Society of Merchant Venturers**

The Society of Merchant Venturers is the School's ultimate controlling party (note 23). During the year the School received scholarships of £24,000 (2020: £24,000) from the Merchant Venturers' Charity, of which the Society of Merchant Venturers are Trustees. There was no balance outstanding at the year-end (2020: £nil).

**Colston's Hospital Trust**

Colston's Hospital Trust is a connected organisation with a mutual ultimate controlling party.

At 31 December 2003, there was a transfer of tangible assets, cash, goodwill, intellectual property, benefit of the claims and contracts, debts and records of the School from the Trust to the School. On 9 January 2004, the right to use all of the properties occupied by the School and owned by the Colston's Hospital Trust was granted to the Company by 125-year leases at a peppercorn rent. The freehold interests continue to be held by Colston's Hospital Trust. Investments are held by Colston's Hospital Trust on behalf of the School from which the School derived income of £10,430 (2020: £13,933) in the year. The balance outstanding at year end was £nil (2020: £nil). Investments are held by Colston's Hospital Trust on behalf of the School, in the Merchant Venturers' Charities Investment Pool (MCVIP) (Charity number 1053459). From these, the School derived income of £13,933 (2020: £12,381) in the year. The balance outstanding at year end was £nil (2020: £nil).

**Colston's School Foundation**

The Foundation supported bursaries at the School totalling £16,875 (2020: £24,000). The net balance in respect of bursarial support outstanding at the end of the year was £nil (2020: £nil).

**Hilborne Foundation**

During the year, the Foundation donated £117,000 (2020: £117,000) towards bursaries.

The Hilborne Foundation has provided loans to the School, the details of which are included in note 15. Interest on these loans totalled £10,750 (2020: £10,750).

**22 Subsidiaries and connected charities**

Both the Colston's School Foundation (company number 06886088, charity number 1129959) and The Hilborne Foundation (charity number 1049044) are consolidated into the School's financial statements as the Trustees of the School are deemed to have control over these charities.

Colston's School Foundation's primary object is to raise monies for, and establish and maintain, a bursarial fund for the payment of school fees and the sponsorship and support of any boy or girl who is for the time being a pupil of

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Colston's School. It may benefit Colston's School and the education of its pupils in any way which may be consistent with the company's charitable status.

**Subsidiaries and connected charities (continued)**

The Hilborne Foundation is also a connected organisation in that Colston's School is the sole beneficiary. The primary object of the charity is to apply the income and all or such part or parts of the capital as the Trustees may decide for the advancement of education by the creation of bursaries, scholarships or prizes to be awarded to pupils at Colston's School and the provision of financial assistance towards the maintenance and development of the School.

**23 Ultimate controlling party**

The School is controlled by the Society of Merchant Venturers as they nominate the majority of the members of the Governing body. As set out in the governing document, up to ten of the Governors are nominated by the Society of Merchant Venturers and up to eight are co-opted by the Board.

**24 Taxation**

Colston's School, along with the Hilborne Foundation and Colston's School Foundation, are registered charities and as such their sources of income and gains, received under Chapter 3 of Part 11 to the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, are exempt from taxation to the extent that they are applied exclusively to its charitable objectives. No tax charge has arisen for the charity in the year.

**25 Post balance sheet events**

At the point of approving the financial statements, the coronavirus disease pandemic continues within the UK. This has been addressed by the Trustees in both the Strategic Report and the going concern position has been considered in note 1. As referenced to in their report the Governors announced in December 2021 that the school will change its name. The new name will be announced in the summer of 2022.

