

Registered in England and Wales  
Charity Number: 1120654  
Company Number: 5977683



**The Perse School**  
**A Charitable Company Limited by Guarantee**

**Annual Report**  
**and**  
**Consolidated Financial Statements**  
**For the year ended**  
**31 August 2022**

**THE PERSE SCHOOL**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 31 August 2022**

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**THE PERSE SCHOOL**  
**General Information**  
**For the year ended 31 August 2022**

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**A Charitable Company limited by Guarantee**

Company number	5977683
Registered Charity Number	1120654
Principal address & registered office	The Perse School, Hills Road, Cambridge, CB2 8QF

**Trustees and Governors**

***Nominated by Trinity College Cambridge:***

LA Merrett MA PhD (until 4 July 2022)

***Nominated by Gonville & Caius College Cambridge:***

AD Oliver MA MPhil PhD LittD

***Co-opted:***

A Y-C Au MA FCA – Vice Chair (from 1 September 2022)

H Bettinson MA PhD

K Davies MA FCA

WMR Dawkins BA

NM Finlayson-Brown BA

S Freestone OBE DL MEd GRSM LRAM ARCM

CP Hancock QC MA LLM (OP)

SD Lebus MA

RC StH Mason BSc MBBS MRCP MBA

GJ Proudfoot MA

SC Roberts MA

JW Scott MA - Chair

M Singh MBA Master Mariner

S A Shakir-Khalil MA

SL Steele CTA

CJ Stenner LLB - Vice Chair (until 31 August 2022)

D Williams MB Bch FRCP FRPCH

(OP) = Old Persean

**THE PERSE SCHOOL**  
**General Information**  
**For the year ended 31 August 2022**

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**Personnel and Professional Advisors**

**Clerk to the Governors and Company Secretary**

MA Hastings (from 22 May 2022)  
GA Ellison MA (until 22 May 2022)

**Heads and Bursar**

EC Elliott MA	Head of the Perse School
JWS Piper BA	Head of the Perse Preparatory School and Junior Division
F Heftman BA	Head of the Perse Pelican Nursery and Pre-preparatory School
A Shakespeare MA FCA	Bursar

RSM UK Audit LLP Blenheim House Newmarket Road Bury St Edmunds IP33 3SB	Registered Auditor
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Lloyds Bank plc Barclays Bank plc HSBC Bank plc Coutts & Co Santander UK plc	Bankers
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Farrer & Co, London Ashtons Legal, Cambridge Veale Wasborough Vizards, Bristol	Solicitors
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CCLA Senator House 85 Queen Victoria Street London EC4V 4ET	Investment Managers
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**The Perse School's subsidiary companies are as follows:**

	<b>Company reg.no</b>
The Perse School Trading Company Limited (dormant)	09636505
The Perse School Cambridge International Limited	11149877

**Website address:**

[www.perse.co.uk](http://www.perse.co.uk)

## **TRUSTEES' REPORT**

The trustees present their report, including their Strategic Report, and the consolidated financial statements for the year ended 31 August 2022. The financial statements have been prepared on the basis of the accounting policies set out on pages 32 to 35 of the financial statements and comply with the charity's scheme and applicable law.

### **OBJECTS AND POLICIES**

The Perse School is a charitable company limited by guarantee and not having a share capital that is governed by Memorandum and Articles of Association dated 23 October 2006 as amended by special resolutions dated 13 March 2008, 10 December 2009, 26 June 2014 and 6 August 2014.

The School was founded as a charity by the will of Dr Stephen Perse in 1615.

The object of the charity, as set out in its Memorandum of Association, is the advancement of education by the provision and conduct of the School known as the Perse School Cambridge together with any of its affiliated or subsidiary Schools (howsoever the same shall from time to time be known) and by ancillary or incidental educational activities and any other associated activities for the benefit of the community as a whole.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Group Structure**

On 1 September 2007 the School, having until then been an unincorporated charity, became a charitable company limited by guarantee. The endowment assets at this date remained within the unincorporated charity, renamed The Perse School Endowment (registration number 1120654-1), with the charitable company acting as its trustee.

The Group during the year comprised The Perse School and two wholly owned subsidiaries:

- The Perse School Trading Company Limited. This company was dormant from 1 September 2019; and
- The Perse School Cambridge International Limited (incorporated on 15 January 2018). The business of the company is the undertaking of trading activities in the UK and overseas for the benefit of the Charity. Trading activities include but are not limited to activities connected to: overseas schools; education technology platforms; school memorabilia; letting of premises; and general education consultancy.

#### **Governing Board**

The Perse Upper School (the Upper), the Perse Prep School (the Prep) and the Perse Pelican Nursery and Pre-Preparatory School (the Pelican) (the three of which are known collectively as The Perse School) have a single Governing Board composed of the trustees, who are also the directors of the charitable company. A list of trustees is set out on page 3 of this Report. The Perse Prep School and The Perse Pelican Nursery and Pre-Preparatory School together form the 'Junior Division'.

The School's Articles of Association empower it to have up to twenty trustees (who are the directors and governors of the Charity and also its members). Three of the trustees are nominated - two are nominated by the Council of Gonville and Caius College and one by the Council of Trinity College (currently vacant). The seventeen other trustees are co-opted by the Board.

All trustees are appointed for a term of three years and may thereafter be reappointed for two further terms each of three years. In exceptional circumstances, a trustee who has served three consecutive terms in office may be reappointed for further periods.

During the year there were five Governing Board committees that dealt with matters concerning all three schools:

*Meeting termly:*

- Audit and Risk Committee;
- Education Committee;
- Finance & General Purposes Committee; and
- Nominations and Governance Committee.

*Meeting annually:*

- Senior Staff Salaries Committee.

Other committees, groups and panels are formed for specific purposes and meet as the need arises, currently:

- Staff Committee (re grievance and disciplinary matters);
- Appeal Committee (re grievance and disciplinary matters);
- Complaints Panel (re the complaints procedure); and
- Investment Management Working Group.

All committees report to the Governing Board in line with their terms of reference.

In addition, some trustees are also board directors of The Perse School Cambridge International Limited.

**Recruitment and appointment of new trustees**

The School's Nominations and Governance Committee is appointed by the Governing Board and its terms of reference require it to:

- Identify and keep under review the range and balance of skills, experience, and other qualities – either specific or general – which need to be represented on the Governing Board.
- Review the composition of the Governing Board to ensure that such skills, experience and other qualities are represented on the Governing Board or, if they are not, to identify which are missing or out of balance.
- Consider the re-appointment of trustees.
- Identify and consider the appointment of new trustees.
- Make recommendations to the Governing Board for the appointment or re-appointment of trustees.

All new trustees receive a comprehensive information pack giving them information about the School, its governance, management, and policies. A trustees' handbook is issued to all trustees annually with updates being available throughout the year on the trustees' portal. All trustees receive annual safeguarding updates.

All new trustees meet the Chair or Vice-chair of the Governing Board as part of the appointment process. They also meet the Head and the Bursar and the Clerk, and have a tour of the School (wherever possible) before attending their first meeting of the Governing Board. All new trustees are subject to appropriate safer recruitment checks and safeguarding training.

The School has hosted, and encourages trustees to attend, seminars organised by the Association of Governing Bodies of Independent Schools (AGBIS).

The School circulates trustees with the details of other courses and seminars run by the Association of Governing Bodies of Independent Schools, the Independent Schools' Bursars Association and by professional firms providing services to charities and education. The School also runs its own updates for trustees and holds annual strategy seminars with trustees, senior Perse staff and external speakers as well as seminars, again using external speakers. Briefings by senior management to committees and the Board ensure relevant trustees are kept abreast of new legislation and the external auditor annually updates the Audit & Risk Committee and, through that Committee, the Finance and General Purposes Committee with accounting and regulatory matters which may affect the Group.

Surveys are undertaken in order to identify the training needs of individual trustees.

#### **Trustee involvement in School life**

The trustees help guide, shape and support specific aspects of the School's life through the various committees and the training and strategy sessions detailed above. Key School policies are approved on an annual cycle by the Full Board and all trustees are regularly updated on safeguarding and have access to the School's Designated Safeguarding Lead. During 2021/22 the Governor with Special Interest in Safeguarding with emphasis on Safer Recruitment and Child Protection met termly with the safeguarding teams and carried out an annual review of the Single Central Register.

Trustees meet pupil representatives of the School Council (the Upper), Pupil Organised Democracy (the Prep) and the Pelican Parliament (the Pelican). Trustees also attend School sporting events and productions, and sample lessons via learning walks.

#### **Organisational management**

The day to day running of the School is delegated to the Head (and through him to the Head of the Junior Division), each with their team of teaching staff and the Bursar and her team of administrative and support staff. The Head and/or Bursar attend committee and Board meetings. The running of the subsidiary company is through its board which reports to the Full board via the Finance and General Purposes Committee.

Financial probity is ensured by having suitably qualified individuals on the Finance and General Purposes Committee, the Audit and Risk Committee and the Investment Management Working Group. The Audit & Risk Committee and the Finance and General Purposes Committee receive an annual report from the external auditor and the Finance and General Purposes Committee receives termly reports from the Bursar on the financial position of the School. The Finance and General Purposes Committee reviews and recommends the annual budget to the Full Board and considers the latest management accounts with any significant variances against budget and an agreed set of Key Performance Indicators. The Bursar considers management accounts, produced monthly, with variances analysed and explained by the Chief Financial Officer.

The Schools are staffed with paid employees, both full-time and part-time. Parents assist voluntarily with fund-raising and some school activities.

#### **Engagement with suppliers, customers and others in a business relationship with the School**

The School's supplier and customer engagement, including all policies and contracts are designed to ensure a fair and transparent approach to all business transactions.

The School has in place clear and transparent tariffs for all facilities available for external use and these charges are annually benchmarked against other comparable facilities to ensure they represent fair value.

The School actively encourages local community and customer engagement in regard to the use, development and expansion of these facilities and services.

The School operates a transparent procurement process through a value based approval structure, therefore ensuring all services and products are assessed under the same best value and risk mitigation criteria.

The School completes regular relationship management meetings with all strategic services suppliers to ensure effective contract management and engagement.

#### **Engagement with employees**

The School encourages staff contribution at all levels. The Heads, Bursar and members of the Executive Leadership Team meet regularly with regional forums to share best practice.

The School encourages the involvement of its employees through regular staff meetings that disseminate information of particular concern to employees and through regular staff surveys and staff committees for receiving their views. Termly meetings are held of the Common Room Salaries, Conditions of Service and Facilities Committee, and of the Support Staff Committee, at which staff concerns can be raised through their representatives.

The School intranet also provides information and access to professional development and support, including wellbeing, as well as a weekly staff bulletin.

New staff are fully inducted and both teachers and support staff take part in training both before the start of and during the school year.

The School is committed to ensuring equality of opportunity for all who learn and work here, with one of its key values being 'valuing one another.' It is committed to the principle of equal opportunities that opposes discrimination on the basis of the following protected characteristics: sex, sexual orientation, marital or civil partnership status, gender reassignment, race, religion or beliefs, pregnancy and maternity, disability and age. During 2019/2020 an Inclusion, Equality and Diversity working group was formed, with representation from students, teachers, parents, support staff, alumni and governors, to consider equality and inclusion and make recommendations to the Executive Leadership Team and the Board of Governors on specific development areas of curriculum, pastoral care, training and representation, led by the Assistant Head (I E & D). The School's Inclusion, Equality and Diversity Policy can be found on the School's website.

#### **Investment in staff**

The trustees are keen to attract and retain the best teaching and key support staff and set salaries and other terms of remuneration in order to try to achieve this. The remuneration of key management personnel is set by the Governors' Senior Staff Salaries Committee which comprises the Chair, the Vice-chair, the Chair of the Finance & General Purposes Committee and a trustee with Human Resources expertise. Remuneration is reviewed annually with reference to relevant publicly available information and benchmarking surveys

### **Statement of trustees' responsibilities**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

### **Statement as to Disclosure on Information to Auditors**

The trustees also confirm that, so far as each of the trustees is aware, at the time the report is approved:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

### **CHARITABLE OBJECTS**

The object of the charity, as set out in its Memorandum of Association, is the advancement of education by the provision and conduct of the School known as the Perse School Cambridge together with any of its affiliated or subsidiary Schools (howsoever the same shall from time to time be known) and by ancillary or incidental educational activities and any other associated activities for the benefit of the community as a whole.

The object of the School is a purpose falling within section 3(1)(b) of the Charities Act 2006, i.e.: the advancement of education. It is a purpose for the public benefit and is therefore a charitable purpose as defined in section 2(1) of the Act.

The Perse School educates boys and girls from age 3 – 18 on three sites; the Pelican (ages 3 – 7), the Prep (ages 7 – 11) and the Upper (ages 11 – 18). Children thus progress through three different schools but have the benefits of being part of one larger institution with an integrated curriculum and pastoral care system.

**Vision and values**

We value  
**Endeavour**



**Which means we**  
 Aim high and challenge ourselves

Try our best and are not afraid to make mistakes

**So we**  
 Aim to be the best we can reasonably be

Set high standards and value the efforts people make to reach them

Are organised and punctual

Develop the resilience needed to embrace setbacks as learning opportunities

Win and lose honourably and graciously

Lead by example

We value  
**Intellectual curiosity and scholarship**



**Which means we**  
 Love learning, thinking deeply and being creative

Welcome reasoned debate

**So we**  
 Develop a lifelong love of learning, acquiring the qualities and skills needed for successful study

Go beyond the curriculum and exam specifications

Celebrate original thought, research and creativity

Learn to communicate well both orally and in writing

Invite challenge; listen to and value other perspectives

Reflect on our learning to become more effective learners

We value  
**Breadth and balance**



**Which means we**  
 Are involved, engaged and committed

Take full advantage of the opportunities we are given

**So we**  
 Take on personal responsibility

Learn to play our part in a team

Honour our commitments

Broaden our horizons by trying new activities

Find enjoyment and personal development in extra curricular learning

Keep a sense of perspective

We value  
**One another and our environment**



**Which means we**  
 Each play our part in creating a kind and considerate community

Care for ourselves, each other, and those in need

**So we**  
 Are honest, kind, courteous, and caring in all we do

Balance the needs of the individual and the community

Act responsibly to keep ourselves and others safe and healthy

Look after the school and wider environment

Acknowledge and appreciate the contributions of others, treat all fairly, and recognise that diversity is a strength

The Perse School's vision for the pupils and staff is to love learning and strive for the greater good. To realise this vision, The Perse will:

- a) Promote academic excellence through a challenging curriculum, outstanding teaching and a culture of endeavour, intellectual curiosity and scholarship.
- b) Provide high quality pastoral care to meet individual needs, and support the development of happy, balanced and considerate pupils.
- c) Offer a rounded education, rich in rewarding extracurricular opportunities, which develop life skills, character, resilience and perspective.
- d) Maintain a safe, well ordered community in which pupils develop a strong moral framework, an understanding of the law, and an appreciation of the spiritual dimension to life.
- e) Value one another through a commitment to kindness, consideration, inclusion, equality and diversity.
- f) Value the environment by caring for our sites and acting sustainably.
- g) Provide high quality professional development for all staff to ensure ongoing personal and institutional improvement.
- h) Finance means tested bursaries to ensure The Perse is accessible and help those outside the school through outreach and charitable work.

A Perse education is three dimensional and all pupils and teaching staff are expected to contribute to the School's academic, pastoral and extra-curricular programmes.

The School endeavours to provide a broad and balanced education appropriate to the needs of each pupil in order to cater for the full development of their varied talents and to achieve high academic standards leading, from the Upper School, to university entry, as well as to achievements throughout the schools in cultural, sporting and other fields. The School aims to ensure an academically selective entry from the widest possible social spectrum, thereby preserving its tradition of breadth of access and continuing to meet public benefit requirements.

A common set of values, shown on page 10, has been agreed which define the behaviour expected of all Perse students and staff.

## **PUBLIC BENEFIT**

The trustees confirm that they have given regard to the Charity Commission's guidance on public benefit. The objects of the School are for the 'public benefit' as that term is used in the Charities Act 2011 for the following reasons:

### **Provision of benefit to public in general**

Children eligible for admission as pupils of the School form a public rather than a private group for the following reasons:

1. The group of potential beneficiaries described in the objects of the School represent a sizable number of individuals. The School's catchment area has a school age population of some 230,000. This group constitutes a broad and significant section of the public.
2. There is no personal or contractual link or characteristic which potential beneficiaries must share in order to be eligible for admission as a pupil of the School.
3. The objects of the School are open and inclusionary. No person in poverty is excluded by the objects from eligibility for admission as a pupil of the School. The School carries out its objects in this regard through the breadth of its access and its bursary provision.

### **Selection policy and bursary awards**

The School aims to ensure an academically selective entry from the widest possible social spectrum. To further that aim, the School offers means-tested bursaries from its own resources and through the generosity of gifts from a number of benefactors. The School is actively seeking further benefactions and support for its bursary scheme so that it may continue to meet bursary demand.

Some 73 children within the School benefited from some kind of means-tested bursary award in the 2021/22 academic year, receiving awards which equate to 55.11 full fee paying places. The total value of these awards in the 2021/22 academic year was £1,004k (2020/21: £1,200k).

Bursaries are funded by a mixture of restricted and unrestricted funds. All bursaries are re-assessed annually by means of a detailed means-testing system. Awards made range from 5% of fees up to 100+% bursaries. Bursaries are also made available to cover costs of extras such as middle school devices, lunches, some outdoor pursuits activities and key school trips.

### **Carbon and Energy Reporting**

In line with the Greenhouse Gas Protocol (GHG) Corporate Accounting and Reporting Standard, The Perse School continues to be engaged in a process aimed at reducing its energy and greenhouse gas emissions.

The Perse School maintains scope 1, 2 and 3 emissions, which are generated from the school premises and transport, respectively. The School maintains emissions from a range of transport including minibuses and school-owned vehicles, and 'grey' fleet i.e. personal cars used for school purposes.

The Perse School continues to work within its strategy to reduce its carbon footprint significantly including:

- Encouraging employees to purchase renewable technology cars i.e., hybrid vehicles, including the installation of electric vehicle charging points, and the promotion of a Cycle to Work scheme,
- Encouraging the use of public transport,
- Participating in external traffic surveys and undertaking its own surveys of pupils, parents and staff,
- Purchasing energy efficient equipment where appropriate in the school, including a zero emissions electric van for the estates team,
- Replacing HVAC systems with energy-efficient equipment where possible,
- Including energy considerations in new building design,
- Adopting behavioural change measures where possible.

The Perse School has a longstanding commitment to tackling climate change. Its electricity contract was procured from a supplier who commits to 50% of the energy coming from renewable sources and therefore its calculated carbon footprint for the current financial year is 594.67 tCO<sub>2</sub>e, whilst energy consumption was 4,524,807.29 kWh (4,524.81 MWh).

Methodology:

The School has reported all of its emission sources under the Companies Act 2006 (Strategic Report and Director's Reports) Regulations 2013 as required. The School has calculated and reported its emissions in line with the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emission factors from the UK Government's GHG Conversion Factors for Company Reporting 2022 (reference "Introduction guidance").

**THE PERSE SCHOOL**  
**Trustees' Report**  
**For the year ended 31 August 2022**

The reporting period is the financial year 2021/2022, the same as that covered by the Annual Report and Financial Statements. The boundaries of the GHG inventory are defined using the operational control approach. In general, the emissions reported are the same as those which would be reported based on a financial control boundary.

2021/2022 GHG Emissions

Scope 1 (natural gas)	Tonnes CO2 equivalent (tCO2e)	528.75
Scope 1 (school vehicles)	Tonnes CO2 equivalent (tCO2e)	16.80
Scope 1 (diesel)	Tonnes CO2 equivalent (tCO2e)	16.55
Scope 2 (market-based)	Tonnes CO2 equivalent (tCO2e)	-
Scope 2 (location-based)	Tonnes CO2 equivalent (tCO2e)	343.36
Scope 3 (electricity transmission)	Tonnes CO2 equivalent (tCO2e)	31.41
Scope 3 (transport – grey fleet)	Tonnes CO2 equivalent (tCO2e)	1.16
Total (market-based)	Tonnes CO2 equivalent (tCO2e)	594.67
Total (location-based)	Tonnes CO2 equivalent (tCO2e)	938.02

Scope one (1), two (2) and three (3) carbon intensity metric = 0.3508 tCO2e (market-based) per pupil taught (1,695) during the financial year.

The School's emissions have decreased by 152.36% (market-based) since the last reporting period. This has been due to the School's procuring electricity with 100% from renewable energy of guaranteed origin (REGO) backed renewable sources but also consumption during the 2020/21 financial year was higher due to additional ventilation requirements during the COVID-19 pandemic.

Efficiency Measures Taken:

- Continuing to use battery powered grounds equipment where possible;
- Continuing to use the electric maintenance vehicle and provide additional EV charging points;
- Continuing to run school buses on certain routes;
- Encouraging staff and pupils to dress for the weather so heating can remain at a comfortable level;
- Replacing the gas boilers in the sports centre with air-source heat pumps;
- Installation of a polytunnel to grow seeds on site to reduce travel to garden centres/delivery journeys;
- BREEAM status built into the planning permission for the swimming pool project;
- LED upgrades in School buildings under a 5 year upgrade programme of works;
- Carbon footprints advertised on school lunch options to enable staff and pupils to make informed choices.

Objectives for 2022/2023:

- Installing an air source heat pump to a further school property;
- Incorporating solar energy solutions into the build of the Technology and Science extensions;
- Consider further electric vehicle solutions as vehicles are replaced;
- Reviewing supply contracts to determine feasibility of renewable energy options;
- Working with the School's Sustainability Group (formed in 2022/23) and sustainability advisors to establish clear KPIs and objectives;
- Prepare for Energy Savings Opportunity Scheme (ESOS) phase 3 compliance

The Perse School will report on progress within the next set of financial accounts.

## STRATEGIC REPORT

### ACHIEVEMENT AND PERFORMANCE

#### PROVISION OF BENEFICIAL PURPOSE

The School provides the following demonstrable benefits, all of which flow, directly or indirectly, from the School's charitable purpose to advance education:

#### **The School provides a high quality education to 1,695 pupils (2020/21: 1,670)**

The School educates 1,695 pupils thereby relieving pressure on local schools which would otherwise need to find additional places for these pupils and provides a financial benefit to the State at no cost to the taxpayer (other than the value of the fiscal benefits of charitable status). Using estimates of the average annual cost to the taxpayer of a place at a state school, the School saves the State over £11.5m each year.

The last Independent Schools Inspectorate (ISI) inspection took place in 2019. This was a compliance only inspection for which the School met all of the required standards.

The last educational quality and compliance inspection took place in 2016. The inspectors concluded that the School offers an outstanding education and for every key inspection criteria the School received the highest possible grading of excellent or exceptional. This followed on from a clean sweep of top grades in the 2010 inspection.

The full reports are available on the School's website: [www.perse.co.uk](http://www.perse.co.uk)

#### **Academic results**

Examination results continue to be among the most successful in the country. For the thirteenth year in succession, more than three-quarters of A Level entries were graded at either A\* or A.

	% A*	Cumulative % A* - A	Cumulative % A* - B	Cumulative % A* - C
Perse A level	52	83	95	99

This table includes Pre U equivalent grades using the standard D1/D2 = A\*, D3/M1 = A, M2 = B, M3 = C

At GCSE/IGCSE, 79% of entries were graded 9 or 8 (broadly equivalent to the old A\* grade) and 93% of entries were graded 9 – 7 (equivalent to A\* - A).

	Cumulative % Grade 9	Cumulative % Grade 8	Cumulative % Grade 7	Cumulative % Grade 6	Cumulative % Grade 5
Perse	56	79	93	98	99.6

(% cumulative)

Nearly all Perse students choose to proceed to university. Details of the university destinations for 2021/22 can be found on page 118 of The Perse School Annual Review available on the School website.

Students also took Trinity, Rockscool and ABRSM music exams.

The School's core values are embedded in its curricular and extra-curricular provision.

Many Perse students pursued opportunities to broaden their knowledge and test their skills against peers elsewhere, including:

- Arkwright Engineering scholarships;
- Gold, silver and bronze awards in the British Physics Olympiad, with one student selected to represent the UK and winning gold at the International Olympiad on Astronomy & Astrophysics;
- Gold, silver and bronze awards in the Senior Physics Challenge, the Online Senior Physics Challenge, the Intermediate Physics Challenge, the Online Intermediate Physics Challenge, the Junior Physics Challenge and the Junior Astrophysics Challenge;
- Gold awards in the Chemistry Olympiad;
- Roentgenium, gold, silver and copper awards in the Cambridge Chemistry Challenge for Lower Sixth;
- Gold, silver and bronze awards in the National Scientific Thinking Challenge;
- Gold, silver and bronze awards in the Senior Maths Challenge, the Intermediate Maths Challenge and the Junior Maths Challenge, with prizes won in the British Maths Olympiad;
- Winning the National finals of the Cyber First Girls competition, organised by the National Cyber Security Council;
- Competing in the Oxford University Computing Challenge national finals;
- Representing the UK at the International Olympiad in Informatics in Yogyakarta;
- Qualification for the National Final of the British Informatics Olympiad;
- Participation in the University of Oxford Computing Challenge national finals;
- First and second place in the European DNA Day Essay Competition;
- Winning a gold CREST award in the British Science Association scheme;
- Participating in the final of the English-speaking Union's national public speaking competition;
- National finalists in the Oxford Union Debating competition;
- Third place in the individual speaker rankings of the International Competition for Young Debaters;
- Third place in the Foreign Language Spelling Bee national finals;
- Silver and bronze awards in the International Linguistics Olympiad individual and team categories;
- National runner-up and East Region Level 3 champion in the Anthea Bell Prize for Young Translators in both Spanish and Mandarin;
- Finalists in The Japan Foundation London Japanese language film competition and gold and credit awards in the Education Perfect International Languages Championships;
- First and second place in the Senior Latin prose category, first place in the senior Greek verse category, first and second place in the intermediate category, first place in the intermediate Latin verse category and first place in the junior Greek prose category of the Cambridge Classical Association Reading Competition;
- Placements in the National Children's Orchestras, the National Youth Choirs of Great Britain, and leading the second violin section of the National Youth Orchestra;
- Placement in the creative and essay sections of the Humanitarian Aid Relief Trust Prize for Human Rights;
- Third place in the New College of the Humanities Art History Essay competition and winning the Philosophy section and placing joint second in the same essay competition;
- Highly commended in the Trinity College Gould Prize competition;
- Winning a Foyles Young Poets of the Year Award and Fiction Writer of the Year in the Shine School Media Awards;
- Four students were invited to participate in a 10-day Atlas Fellowship Course in California;
- Runners-up in the Senior Schools' Challenge national finals;

Students' work has also been published in the Young Scientists' Journal and artwork has been displayed at both the Royal Academy of Arts and the World of Molecular Biology Exhibition.

The lifting of COVID-19 restrictions saw a welcome return to sporting fixtures and opportunities.

Perse teams were County champions in U15 girls' cricket and National quarter-finalists in the School Sport T20 Cup and County champions in U13 girls' cricket, with individual students playing for Essex women's 1<sup>st</sup> XI and being selected for the Emerging Players programme. The U15 rugby team reached the National Plate semi-finals and the 1<sup>st</sup> XV reached the fifth round of the National Schools Vase. Individual students were selected for the Northampton Saints U18 and U16 academies and the Irish Qualified Rugby U18 team. In athletics, students took part in the National Prep School Championships the English Schools' Athletics Association (ESAA) Track and Field Cup and the Cambridge and District Jubilee Cup and Cross Country teams took part in the ESAA National Schools Cup, the ESAA Schools Championships, the English Cross Country Association National Relay Championships and the Cambridge Half Marathon. The Y10 boys' team and Y9 girls' team won silver in their sections of the British Schools Orienteering Championships.

In the British Schools 50m Challenge (shooting) and the British Schools Small-bore Rifle Association (BSSRA) National Schools Championships Perse students were placed in both individual and team events.

Perse students have also represented England, in shooting, rowing and triathlon.

Perse teams were County Champions and East champions and runners-up in both girls' and boys' hockey with the U14 boys coming fourth at the National Finals, the U18 girls being runners-up in the National Tier 3 Plate and the U16 girls reaching the National Tier 1 Cup semi-finals. Individual students also played in the Performance Centre Challenge events. In indoor hockey, Perse teams were County Champions with the U16 boys coming seventh in the National Finals.

The U16 and U14 netball teams were County runners-up, with the U16 team reaching the National Finals. Individual students were selected for placements at the Vitality Superleague side Saracens Mavericks U19 squad, the Mavericks' Cambridgeshire Futures Academy and the Futures Academy of Superleague club London Pulse.

In addition to academic achievements, Perse pupils participate in many extra-curricular areas which help develop a broad range of skills and qualities, including a comprehensive drama provision with performances of The Blue Crystal, Peter Pan, The Enormous Crocodile, Robin Hood, Witches Can't be Burned, The Penelopiad, Matilda, Kindertransport and Wind in the Willows. The School's Outdoor Pursuits activities also resumed with activities and trips to the Lakes, the Peak District, Norfolk, North Wales, Scotland and Sweden.

A full review of all the School's activities is included in the School's Annual Review available on the School website.

#### **The School provides broader benefits to children, the local community and society**

Valuing and supporting one another is one of the cornerstones of a Perse education and, with the School's commitment to its charitable purposes, the belief in community extends well beyond the school gates.

The School's regular community outreach work restarted after a pause during the 2020/21 COVID-19 restrictions and lockdowns, in particular the Primary Partnership which started in 2008/09 to develop relationships with local primary schools and to provide access for them to the School's specialist facilities and teaching. The School continues to provide digital and other resources in modern languages, computer science and maths to local primary schools. Additionally, the School funded the provision of group music at one primary school, assisted with the development of outdoor spaces and provided funding for an art history and mentoring course. One member of the English staff spent a week at two local primary schools running a summer project.

The School also supports a local sixth form college in their UCAS process, specifically with preparation interviews led by subject specialists from the School. Perse staff also assisted other secondary schools with mentoring and advice in maths, music, sport and PE.

The Perse School runs an annual coding competition, launched in 2017 and open nationwide to pupils in Years 7 to 11. Pupils compete to win the Braben Cup, sponsored by Dr David Braben OBE. The challenge is free to enter with prizes for the top three teams and over 70 state schools from across the UK take part. The Perse Research Essay competition ran for its second year.

The national Perse Aristotelian Award was launched in 2021/22 – a research essay competition for Year 9 pupils.

Further details of the School's outreach and partnership activities can be found at: [www.schoolstogether.org](http://www.schoolstogether.org).

Termly Community lectures recommenced on site in 2021/22 and community use of the School, which was affected by the COVID-19 restrictions, also resumed on site in 2021/22 – particularly the Sports Centre and the Music School with local clubs, groups and societies using the School facilities.

In 2011 The Perse School formed a partnership with Christel House Schools, a charity that transforms children's lives by building and running learning centres in some of the world's most deprived communities. The charity was set up in 1998 by Christel De Haan with support from the late Ron Haylock (former Perse pupil), and today has seven learning centres in four countries helping over 4,500 children. The Perse School supports Christel House by sending its teachers and students to Christel House to share expertise and experiences; raising funds; participating in joint educational projects; and by one of its teachers being a trustee of Christel House Europe. Throughout 2021/22, pupils continued to raise money for Christel House projects.

Students, staff and parents work together to support a number of charities, both local and international through a series of activities including non-uniform days, sponsored events and charity music events. Each year the School supports Link to Hope, a charity that sends shoeboxes filled with Christmas gifts to families and elderly people in Eastern Europe and in 2021/22 713 shoeboxes were donated. During Values Week the Student Council arranged a variety of activities designed around the School's values and donations were collected by students, parents and staff throughout the week to support Cambridge Food Bank. The annual Emmaus Sleepout for Year 9 raised over £5,000 for the charity as well as collecting items for sale in the Emmaus second-hand shop.

The Perse Summer School is open to young people aged 7 – 14 from the local area with a range of academic, creative and performing arts, sport and outdoor pursuits, and technology and computing options. In 2021/22 more than 700 children attended from more than 70 different schools.

Perse staff hold leadership or advisory roles in an array of aspects of education, from curriculum reform to student skills for university, and support young people from all walks of life in many different ways, including:

- Advising Cambridge Assessment on public exam standards and regulations;
- Membership of the Headmasters' and Headmistresses' Conference academic policy sub committees shaping curriculum and assessment;
- Acting as Independent Schools Inspectorate Inspectors;
- Supporting Christel House, conducting staff training and collaborative work between students to develop the growing relationship between the two schools. Christel House schools work with the very poorest pupils in their communities to break the cycle of poverty.
- Acting as Examiners and developing exam specifications for a range of exam boards;
- Acting as exam moderators;

- Coaching for local and national sports clubs and teams;
- Assisting with community air cadet units;
- Developing community support groups;
- Contributing to curriculum development;
- Co-ordinating charity events and working in local charities;
- Authoring and co-authoring textbooks;
- Delivering seminars;
- Developing websites for schemes of work;
- Working with local choirs and music groups;
- Professional tutoring of PGCE trainees, guiding and supporting their development;
- Acting as marker/co-ordinator at the International Maths Olympiad;
- Leading local scout movement groups and Duke of Edinburgh;
- Acting as governors of other schools;

### **Investment in staff and staff welfare**

The trustees are aware that the quality and range of the education that the School offers can only be maintained at a high level of excellence by continual investment in staff, equipment and buildings. The trustees pay tribute to the dedication and commitment of all the staff – teaching and support staff – who together contribute to this community of learning.

The School encourages the involvement of its employees through regular staff meetings that disseminate information of particular concern to employees, and through staff surveys and staff committees for receiving their views. Termly meetings are held of the Staff Salaries Committee at which any staff concerns can be raised through their elected representatives.

The School recognises its responsibilities under the Equality Act 2010 and supports the principle of equal opportunities and opposes discrimination based on any protected characteristic. Being a committed equal opportunities employer, the School will take every possible step to ensure that employees and prospective employees are treated equally and fairly.

### **The valuable contribution of supporters**

The trustees continue to recognise with gratitude the support received by the School – at all educational stages – from the Parents' Associations and from individual contributions of finance, time and expertise.

### **Continued investment in infrastructure**

Significant building works, both to accommodate increased pupil numbers and to improve facilities, have been a feature of the School over the past ten years. All building works have been consistent with pupil numbers and the School's Development Plan.

In 2021/22 the School completed the fourth and final phase of the main hall façade window replacement, and reworked science, technology and sixth form workspaces.

The School remains committed to providing appropriate facilities for current and future pupils and staff, and regularly reviews the masterplans for its sites alongside investing in existing buildings. In 2021/22 planning permission was obtained for an extension to the existing science block and for an additional floor to be added to the Design and Technology buildings, Planning permission was obtained in October 2022 for the construction of a new sports hall and swimming pool at the Upper site. Works will be carried out in 2022/23 and 2023/24.

## **Expansion outside the UK**

The School recognises the importance of developing sources of revenue other than tuition fees to help fund the capital programme, its bursary scheme and its outreach work.

The Perse School Singapore opened in January 2020 for pupils aged 6 – 11. The campus is at Upper Bukit Timah, a residential area in Singapore, and close to Bukit Timah nature reserve. Pupils engage in a broad and innovative curriculum that closely follows the Cambridge Primary Programme, incorporating Singapore Maths and Mandarin as a second language. Blending innovation and tradition, the school uses the most up-to-date educational technologies in the classroom to prepare pupils for a global future. The four core values of the Perse – intellectual curiosity and scholarship, endeavour, breadth and balance and respect for one another and our environment – form the heart of the school's ethos.

The Perse School Suzhou opened its doors in September 2021 – delayed from August 2020 due to the restrictions of the Coronavirus outbreak. The Perse School Suzhou is situated in the core of the city in Gusu District and is co-educational. It focuses on the Cambridge IGCSE plus additions from the Perse's own curriculum.

The partnerships between these two schools and The Perse School Cambridge International Limited will give Perse Cambridge students and staff greater international exposure and will provide opportunities for exchange programmes and visits. They will also provide an income stream to The Perse School Cambridge International Limited.

## **Section 172 Statement**

In accordance with Section 172 of the Companies Act 2006, the Directors (who form the Board of Trustees) complied with their duty to promote the success of the School through their approval of the School's Development Plan and on-going review of performance against this. All decisions are made in line with the School's Development Plan, capital Master Plan and cash flow forecasts, with the long-term interests of the charity and its stakeholders in mind.

Culture, and employee welfare and engagement are important to trustees. As detailed above, the School has a structure of regular staff meetings, staff committees and working groups and a variety of tools to promote well-being available to all staff. As a School, it already supports flexible working practices.

Trustees understand the importance of maintaining productive relationships within stakeholders, underlined by a strong sense of purpose. Members of the trustees' sub committees and member of the Executive Leadership Team proactively collaborate with a variety of stakeholders within the education sector to share knowledge and learnings as appropriate.

Trustees are mindful of the School's impact on the community and environment. The School's communities, social action and enrichment sit at the heart of everything it does, and this is reflected in its curriculum and in the School's four core values (see page 11).

As a registered charity, the School is committed to making the biggest difference to its pupils, inside and outside the classroom, regardless of their background. The School's reputation and business conduct are paramount to its future success and ability to deliver value to its various stakeholders. The School has an experienced Trustee Board who are responsible for ensuring corporate governance best practice is followed, supported by the Audit & Risk

Committee, Finance & General Purposes Committee, Education Committee, Nominations & Governance Committee and Strategy Committee.

### **Promoting the success of the charitable company**

The trustees have established a Code of Conduct within the General Statement of the Responsibilities of Members of the Governing Board which provides a structure for the responsibilities and expectations associated with the role. This key document, aligned to the School's values, provides trustees with an understanding of what is required and enables them to be transparent, open and accountable in what they do. The Code of Conduct recognises that decisions should be taken in the interests of all stakeholders with the aim of maintaining a reputation for high standards of business conduct. In accordance with section 172 of the Companies Act 2006, each of the trustees acts in the way he or she considers to be in good faith and which would most likely promote the success of the School and to achieve its charitable purpose. Other areas of the Trustee's Report also cover how the School fosters relationships with key stakeholders. Please see pages 7 and 8.

### **RISK MANAGEMENT**

The Perse School's Board of Governors is responsible for the consideration and management of the risks faced by the School and the wider Group.

The principal risks that the Group and the School faces are:

- The impact of the economy on parents' and carers' ability to pay fees, and other pressures on cash flow;
- Retention and recruitment of quality staff in the context of a national shortage of teachers;
- The changing educational and charitable requirements for independent schools;
- The impact of an adverse event on the School which may have an effect on the reputation of the School;
- The impact of possible future changes to existing charitable exemptions (VAT, corporation tax, business rate relief) and increases in the contribution rates to The Teachers' Pension Scheme ;
- The impact of a loss of infrastructure, whether that be access to buildings (e.g. through fire) or a loss of IT systems, including through a cyber attack.

Any ongoing risks associated with the COVID-19 outbreak (previously managed through its own risk register) have now been included within the School's risk register.

The trustees have given consideration to the major risks to which the School is exposed and are content with the management of those risks. In the majority of areas, systems designed to mitigate those risks have been in place for some time. In further reviewing the situation, the trustees continue to extend the systems, and their range, to provide comprehensive cover of the risks as they are identified and to obtain robust levels of insurance cover in areas such as loss of infrastructure. The School's risk management schedule, which includes all of the above risks, is reviewed by the Governing Board and by its Finance & General Purposes Committee and its Audit and Risk Committee. The Governing Board's committees' terms of reference reflect the risk management monitoring roles of each committee.

The trustees also look annually at the School's performance by comparison to benchmarking reports on the independent school sector produced by independent professional firms and by reference to publicly available information.

Each of the three schools has a Crisis Preparation and Response Manual which includes a Disaster Recovery/Business Continuity Plan which are reviewed annually and supported by external consultants.

The School regularly uses external consultants to review the effectiveness of different areas of the School's operations and to advise on external factors that might affect the School.

During the year, the School again used external consultants to review its management of Safeguarding, Health & Safety, and to carry out reviews of ICT and data protection. The trustees' Audit & Risk Committee meets termly and acts as a further check and balance on both the management and the governance of the School.

## **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The Group's accounts include the results of the year's financial activities for The Perse School and its two wholly owned subsidiaries.

### **Fundraising activities**

The School raises funds for some projects and for bursaries and outreach through the Alumni and Development Office (ADO). The ADO fundraises from former pupils, parents and friends; it does not seek to raise funds from the general public as it focuses on developing lasting relationships with those who have an existing connection with the School. The ADO team organise alumni activities, run fundraising events and raise funds for bursaries and outreach through the annual Leavers' gift, legacy and other appeals. The details of the fundraising approach are set out in the School's Fundraising and Donation Acceptance Code which is reviewed annually by the Trustees and is available on the School's website.

The Perse is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice, which is the document underlying the School's own Fundraising and Donation Acceptance Code. By adhering to the School's Fundraising and Donation Acceptance Code any volunteer acting on the School's behalf commits to adhering to the Code of Fundraising Practice. During 2021/22 the School complied with fundraising standards. Complaints relating to fundraising activities are raised with the Business Development Director or the Bursar. The School aims to resolve any informal complaint within 15 working days of receipt. There were no complaints during 2021/22.

Bursaries and Outreach continued to be the focus of the ADO's work in 2021/22.

The School also continued to benefit from contributions into the Annual Fund in the form of regular donations from current and past parents, Old Perseans and friends of the School.

### **Investment in facilities**

The trustees are aware that the quality and range of the education that the School offers can only be maintained at a high level of excellence by continual investment not only in staff but also in equipment and buildings. In 2021/22 the School commenced initial works and planning permission for an extension to the Science block, an additional floor on the Design and Technology wing and a new sports centre and swimming pool at the Upper site, and completed additional workspace in the Sixth Form Centre.

The School has also continued its investment in the ICT infrastructure to support and enhance its digital learning provision.

## **Financial outcome**

### **Income**

Tuition fee income continues to be the principal funding source for the group. During the 2021/22 academic year the number of pupils in the School was 1,695, with 1,256 pupils in the Upper School (2020/21: 1,229); in the Prep 281 (2020/21: 283) and the Pelican 158 (2020/21: 158). Tuition fee increases were 2.95% for all three schools (2020/21 nil% for all three schools).

As part of its response to the pandemic the Perse extended its hardship bursary funding in 2020/21 by making available money raised from donors as part of the Enduring Gift fundraising campaign. Families with children at the Pelican, Prep and Upper were eligible to apply for means tested assistance if they were suffering from financial distress and experiencing difficulties paying the termly fees as a result of the COVID-19 pandemic. This scheme was extended to the end of 2021/22.

Areas of income such as lettings, after school clubs and late stay charges are also recovering from the effects of the COVID-19 pandemic and the School was able to run an unrestricted Summer School and Club Pelican in 2021/22.

Legacies and donations continue to be a most welcome and significant part of the School's income and totalled £286k during the year (2020/21: £212k).

The consolidated accounts also include the income from the School's overseas projects, with the Perse Suzhou School opening in 2021/22 (delayed due to the COVID-19 pandemic).

### **Expenditure**

Staff costs continue to be the largest area of the School's expenditure, reflecting the continuing investment in staff required to support the School.

The School also spent £2,401k on the maintenance and improvement of its grounds and premises in 2021/22 (excluding staff costs and depreciation) and delivered its planned ICT programme in full, spending £722k (excluding staff costs) (2020/21: £689k).

### **Surplus**

The overall surplus for the group for the year was £3,971k (2020/21: £4,487k). This figure, which is inclusive of fundraising, is consistent with the School's strategic and development plans. With capital expenditure of £50m over the past 13 years, and further capital expenditure on a first floor addition to the Design and Technology block, an extension to the Science block and a new indoor swimming pool and sports centre planned, the surplus is required to meet the costs of the School's investment in its plant and buildings and to pay back bank borrowings taken out to fund that investment.

### **Reserves**

The general reserves held by the School principally represent the tangible fixed assets, largely comprising by value the land, buildings and equipment of the three schools – each on its own site. Unrestricted funds total £61,479k (2021: £57,076k) and the other unrestricted reserves consist of three designated funds to provide bursaries totalling £2,423k (2021: £2,726k) and one designated fund for those donations without a specific restriction totalling £844k (2021: £655k).

In the current economic climate, the trustees expect only modest levels of income receivable from the underlying investments in the medium-term; consequently the trustees will continue to give consideration to an increase in the level of these funds, and also seek alternative ways of obtaining future funding of bursaries and scholarships. One of the main focuses of the Alumni and Development Office is the joint establishment of a permanent bursaries fund and the funding of current bursaries (depending on donor wishes), alongside donations towards the School's outreach programme.

The unrestricted funds, being largely represented by the School's land, buildings and equipment, are not liquid assets.

The restricted and endowed funds held by the School principally represent the 1910 endowment and later additions, investments for bursaries and scholarships, and the development appeal to fund new building and bursaries. Where income arises it is spent as soon as is practicable on the specified purpose. For details of restricted funds see note 16 to the accounts.

### **Policy on reserves**

The trustees recognise the need for prudent financial management of the School's borrowings, and to build reserves over time. The current policy, successfully implemented, is to manage the net free reserves position out of free cash flow generated by operations. The School's policy generally is to build reserves to a level consistent with prudent financial management, taking into account the need to maintain the School sites and fund future capital expenditure. The trustees review this policy annually.

The trustees view the development plan for the School as the most effective and prudent way to ensure the long-term future of the School. The Pelican, Prep and the Upper schools all have their own development plans with site and age range specific focuses. The individual school plans are co-ordinated by the Heads and Bursar to deliver a coherent whole, and each plan contains a number of common 3 - 18 elements. School development planning is both a bottom up (staff contributions) and top down (management guided) process. The Governing Board formally reviews development plans on an annual basis at the autumn meeting of the Education Committee which reports to the December meeting of the Full Board. The implementation of individual plans is also subject to review by appropriate board committees.

In agreeing the school development plan and annual foci, careful thought is given to the pace and extent of change which needs to be managed to ensure the resources and capacity exist for changes to be successfully implemented. An evaluation of the progress in implementing the development plan and the success of individual foci takes place on a termly basis at Executive Leadership Team level.

On the basis of the definition of free reserves set out by the Charities SORP (FRS102), the School has net free reserves. At 31 August 2022 the value of total reserves was £67.2m (£63.2m 2020/21) and net free reserves stood at £8,998k (£3,716k net free reserves 2020/21), being the value of unrestricted funds after deducting operational fixed assets and committed expenditure.

### **Investments**

#### **Investment powers and authority**

The School Scheme permits the trustees to consolidate the investments and the money belonging to the School into one combined pool constituted as a common investment fund. The School's Memorandum of Association allows it to appoint an investment manager and delegate to that person discretionary powers in relation to the management of the School's investments within the limits of the School's investment policy.

### **Investment policy**

The trustees determined in July 2006 that a good investment return and a reasonable level of security, combined with a strategic site advantage for the School would be provided by investing long term investment funds in Cambridge property which lies adjacent to the Hills Road site. Four residential properties were let to third parties for the 2021/22 financial year.

The School also has short term investment funds held for identified expenditure e.g. capital expenditure and short term bursary expenditure, and to meet general cash flow needs. For short term funds, capital preservation is of paramount importance with income generation a secondary objective. Short term assets should be held in cash or near cash investments denominated in sterling:

- (i) Either deposited by the School itself with institutions meeting the requirements of the School's Internal Treasury Management Policy, or
- (ii) Deposited by the School's authorised professional investment manager, who must be regulated by the FCA, in accordance with the investment mandate in force between the authorised professional investment manager and the School.

### **The performance of the investments**

The School's residential investment properties were valued at 31 August 2021 by Savills (UK) Limited, Chartered Surveyors, and as at 31 August 2022 the value of the investment is shown at this market valuation of £5,935k (2021: £5,935k). These properties represent long-term investments. Rental income of £149k was received in the year. It is anticipated that the properties will continue to be available for commercial rent during the forthcoming financial year. The Abington site, purchased during the year, is shown at cost.

The School's short term investments have been placed in accordance with the policy outlined above and have achieved a return commensurate with the School's risk management and liquidity requirements and market conditions.


### **Performance compared with policy**

Both long term and short term investments have met the overall policy of the trustees to protect the value of the capital, prior to its possible disbursement, while achieving a reasonable level of current income.

### **Auditors**

RSM UK Audit LLP have indicated their willingness to continue in office.

The Trustees' Report and Strategic Report on pages 5 to 24 were approved by the trustees on 21 March 2023 and signed on their behalf by:



J Scott  
Governor & Chair of Board of Trustees



G Proudfoot  
Governor & Chair of Finance & General Purposes Committee

## **Opinion**

We have audited the financial statements of The Perse School (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Group and School Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

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

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

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

## **Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

#### **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires 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 Statement of Trustees' responsibilities set out on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

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

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

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

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

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

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

## THE PERSE SCHOOL

### Independent Auditor's Report to the Members of the Perse School

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

The group audit engagement team identified the risk of management override of controls and the completeness of certain income streams as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and performing tests of detail in relation to completeness of income.

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

#### Use of our report

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

*RSM UK Audit LLP*

LARAGH JEANROY (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
IP33 3SB

Date *27 April 2023*

**THE PERSE SCHOOL**  
**Consolidated Statement of Financial Activities**  
**For the year ended 31 August 2022**

	Note	Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	Endowed Funds £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
<b>INCOME FROM:</b>							
<b>Donations and legacies</b>		8	177	101	-	286	212
<b>Charitable Activities-</b>							
Tuition fees	2	28,521	-	-	-	28,521	26,689
Other educational income		943	-	-	-	943	860
Other ancillary activities	3	1,850	-	-	-	1,850	1,570
<b>Other Trading Activities</b>							
Lettings		44	-	1	-	45	-
Subsidiary trading activities		585	-	-	-	585	139
<b>Investments</b>	5	201	4	2	-	207	175
<b>CJRS income</b>		-	-	-	-	-	180
<b>TOTAL INCOME</b>		<b>32,152</b>	<b>181</b>	<b>104</b>	<b>-</b>	<b>32,437</b>	<b>29,825</b>
<b>EXPENDITURE ON:</b>							
<b>Raising funds</b>							
Fundraising		(146)	-	-	-	(146)	(133)
Investment property costs		(59)	-	-	-	(59)	(27)
<b>Charitable activities</b>							
Operating costs		(27,603)	-	(28)	-	(27,631)	(24,958)
Bank interest		(231)	-	-	-	(231)	(198)
Grants, awards and prizes		-	-	(266)	-	(266)	(379)
<b>Other activities</b>		(28)	-	-	-	(28)	(6)
<b>TOTAL EXPENDITURE</b>	6	<b>(28,067)</b>	<b>-</b>	<b>(294)</b>	<b>-</b>	<b>(28,361)</b>	<b>(25,701)</b>
<b>NET INCOME</b>		<b>4,085</b>	<b>181</b>	<b>(190)</b>	<b>-</b>	<b>4,076</b>	<b>4,124</b>
<b>Transfers between funds</b>		<b>379</b>	<b>(295)</b>	<b>(84)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other recognised (losses)/gains</b>		<b>(61)</b>	<b>-</b>	<b>(44)</b>	<b>-</b>	<b>(105)</b>	<b>363</b>
<b>NET MOVEMENT IN FUNDS</b>	16	<b>4,403</b>	<b>(114)</b>	<b>(318)</b>	<b>-</b>	<b>3,971</b>	<b>4,487</b>
<b>Balances b/fwd 1 September</b>		<b>57,076</b>	<b>3,381</b>	<b>2,219</b>	<b>528</b>	<b>63,204</b>	<b>58,717</b>
<b>Balances c/fwd 31 August</b>		<b>61,479</b>	<b>3,267</b>	<b>1,901</b>	<b>528</b>	<b>67,175</b>	<b>63,204</b>

	Note	Group 2022 £'000	Group 2021 £'000	School 2022 £'000	School 2021 £'000
<b>FIXED ASSETS</b>					
Tangible assets	8	52,455	52,751	52,455	52,751
Investments	9	10,714	10,819	10,687	10,769
		<u>63,169</u>	<u>63,570</u>	<u>63,142</u>	<u>63,520</u>
<b>CURRENT ASSETS</b>					
Stock		42	37	42	37
Debtors	10	643	759	779	792
Cash at bank and in hand	11	16,080	12,679	15,562	12,600
		<u>16,765</u>	<u>13,475</u>	<u>16,383</u>	<u>13,429</u>
<b>CURRENT LIABILITIES</b>					
Creditors	12	(3,757)	(4,202)	(3,746)	(4,164)
		<u>13,008</u>	<u>9,273</u>	<u>12,637</u>	<u>9,265</u>
<b>NET CURRENT ASSETS</b>					
<b>TOTAL ASSETS PLUS CURRENT ASSETS</b>					
		<u>76,177</u>	<u>72,843</u>	<u>75,779</u>	<u>72,785</u>
<b>CREDITORS: amounts falling due after more than one year</b>					
	13	(9,002)	(9,639)	(9,002)	(9,639)
<b>TOTAL NET ASSETS</b>					
		<u>67,175</u>	<u>63,204</u>	<u>66,777</u>	<u>63,146</u>
<b>CAPITAL AND RESERVES</b>					
Endowed Funds	16	528	528	528	528
Restricted Funds	16	1,901	2,219	1,901	2,219
Designated Funds	16	3,267	3,381	3,267	3,381
Unrestricted Funds	16	61,479	57,076	61,081	57,018
<b>TOTAL FUNDS</b>					
		<u>67,175</u>	<u>63,204</u>	<u>66,777</u>	<u>63,146</u>

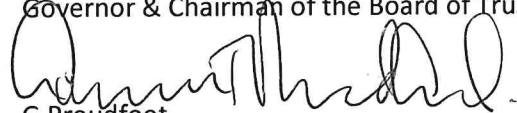
As permitted by Section 408 of the Companies Act 2006, the Statement of Financial Activities of the parent Charity is not presented as part of these financial statements. The Charity's surplus for the year was £4,064k (2021: £4,491k).

The notes on pages 36 to 53 form part of these financial statements.

The financial statements were approved and authorised for issue by the trustees at their meeting on 21 March 2023 and signed by



J Scott  
Governor & Chairman of the Board of Trustees



G Proudfoot  
Governor & Chairman of the Finance & General Purposes Committee

**THE PERSE SCHOOL**  
**Consolidated Cash Flow Statement and Notes**  
**For the year ended 31 August 2022**

	Note	2022 £'000	2021 £'000
<b>Net cash provided by operating activities</b>	A	6,017	6,003
<b>Cash flows from investing activities</b>			
Investment income received		198	179
Purchase of tangible fixed assets		(1,901)	(1,468)
Purchase of investments		-	(4,550)
		<u>4,314</u>	<u>164</u>
<b>Cash flows from financing activities</b>			
Advance fee payments received		498	461
Advance fee payments utilised in payment of fees to the School		(537)	(485)
Repayment of project borrowing		(667)	(667)
Bank interest paid		(207)	(199)
		<u>3,401</u>	<u>(726)</u>
<b>Cash and cash equivalents at the beginning of the year</b>		12,679	13,405
<b>Cash and cash equivalents at the end of the year</b>	11	<u>16,080</u>	<u>12,679</u>

**A. RECONCILIATION OF NET MOVEMENT IN FUNDS TO CASH USED IN OPERATING ACTIVITIES**

	2022 £'000	2021 £'000
Net income for the year	4,076	4,124
Interest and rent from investments	(207)	(175)
Interest paid	231	198
Depreciation	1,616	1,542
(Increase) in stock	(5)	(2)
Decrease/(increase) in debtors	131	(134)
Increase in creditors	175	450
<b>Net cash provided by operating activities</b>	<u>6,017</u>	<u>6,003</u>

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with 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 (FRS102) (Charities SORP(FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value.

The Perse School is an incorporated charity domiciled and registered in England, which constitutes a Public Benefit entity as defined by FRS 102. The address of its registered office is set out on page 3. Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The charitable company was dormant up to 31 August 2007. Effective from 1 September 2007, the assets and undertaking relating to the Perse School, which had previously been held by the unincorporated charity registered in England and Wales numbered 311434, were transferred to the charitable company. The endowment assets remained within the unincorporated charity, renamed The Perse School Endowment, with the charitable company acting as its trustee and which, for accounting purposes, is amalgamated into the accounts of the charitable company under a Uniting Order issued by the Charity Commission. (The Perse School Endowment now carries as registration number 1120654-1).

The financial statements have been prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £'000.

### **Going Concern**

The group has net current assets of £13million at 31 August 2022. The trustees have considered the financial position of the group, the level of free reserves, liquidity, the 2022/23 budget and accompanying cash flow forecast, together with the long term strategic plan and the level of admissions for 2023/24. As a consequence, the trustees believe the group is well placed to manage its business risks successfully and that there are no material uncertainties in applying the going concern basis of preparation.

### **Reduced disclosures for subsidiaries**

As a qualifying entity within the meaning of FRS 102, the charitable company has chosen to take advantage in its individual financial statements of the following disclosure exemptions:

- Section 7 – Presentation of a statement of cash flows, related notes and disclosures.

### **Group accounts**

These financial statements consolidate the results of the charitable company and its wholly owned subsidiaries on a line by line basis. A separate Statement of Financial Activities has not been presented for the parent charitable company on the basis of the exemption provided under section 408 of the Companies Act 2006.

### **Income**

#### *Income from donations and legacies*

Income received from donations, legacies and other voluntary sources where there is no stipulated use is recognised in the General Fund when received. Individual reserve funds are maintained for donations, legacies and other income received where the donor stipulates a specific use.

Income is included in the accounts at the point when the Charity is entitled to the income, there is probability of receipt and the monetary value can be measured with sufficient reliability.

#### *Income from charitable activities*

Fees and other educational income receivable are accounted for in the period in which the service is provided. Fees receivable are stated after deduction of bursaries and other allowances.

#### *Income from other trading activities*

Turnover within the group's subsidiary companies is measured at the fair value of the consideration received or receivable and represents the amounts for services or goods provided in the normal course of the business, net of discounts. Turnover is recognised upon provision of services or delivery of goods.

Lettings income is accounted for in the period to which the letting relates.

#### *Income from investments*

Rental income from the investment properties is accounted for in the period to which the rental relates. Bank interest is accounted for in the period during which the interest earning balances are held.

### **Expenditure**

All expenditure, including irrecoverable VAT, is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category.

- **Educational costs:** comprise the costs directly attributable to the provision of education to the pupils across all four sites and include: salary costs for all teachers; salary costs for support staff who work substantially with pupils; text books, stationary and all educational materials and ICT across all sites.
- **Support costs:** comprise salary costs of staff working within central office functions such as general management and finance; insurance costs for all schools; marketing and website costs; professional fees of lawyers and general consultants; costs of postage, telephones and general office support; governance costs.
- **Welfare costs:** include the costs of providing catering and health services within the three schools as well as all costs relating to compliance with health and safety legislation.
- **Premises costs:** include all costs related to the maintenance of the school sites and grounds plus related services and depreciation.

### **Termination payments**

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### **Employee benefits – Pensions**

Retirement benefits to employees of the charitable company and its group are provided by the Teachers' Pension Scheme (TPS) and the Aviva Pension Trust for Independent Schools (APTIS) in respect of teaching staff and the National Employment Savings Trust (NEST) and Aviva Group Personal Pension Scheme (Aviva) for all other staff.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the charitable company and its group in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit credit method.

The TPS is an unfunded multi-employer scheme with contributions calculated on a pay-as-you-go basis and no obligation to fund a past deficit with no underlying assets to assign between employers. Consequently there is insufficient information to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The APTIS, NEST and Aviva Schemes are defined contribution schemes, the assets of the schemes being held separately from those of the School in independently administered funds.

Contributions are made for teaching staff to the Teachers' Pension Scheme. Contributions are also made for teaching staff to APTIS and for support staff to group personal pension schemes which are of a defined contribution nature. The costs of the School's contributions to all schemes are charged to the Statement of Financial Activities as they fall due.

#### **Employee benefits - Other**

Short term employee benefits including holiday pay are recognised as an expense in the period in which the services are received from the employee involved.

#### **Tangible Assets**

Tangible fixed assets of a long-term nature with a cost exceeding £5,000 are capitalised on the balance sheet as fixed assets and depreciated as detailed below. Land and buildings acquired prior to 1995 are shown at their historic valuation less depreciation of the buildings.

Depreciation is provided at the following annual rates in order to write off each asset over its useful economic life: Freehold buildings 50 years straight line; new artificial surfaces 20 years straight line; Plant, equipment, furniture and fittings 6 years straight line; pianos 10 years straight line; ICT equipment 3 years straight line.

#### **Freehold land**

Freehold land is not depreciated.

#### **Operating leases**

Payments made under operating leases are written off to the Statement of Financial Activities on a straight line basis over the lease term.

#### **Investments**

Investment properties are carried in the balance sheet at market value. The properties are valued in accordance with section 10 of Charities SORP FRS 102, i.e. at open market value, with the intention of obtaining a revaluation by an external valuer at least once every three years or at any stage if the trustees have reason to believe that values have changed materially. Investment properties are not depreciated. Investment property income is included in the Statement of Financial Activities on a receivable basis.

Investments in the subsidiary companies are accounted for in the balance sheet at cost less impairment.

#### **Stocks**

Stocks are included in the balance sheet at the lower of cost and net realisable value.

#### **Debtors**

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

#### **Cash at bank and in hand**

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

### **Creditors or provisions**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third part and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised as their settlement amount after allowing for any trade discounts due. Provisions are measured at the best estimate of the amounts required to settle the obligation.

Fees received in advance of education to be provided in future years are accounted for as a liability until either taken to income in the term when used or else refunded.

### **Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

### **Funds**

Unrestricted funds comprise the accumulated funds which are neither restricted nor designated funds. They are available for use at the discretion of the Trustees in furtherance of the general objects of the charitable company.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purpose and use of the designated funds are set out in the notes to the accounts.

Restricted funds comprise the unexpended balance of donations and grants held in trust to be applied for specific purposes.

Endowed funds comprise trust funds which are subject to specific trusts declared by the donors or with their authority. The condition of the trust is that the capital element is not expendable. The income arising from the investments is applied only in accordance with the conditions imposed by the donors (where specified) or for the general purposes of the School.

### **Tax accounting policy**

The School is a registered charity and it is not liable to United Kingdom income tax or corporation tax on charitable activities. The School is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in the furtherance of the school's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

## 1. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

In the application of the Charitable Group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### *Critical areas of judgement*

In addition to the trustees' assessment of the going concern status of the group, the following other specific judgements, estimates and assumptions were critical to the preparation of these financial statements:

#### *Useful economic lives of tangible fixed assets*

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. Useful economic lives and residual values are reviewed annually and reassessed where necessary to better reflect the actual usage of the assets involved.

#### *Provision of fee debtors*

The trustees consider whether fee debtors are recoverable. Where there is an indication that recoverability is unlikely, the amounts involved are recognised as a provision for bad debts. This assessment requires an estimation of future likely cash flows in order to calculate the appropriate amount of any provision.

	2022 £'000	2021 £'000
<b>2. TUITION FEES</b>		
Gross fees	29,882	28,529
Less: total bursaries, scholarships and allowances	(1,627)	(2,219)
	<u>28,255</u>	<u>26,310</u>
Add back: bursaries and allowances paid for by restricted funds	266	379
	<u>28,521</u>	<u>26,689</u>
<b>3. OTHER ANCILLARY ACTIVITIES</b>		
School lunches	1,341	1,105
Tuck shop and vending machines	88	28
Sundry income	421	437
	<u>1,850</u>	<u>1,570</u>

## 4. SUBSIDIARY TRADING ACTIVITIES

The charitable company controls all of the issued share capital of two trading subsidiary companies (see note 9), each of which is incorporated in England and Wales – please refer to page 4 for a list of these companies. The registered office for both subsidiaries is The Perse School, Hills Road, Cambridge, CB2 8QF. The Perse School Trading Company Limited has been dormant since 1 September 2019. The Perse School Cambridge International Limited is engaged in commercial trading activities relating to and in support of the charitable company, and it donates all of its taxable profits to the parent entity under Gift Aid each year. The results and financial position of this trading subsidiary is summarised in aggregate below using information extracted from the audited financial statements.

**THE PERSE SCHOOL**  
**Notes to the Consolidated Financial Statements**  
**For the year ended 31 August 2022**

**4. SUBSIDIARY TRADING ACTIVITIES**

	2022	2021
	£'000	£'000
Turnover	585	148
Operating costs	(166)	(91)
Other recognised losses	(23)	-
Profit for the year	<u>396</u>	<u>57</u>
Total assets	555	163
Total liabilities	(159)	(106)
Total funds	<u>396</u>	<u>57</u>

Transactions during the year between the charitable company and its subsidiaries are detailed below:

	2022	2021
	£'000	£'000
Owed by subsidiary companies to the School at 1 September	66	275
Recharges for services in the year	154	75
Gift Aid receipts	57	(61)
Cash receipts from the subsidiary companies	(124)	(223)
Owed by subsidiary companies to the School at 31 August	<u>153</u>	<u>66</u>

5. INVESTMENT INCOME	Unrestricted	Designated	Restricted	Total	Total
	Funds	Funds	Funds	2022	2021
	£'000	£'000	£'000	£'000	£'000
Lettings income	148	-	1	149	157
Bank and other interest	53	4	1	58	18
	<u>201</u>	<u>4</u>	<u>2</u>	<u>207</u>	<u>175</u>

**6. TOTAL EXPENDITURE**

	Staff costs	Depreciation	Other costs	2022	2021
	£'000	£'000	£'000	£'000	£'000
<b>Cost of raising funds</b>					
Fundraising	101	-	45	146	133
Investment property costs	-	-	59	59	27
<b>Charitable activities</b>					
Educational	14,557	-	2,316	16,873	16,053
Premises	2,001	1,616	2,429	6,046	5,166
Welfare	156	-	1,704	1,860	1,372
Support	1,809	-	1,043	2,852	2,367
Total school operating costs	<u>18,523</u>	<u>1,616</u>	<u>7,492</u>	<u>27,631</u>	<u>24,958</u>
Bank interest	-	-	231	231	198
Grants, awards and prizes	-	-	266	266	379
<b>Other activities</b>	-	-	28	28	6
<b>Total</b>	<u>18,624</u>	<u>1,616</u>	<u>8,121</u>	<u>28,361</u>	<u>25,701</u>

**THE PERSE SCHOOL**  
**Notes to the Consolidated Financial Statements**  
**For the year ended 31 August 2022**

Support costs relate to School operating costs consisting principally of administration and bursary department expenditure.

	2022	2021
	£'000	£'000
Other costs for School running	458	350
Marketing and communications	148	143
Insurance and professional fees	424	480
Governance	13	12
	<u>1,043</u>	<u>985</u>

**Operating Leases**

The amount paid under operating leases during the year was £306k (2021: £253k).

**Auditor's Remuneration**

Fees payable to the auditor for statutory audit during the year were £19k (2021: £17k) for the School, £nil (2021: £nil) for The Perse School Trading Company Limited and £1k (2021: £1k) for The Perse School Cambridge International Limited. Fees payable for tax compliance were £2k (2021: £2k) for The Perse School Cambridge International Limited.

**7. STAFF COSTS**

	2022	2021
<b>Group</b>	£'000	£'000
Gross salaries	14,382	13,352
National insurance costs	1,547	1,470
Pension costs	2,635	2,411
Other costs	60	27
	<u>18,624</u>	<u>17,260</u>

Included in the above figures are termination payments of £42k (2021: £17k) for the School. No funding was received in relation to this payment.

The average number of employees of the School and the Group during the year is shown below:

	2022	2021
	No.	No.
Teaching	195	189
Support	173	179
Fundraising	4	2
	<u>372</u>	<u>370</u>

**THE PERSE SCHOOL**  
**Notes to the Consolidated Financial Statements**  
**For the year ended 31 August 2022**

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The number of employees receiving gross pay net of salary sacrifice and inclusive of the value of benefits-in-kind were:

	2022	2021
	No.	No.
£60,000 - £70,000	30	21
£70,001 - £80,000	9	9
£80,001 - £90,000	5	2
£90,001 - £100,000	1	1
£100,001 - £110,000	2	1
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-
£150,001 - £160,000	-	-
£230,001 - £240,000	-	1
£250,001 - £260,000	1	-

The gross pay included in the salary band £250,001 - £260,000 includes additional salary in lieu of employer pension contributions. The number of higher paid staff with benefits accruing under defined benefit schemes was 44 (2021:31).

The key management personnel of the Group and the School comprise the trustees, the Bursar, the Heads and Deputy Heads of the Upper School, the Perse Preparatory School and the Perse Pelican Nursery and Pre-preparatory School, the Director of Communications, the Development Director, the Director of HR, the Director of ICT, the Deputy Bursar and the Business Development Director. The total employee benefits of the key management personnel of the Group and the School were £1,991k (2021: £1,839k) and comprise gross pay net of salary sacrifice, benefits-in-kind and employers' national insurance and pension contributions.

**Trustees**

The trustees received no remuneration during the year (2021:£nil). One trustees was reimbursed £410 for travel expenses in connection with meetings of the trustees (2021: nil); £nil was spent on training costs for trustees in the year (2021: nil). Indemnity insurance for trustees is included in the School's professional indemnity insurance premium of £8k (2021: £8k). Donations made by trustees totalled £16k (2021: £600).

**THE PERSE SCHOOL**  
**Notes to the Consolidated Financial Statements**  
**For the year ended 31 August 2022**

<b>8. FIXED ASSETS OF THE GROUP AND THE SCHOOL</b>	Freehold land and Buildings £'000	Plant, equipment Furniture & fittings £'000	Total £'000
<b>Cost or valuation</b>			
At 1 September 2021	64,521	1,547	66,068
Additions	1,206	114	1,320
Disposals	-	(154)	(154)
At 31 August 2022	<u>65,727</u>	<u>1,507</u>	<u>67,234</u>
<b>Depreciation</b>			
At 1 September 2021	12,562	755	13,317
Charge for the year	1,395	221	1,616
On disposals	-	(154)	(154)
At 31 August 2022	<u>13,957</u>	<u>822</u>	<u>14,779</u>
<b>Net book value</b>			
At 31 August 2022	<u>51,770</u>	<u>685</u>	<u>52,455</u>
At 31 August 2021	<u>51,959</u>	<u>792</u>	<u>52,751</u>

Included within tangible fixed assets are the following which are not depreciated:

	2022 £'000	2021 £'000
Land	856	856
Assets in the course of construction	1,157	2,577
Performing Arts Centre Public Art	94	94

**9. FIXED ASSET INVESTMENTS**

<b>GROUP</b>	Freehold land and buildings £'000	Other Investments £'000	Total £'000	
Cost or valuation				
At 1 September	7,485	3,334	10,819	
Revaluation	-	(105)	(105)	
At 31 August	<u>7,485</u>	<u>3,229</u>	<u>10,714</u>	
<b>SCHOOL</b>	Freehold land and buildings £'000	Group Undertakings £'000	Other Investments £'000	Total £'000
Cost or valuation				
At 1 September	7,485	-	3,284	10,769
Revaluation	-	-	(82)	(82)
At 31 August	<u>7,485</u>	<u>-</u>	<u>3,202</u>	<u>10,687</u>

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The opening balance of freehold land and buildings comprises four residential properties. All four properties were available for commercial letting throughout the year in 2022; (2021: four properties). Additions are shown at cost (including refurbishment). A professional valuation was undertaken by Savills (UK) Limited, Chartered Surveyors, in January 2022 who confirmed the valuation of the properties as at 31 August 2021. During the year the School purchased an additional site at Abington.

Other investments are shares in an unlisted company (Blutick Limited) which have been measured at fair value and 679,748.04 COIF Charities Ethical Investment Fund Accumulation Units, purchased for £3million with a mid market valuation at 31 August 2022 of £3.202million.

The School owns the whole share capital (amounting to £100) of The Perse School Trading Company Limited. The company was dormant from 1 September 2019 (see note 4).

The School owns the whole share capital (amounting to £1) of The Perse School Cambridge International Limited. The principal activities of the company are advising on the setting up of and the provision of services to overseas schools and the licensing of the School's brand internationally and the provision of educational consultancy services and content for on-line learning platforms. The company was incorporated in England and Wales on 15 January 2018. At 31 August 2022, the company had turnover of £585k (2021: £148k), profit before taxation of £396k (2021: £57k) and net assets of £396k (2021: £57k).

	Group 2022 £'000	Group 2021 £'000	School 2022 £'000	School 2021 £'000
<b>10. DEBTORS</b>				
Trade debtors	414	403	414	370
Other debtors	19	15	19	25
Amounts owed by subsidiary	-	-	153	66
Prepayments and accrued income	210	341	193	331
	<u>643</u>	<u>759</u>	<u>779</u>	<u>792</u>
	Group 2022 £'000	Group 2021 £'000	School 2022 £'000	School 2021 £'000
<b>11. CASH AT BANK AND IN HAND</b>				
Cash at bank and in hand	<u>16,080</u>	<u>12,679</u>	<u>15,562</u>	<u>12,600</u>

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	Group 2022 £'000	Group 2021 £'000	School 2022 £'000	School 2021 £'000
<b>12. CREDITORS DUE WITHIN ONE YEAR</b>				
PAC loan	667	667	667	667
Trade creditors	717	699	707	699
Tax and social security costs	450	415	451	415
Accruals and deferred income	286	807	284	769
Advance fee payment scheme (note 13)	429	487	429	487
Fees paid in advance	759	749	759	749
Other creditors	449	378	449	378
	<b>3,757</b>	<b>4,202</b>	<b>3,746</b>	<b>4,164</b>

	Group 2022 £'000	Group 2021 £'000	School 2022 £'000	School 2021 £'000
<b>13. CREDITORS DUE AFTER MORE THAN ONE YEAR</b>				
PAC loan	8,666	9,333	8,666	9,333
Advance fee payment scheme (note 14)	336	306	336	306
	<b>9,002</b>	<b>9,639</b>	<b>9,002</b>	<b>9,639</b>

Repayable >1 yr < 2 yrs

PAC loan	666	666	666	666
Advance fee payment scheme	211	173	211	173

Repayable >2 yrs < 5yrs

PAC loan	1,998	1,998	1,998	1,998
Advance fee payment scheme	125	133	125	133

Repayable >5 yrs

PAC loan	6,002	6,669	6,002	6,669
	<b>9,002</b>	<b>9,639</b>	<b>9,002</b>	<b>9,639</b>

A term loan of up to £12 million was agreed with Lloyds Bank plc on 22<sup>nd</sup> January 2016. The interest rate on this loan is 1.81% over base rate. The loan is repayable over eighteen years in equal termly instalments, commencing when the loan is fully drawn down and the first repayment was made in September 2018. The purpose of the loan was to finance the construction of the Performing Arts Centre.

The term loan is secured by a charge on the School's Glebe Road properties, the Preparatory School site and the Upper School site.

**14. ADVANCE FEE PAYMENTS OF THE GROUP AND THE SCHOOL**

The School accepts payment of fees in advance from parents covering periods of up to 7 academic years. No guarantee is provided by the School regarding the future level of fees.

Parents may enter into a contract to pay to the School up to the equivalent of seven years' tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils remain in the School, advance fees will be applied as follows:

	2022 £'000	2021 £'000
Within one year	429	487
More than one year		
- Within one to two years	211	173
- Within two to five years	125	133
	<u>336</u>	<u>306</u>
Total advance fee payments	<u>765</u>	<u>793</u>

The balance represents the accrued liability under the contracts. Movements during the year were:

	2022 £'000	2021 £'000
Balance at the beginning of the year	793	805
New contracts	498	461
Amounts accrued to contracts as debt-financing costs	11	12
Amounts utilised in payment of fees to the School	(537)	(485)
Balance at the end of the year	<u>765</u>	<u>793</u>

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Tangible fixed assets	Investments	Net Current Assets	Long term Liabilities	Total
	£'000	£'000	£'000	£'000	£'000
<b>2022</b>					
<b>GROUP</b>					
Endowed Funds	35	493	-	-	528
Restricted Funds	-	1,620	281	-	1,901
Designated Funds	-	707	2,560	-	3,267
Unrestricted Funds	52,420	7,894	10,167	(9,002)	61,479
	<u>52,455</u>	<u>10,714</u>	<u>13,008</u>	<u>(9,002)</u>	<u>67,175</u>
<b>SCHOOL</b>					
Endowed Funds	35	493	-	-	528
Restricted Funds	-	1,620	281	-	1,901
Designated Funds	-	707	2,560	-	3,267
Unrestricted Funds	52,420	7,867	9,796	(9,002)	61,081
	<u>52,455</u>	<u>10,687</u>	<u>12,637</u>	<u>(9,002)</u>	<u>66,777</u>

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	Tangible fixed assets	Investments	Net Current Assets	Long term Liabilities	Total
<b>2021</b>	£'000	£'000	£'000	£'000	£'000
<b>GROUP</b>					
Endowed Funds	35	493	-	-	528
Restricted Funds	-	1,850	369	-	2,219
Designated Funds	-	707	2,674	-	3,381
Unrestricted Funds	52,716	7,769	6,230	(9,639)	57,076
	<u>52,751</u>	<u>10,819</u>	<u>9,273</u>	<u>(9,639)</u>	<u>63,204</u>
<b>SCHOOL</b>					
Endowed Funds	35	493	-	-	528
Restricted Funds	-	1,850	369	-	2,219
Designated Funds	-	707	2,674	-	3,381
Unrestricted Funds	52,716	7,719	6,222	(9,639)	57,018
	<u>52,751</u>	<u>10,769</u>	<u>9,265</u>	<u>(9,639)</u>	<u>63,146</u>

**16. CAPITAL AND RESERVES OF THE GROUP AND THE SCHOOL**

<b>2022</b>	Endowment	CCC Bursary	Farrell Bursary	Pye Foundation
<b>GROUP AND SCHOOL ENDOWED FUNDS</b>	£'000	£'000	£'000	£'000
Balance at 2021	335	60	18	26
Income	-	-	-	-
Expenditure	-	-	-	-
Revaluation	-	-	-	-
Transfers	-	-	-	-
Balance at 2022	<u>335</u>	<u>60</u>	<u>18</u>	<u>26</u>

	Enduring Gift Bursaries	Rouse Award	Aristotelian Award	Total
	£'000	£'000	£'000	£'000
Balance at 2021	75	10	4	528
Income	-	-	-	-
Expenditure	-	-	-	-
Revaluation	-	-	-	-
Transfers	-	-	-	-
Balance at 2022	<u>75</u>	<u>10</u>	<u>4</u>	<u>528</u>

<b>GROUP AND SCHOOL RESTRICTED FUNDS</b>	Prizes and Travel	CCC Bursary	AC Hawkins Bequest	Old Perseans
	£'000	£'000	£'000	£'000
Balance at 2021	80	-	15	34
Income	6	-	-	1
Expenditure	(4)	-	-	(5)
Revaluation	-	-	-	-
Transfers	-	-	-	-
Balance at 2022	<u>82</u>	<u>-</u>	<u>15</u>	<u>30</u>

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**16. CAPITAL AND RESERVES OF THE GROUP AND THE SCHOOL, continued**

<b>GROUP AND SCHOOL RESTRICTED FUNDS</b>	Millennium Bursary £'000	Earnshaw Smith Bursary £'000	Neve Bursary £'000	Annual Fund £'000	Capital Works £'000
Continued					
Balance at 2021	65	226	4	340	80
Income	-	-	-	66	-
Expenditure	-	(9)	-	(48)	-
Revaluation	(1)	(5)	-	(7)	-
Transfers	-	-	-	-	(80)
Balance at 2022	64	212	4	351	-

	Enduring Gift PAC £'000	Enduring Gift Bursaries £'000	Enduring Gift Outreach £'000	Enduring Gift PES £'000	Total £'000
Balance at 2021	210	1,095	39	31	2,219
Income	1	24	6	-	104
Expenditure	-	(215)	(9)	(4)	(294)
Revaluation	(4)	(27)	-	-	(44)
Transfers	(4)	-	-	-	(84)
Balance at 2022	203	877	36	27	1,901

<b>GROUP AND SCHOOL DESIGNATED FUNDS</b>	Enduring Gift £'000	Current Bursaries £'000	Future Bursaries £'000	Travel Bursaries £'000	Total £'000
Balance at 2021	655	1,029	1,675	22	3,381
Income	181	-	-	-	181
Expenditure	-	-	-	-	-
Revaluation	-	-	-	-	-
Transfers	8	47	(350)	-	(295)
Balance at 2022	844	1,076	1,325	22	3,267

<b>GROUP UNRESTRICTED AND TOTAL FUNDS</b>	Endowed	Restricted	Designated	Unrestricted	Total
Balance at 2021	528	2,219	3,381	57,076	63,204
Income	-	104	181	32,152	32,437
Expenditure	-	(294)	-	(28,067)	(28,361)
Revaluation	-	(44)	-	(61)	(105)
Transfers	-	(84)	(295)	379	-
Balance at 2022	528	1,901	3,267	61,479	67,175

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**16. CAPITAL AND RESERVES OF THE GROUP AND THE SCHOOL, continued**

<b>SCHOOL UNRESTRICTED AND TOTAL FUNDS</b>	Endowed	Restricted	Designated	Unrestricted	Total
Balance at 2021	528	2,219	3,381	57,018	63,146
Income	-	104	181	31,762	32,047
Expenditure	-	(294)	-	(28,040)	(28,334)
Revaluation	-	(44)	-	(38)	(82)
Transfers	-	(84)	(295)	379	-
Balance at 2022	528	1,901	3,267	61,081	66,777

<b>2021</b>		CCC	Farrell	Pye
<b>GROUP AND SCHOOL ENDOWED FUNDS</b>	Endowment	Bursary	Bursary	Foundation
	£'000	£'000	£'000	£'000
Balance at 2020	320	57	17	25
Income	-	-	-	-
Expenditure	-	-	-	-
Revaluation	-	3	1	1
Transfers	15	-	-	-
Balance at 2021	335	60	18	26

	Enduring Gift	Rouse	Aristotelian	Total
	Bursaries	Award	Award	Total
	£'000	£'000	£'000	£'000
Balance at 2020	74	10	-	503
Income	-	-	4	4
Expenditure	-	-	-	-
Revaluation	1	-	-	6
Transfers	-	-	-	15
Balance at 2021	75	10	4	528

<b>GROUP AND SCHOOL RESTRICTED FUNDS</b>	Prizes and	CCC	AC Hawkins	Old
	Travel	Bursary	Bequest	Perseans
	£'000	£'000	£'000	£'000
Balance at 2020	75	-	14	37
Income	2	2	-	2
Expenditure	-	(2)	-	(6)
Revaluation	3	-	1	1
Transfers	-	-	-	-
Balance at 2021	80	-	15	34

<b>GROUP AND SCHOOL RESTRICTED FUNDS continued</b>	Millennium	Earnshaw Smith	Neve	Annual	Capital
	Bursary	Bursary	Bursary	Fund	Works
	£'000	£'000	£'000	£'000	£'000
Balance at 2020	69	217	4	308	161
Income	-	1	-	57	-
Expenditure	(9)	(9)	-	(48)	-
Revaluation	5	17	-	23	-
Transfers	-	-	-	-	(81)
Balance at 2021	65	226	4	340	80

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**16. CAPITAL AND RESERVES OF THE GROUP AND THE SCHOOL, continued**

	Enduring Gift PAC £'000	Enduring Gift Bursaries £'000	Enduring Gift Outreach £'000	Enduring Gift PES £'000	Total £'000
Balance at 2020	197	1,205	35	31	2,353
Income	2	104	4	-	174
Expenditure	-	(305)	-	-	(379)
Revaluation	15	91	-	-	156
Transfers	(4)	-	-	-	(85)
Balance at 2021	210	1,095	39	31	2,219

<b>GROUP AND SCHOOL DESIGNATED FUNDS</b>	Enduring Gift £'000	Current Bursaries £'000	Future Bursaries £'000	Travel Bursaries £'000	Total £'000
Balance at 2020	605	1,122	2,025	22	3,774
Income	50	-	-	-	50
Expenditure	-	-	-	-	-
Revaluation	-	-	-	-	-
Transfers	-	(93)	(350)	-	(443)
Balance at 2021	655	1,029	1,675	22	3,381

<b>GROUP UNRESTRICTED AND TOTAL FUNDS</b>	Endowed	Restricted	Designated	Unrestricted	Total
Balance at 2020	503	2,353	3,774	52,087	58,717
Income	4	174	50	29,597	29,825
Expenditure	-	(379)	-	(25,322)	(25,701)
Revaluation	6	156	-	201	363
Transfers	15	(85)	(443)	513	-
Balance at 2021	528	2,219	3,381	57,076	63,204

<b>SCHOOL UNRESTRICTED AND TOTAL FUNDS</b>	Endowed	Restricted	Designated	Unrestricted	Total
Balance at 2020	503	2,353	3,774	52,025	58,655
Income	4	174	50	29,595	29,823
Expenditure	-	(379)	-	(25,316)	(25,695)
Revaluation	6	156	-	201	363
Transfers	15	(85)	(443)	513	-
Balance at 2021	528	2,219	3,381	57,018	63,146

### **Enduring Gift**

In March 2015 the School launched its 'Enduring Gift' campaign. Donations received through the Enduring Gift campaign were allocated between the following fund categories:

Endowed funds: donations where the donor has stipulated that the income generated should provide bursaries for the future.

Restricted funds: donations received for the provision of bursaries, the Performing Arts Centre and Outreach.

Designated funds: donations received which may be used at the discretion of the Trustees in furtherance of the general objects of the charity but principally designated for the provision of bursaries and outreach.

Thereafter, the focus of the School's fundraising has been for the support of bursaries and outreach.

### **ENDOWED FUNDS**

#### **Endowment**

In accordance with a Charity Commission Order, £299,418 of the School's permanent endowment was expended in 2000/01 to build a sports hall and sixth form centre. The order requires that the funds spent on the buildings must be replaced by an annual transfer from the general fund over 20 years in instalments of £14,971 per annum. The endowment fund relates to the amounts transferred over the last 20 years totalling £299,418 and £35,035 being the original capital of the independent educational regional charity scheme of 1910.

#### **Bursaries and scholarships**

The Cambridgeshire County Council (CCC) Bursary was established in 1978 from a donation of £16,000. The donation was made to generate income to provide bursaries for the benefit of children who at the time of the award are day pupils from maintained primary schools in Cambridge.

The Farrell Bursary was established in 1978 by a donation of £5,000 in memory of Michael Farrell from his widow. Income is applied in making bursary awards to pupils resident within 25 miles of the city of Cambridge.

The Pye Bursary was established and endowed in 1978 by a donation of £7,000 from the Pye Foundation. Income is applied in making bursary awards to pupils resident within 25 miles of the city of Cambridge.

In June 2017 a donation was received for £10,000 to fund prizes for the School's annual Rouse Awards and in 2021 £4,000 was received to fund the Aristotelian Prize.

### **RESTRICTED FUNDS**

#### **Prizes and Travel**

The Prizes and Travel Fund was set up from various donations and bequests to be used for the awarding of prizes to pupils of the School and from donations from Rouse (1965) of £1,600 and Cooper (1971) of £1,000 and Howie and Perrett (1988) of £1,000 to be used for travel bursaries which are awarded annually at the Head's discretion.

The A C Hawkins Bequest Fund was established in 1973 out of a legacy of £7,132 to be applied towards helping pupils learn to swim.

### **Bursaries and Scholarships**

The Old Persean Society made a donation in 2000 of £69,707. Income and capital generated by the donation is to be used to provide bursaries for sixth form students.

The Millennium Appeal Bursary Fund was set up from donations and bequests to the School from a campaign appeal launched in 1997.

The estate of Georgina Earnshaw-Smith gifted funds for a bursary to be established in the name of her late husband, Eric Earnshaw-Smith, relating to classical, literary, other arts or humanities studies.

A legacy was received in 2011 from the late Maureen Neve with the clear requests that the money be used to provide a bursary or bursaries. The first Neve bursary was awarded in the 2011/12 academic year.

### **Annual Fund**

The Annual Fund was established in 2002. This is an annual appeal encouraging regular donations to raise funds for bursaries and specific projects nominated by the School.

Three pupils currently benefit from Annual Fund bursaries (2021: 3).

### **Capital works**

The Capital Works Funds consists of a donation towards the cost of the kitchen refurbishment (included within fixed assets) in 2018 which is being released to unrestricted reserves over five years.

## **DESIGNATED FUNDS**

The Current Bursaries Fund was set up in order to assist with the financing of means-tested bursary awards. The fund was established from allocations from the income and expenditure account. An amount has been transferred from unrestricted funds to the Current Bursaries Fund so as to maintain the level of the fund at the equivalent of approximately one full academic year's worth of bursary awards, which is estimated to be £1,076k for the year 2022/23.

The Future Bursaries Fund was established in 2011/12, and the opening balance is made up of transfers from unrestricted funds of the annual balance between 5% of gross fee income and actual bursary spend in the year funded by the School from that year's operations, up to and including the year ended 31 August 2020. The fund is now being expended at a rate of £350k per annum, via transfer to unrestricted reserves, to fund bursaries provided by the School.

The Travel Bursaries Fund was established to provide means tested assistance for some school trips.

## **17. PENSION ARRANGEMENTS**

### **Defined Benefit 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 £3,070k (2021: £2,805k) and at the year-end £258k (2021 - £237k) 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 by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgement that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of the cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards.

The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

### Group Personal Pension Schemes

The School operates three group personal pension schemes. The Schemes are defined contribution schemes, the assets of the schemes being held separately from those of the School in independently administered funds. The School's contributions to the schemes were 13.75% (2021: 13.75%) for the Aviva non teaching staff pension scheme with employee contributions of 6.25% (2021: 6.25%). The second scheme is the NEST scheme which the School uses to fulfil its obligations under auto-enrolment legislation. Contribution rates for this scheme were 6% for the employer (2021: 6%) and 3% for employees (2021: 3%). The third scheme is the APTIS (Aviva Pension Trust for Independent Schools) scheme which is available to those members of the teaching staff as an alternative to the Teachers' Pension Scheme. Contribution rates for this scheme were up to 23.68% (combined pension and death in service benefit) (2021:23.68%) maximum, although employees may opt for a lower employer contribution to be paid, subject to a minimum of 13.75% with additional taxable salary received in lieu. Employee contributions were 6.25% minimum (2021: 6.25%)

Employer contributions paid to the schemes in the year were £504k (2021: £461k) and the amount due to the schemes at 31 August 2022 was £55k (2021: £52k).

### 18. RELATED PARTY TRANSACTIONS

Four trustees (2021: five) had children attending the School as at 31<sup>st</sup> August 2022. Fees were paid on the same terms as for all other children attending the School (see note 4).

### 19. OPERATING LEASES GROUP AND SCHOOL

At 31 August 2022 the Group and the School had annual commitments under operating leases which expire as shown in the banding below:

	Land & Buildings £'000	Office Equipment & vehicles £'000	Total 2022 £'000	Land & Buildings £'000	Office Equipment & vehicles £'000	Total 2021 £'000
Within 1 year	12	312	324	12	298	310
2 – 5 years	36	301	337	42	302	344
>5 years	-	7	7	-	22	22
	<u>48</u>	<u>620</u>	<u>668</u>	<u>54</u>	<u>622</u>	<u>676</u>

At 31 August 2022 the Group and the School had contracted with tenants under non-cancellable operating leases for the following future minimum lease payments:

Amount due:	2020	2021
	£'000	£'000
Within 1 year	150	150
Between 1 and 5 years	-	50

**20. CAPITAL COMMITMENTS**

At 31 August 2022 the School had capital commitments of £28k contracted but not provided for in the financial statements (2021: £609k) relating to retained funds on the Old Gym Mezzanine Floor.

**21. NET DEBT RECONCILIATION**

	1 September 2021 £'000	Cash flows £'000	31 August 2022 £'000
Cash at bank and in hand	12,600	2,962	15,562
Bank loans	(10,001)	666	(9,334)
Net Debt	<u>2,599</u>	<u>3,628</u>	<u>6,228</u>

**THE PERSE SCHOOL**  
**Notes to the Consolidated Financial Statements**  
**For the year ended 31 August 2022**

**22. ANALYSIS OF PRIOR YEAR TOTAL FUNDS**

	Note	Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	Endowed Funds £'000	Total Funds 2021 £'000
<b>INCOME FROM:</b>						
<b>Donations and legacies</b>		-	48	160	4	212
<b>Charitable Activities-</b>						
Tuition fees	2	26,689	-	-	-	26,689
Other educational income		860	-	-	-	860
Other ancillary activities	3	1,570	-	-	-	1,570
<b>Other Trading Activities</b>						
Lettings		-	-	-	-	-
Subsidiary trading activities		139	-	-	-	139
<b>Investments</b>	5	159	2	14	-	175
<b>CJRS income</b>		180	-	-	-	180
<b>TOTAL INCOME</b>		<u>29,597</u>	<u>50</u>	<u>174</u>	<u>4</u>	<u>29,825</u>
<b>EXPENDITURE ON:</b>						
<b>Raising funds</b>						
Fundraising		(133)	-	-	-	(133)
Investment property costs		(27)	-	-	-	(27)
<b>Charitable activities</b>						
Operating costs		(24,958)	-	-	-	(24,958)
Bank interest		(198)	-	-	-	(198)
Grants, awards and prizes		-	-	(379)	-	(379)
<b>Other activities</b>		(6)	-	-	-	(6)
<b>TOTAL EXPENDITURE</b>	6	<u>(25,322)</u>	<u>-</u>	<u>(379)</u>	<u>-</u>	<u>(25,701)</u>
<b>NET INCOME</b>		4,275	50	(205)	4	4,124
<b>Transfers between funds</b>		513	(443)	(85)	15	-
<b>Other recognised losses</b>		201	-	156	6	363
<b>NET MOVEMENT IN FUNDS</b>	16	<u>4,989</u>	<u>(393)</u>	<u>(134)</u>	<u>25</u>	<u>4,487</u>
<b>Balances b/fwd 1 September</b>		<u>52,087</u>	<u>3,774</u>	<u>2,353</u>	<u>503</u>	<u>58,717</u>
<b>Balances c/fwd 31 August</b>		<u>57,076</u>	<u>3,381</u>	<u>2,219</u>	<u>528</u>	<u>63,204</u>

