

Stover School Association
(A company limited by guarantee)

Annual Report
Year ended 31 July 2023

Company No: 565995
Charity No: 306712

Stover School Association

Annual Report

Year Ended 31 July 2023

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Stover School Association

Trustees' Report

Year Ended 31 July 2023

The Trustees are pleased to present their annual report, together with the audited financial statements of the charity for the year ended 31 July 2023. The directors of the charitable company (the company) are its Trustees for the purpose of charity law, and also the School Governors.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Number: 306712

Company Number: 565995

Registered office and principal address: Stover School, Newton Abbot, TQ12 6QG

The Trustees, who served during the year, and at the year end, were as follows:

Mr J Arnold

Ms B Atkinson Msc, Bsc (Hons) RGN, Dip N (Lond

Mrs M Batten Bsc, RHC

Mrs V Bamsey Bsc (Hons), EYP,QTLS

Mr M Burgess Bsc

Mr P Housego BA

Admiral Sir B J Key BSc KCB, CBE – RN

Vice Chair

Mr S J Killick ND (Arb)

Chairman

Mrs J Milstead BSc (Hons)

Mr T P Synge BA FCA

Mr D Wilson ACIB

Vice Chair

Dr E J Wolstenholme BSc PhD

New Appointees to Board from 29th November 2023 are:

- Mrs Alison Smith (Solicitor)
- Mr Chris Hicks (Accountant, retired)
- Mr Peter Shirt
- Mr James O'Dwyer (Property)
- Professor Ivana Beardmore (Academic)
- Mr Stephen Reynolds (Banking, retired)

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The key executives and professional advisers during the year were:

Headmaster:	Mr R W D Notman BCom
Bursar	Mr P T Jenkins
Bankers:	Barclays Bank Plc, 3 Bedford Street, Exeter, Devon EX1 1LX
Solicitors:	WBW Solicitors, Church House, Newton Abbot.,
Auditors:	PKF Francis Clark, Sigma House, Oak View Close, Edginswell Park, Torquay, TQ2 7FF

The Senior Leadership Team (SLT) of the School comprises:

Mr Richard Notman	Headmaster
Mr Patrick Jenkins	Bursar
Dr Jeremy Stone	Deputy Head, Senior School
Mr Ben Noble	Head of Preparatory School
Mrs Helen Notman	Assistant Head – Safeguarding, Welfare & Boarding
Mr Michael Mooney	Assistant Head – Operations
Mrs S-J Avery	Senior Teacher - Pastoral

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Year Ended 31 July 2023

The Trustees of Stover School present their annual report and audited financial statements for the year ended 31 July 2023 and confirm they comply with the requirements of the Charities Act 2011, the company's Articles and the Charities SORP (SORP 2015).

Summary of the Year by the Chair of the Governors

Foreword by Chair of Governors

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Stover School Association is a company limited by guarantee, governed by its Memorandum and Articles of Association. Under the provision of Section 30 of the Companies Act 1985, the company is entitled to omit the word "Limited" from its name. The company, at year end, currently has 12 active members. The governors are actively recruiting a further 6 governors with skills sets in: Education, Legal, Finance, Ecclesiastical, Planning, and Medical & Safeguarding. They will join the Board in December 2023.

In the event of the company being wound up, the liability of each member is limited to £1. Stover School Association is also registered with the Charity Commission as a charity.

The Governors, who are also the charity Trustees, are responsible for the overall management and control of the Stover School Charity and meet in full at least three times a year. The work of implementing most of their policies is carried out by sub committees: Audit, Finance and General Purpose, Education, and Welfare. These committees meet once each term (or more in the case of Finance). The Clerk to the Governors is responsible for coordinating the work of the Governors and their Committees, preparation of papers and the review of matters arising.

All Trustees give of their time freely and no remuneration other than some travel expenses were paid in the year.

Governor Recruitment and Training

The Governing body requires breadth and depth of experience to carry out its duties effectively and efficiently. When recruiting new trustees the important attribute is a passion for the work of our School and an understanding of education as a holistic and rounded experience of personal growth.

We advertise locally and appoint by recommendation for new trustees. Where possible the Governors consider that the skills and experience of the Board should comprise the following:

- A Governor with a legal background
- A Governor with a financial/accounting background
- A Governor with education experience
- A Governor with senior managerial or business experience
- A Governor with experience of equal opportunities or disability needs
- A Governor with experience of medical and safeguarding
- A Governor with experience of estates, planning and asset management
- At least one female Governor and at least one male Governor

Individual Governors may have one or more of these skills.

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ORGANISATIONAL MANAGEMENT

The Governors determine the general policy of the School. The day to day running of the School is delegated to the Headmaster, supported by senior staff. The Headmaster undertakes the key leadership role, overseeing educational, pastoral and administrative functions in consultation with the senior staff. The day to day administration of both the Preparatory and Senior Schools is undertaken within the policies and procedures set out and approved by the Governors. These regulate any significant expenditure decisions, (including any major capital projects), and major educational decisions having been referred to the Governors for prior approval.

The Headmaster oversees the recruitment of all educational staff, whilst under delegated authority. The Bursar oversees the recruitment of administrative and non-teaching support staff. The Headmaster and the Bursar attend Governors' meetings, along with other members of the Leadership team as and when required.

Other Relationships

Stover School Association has a wholly owned non charitable trading subsidiary, Stover Enterprises Limited, which was established to operate commercial activities on the School's premises. The results of Stover Enterprises Limited are consolidated within the overall School results. Further details of Stover Enterprises Limited activities and results are given in note 4 to the accounts.

The Headmaster is a member of the Society of Heads, which provides an opportunity to share expertise, knowledge and experience across the independent school sector. The Association also permits appropriate representation to Government and regulators of the views of the sector. Other association affiliations are relevant, such as AGBIS (the Board of Trustees), ISBA (the Bursar), ISC and BSA (the School), BBSN (the Registrar) and AMCIS (the Marketing Manager).

STRATEGIC REPORT

Stover School Mission

Stover School provides education which nurtures, inspires, prepares, challenges, and celebrates each pupil. Our holistic approach combines a progressive research based curriculum, with a resilient moral code based on sound family and Christian principles. We prepare confident and independent young people to adapt and succeed in an ever changing world.

Aims

Our aims are set to reflect our educational mission, through Research Based Learning (RBL) and the ethos of the School. In setting our objectives and planning our activities, our Governors have given careful consideration to the Charity Commission's public benefit guidance.

Our key aims for the year included:

- Invest in educational excellence enabling the provision of effective, inspiring and stimulating teaching to pupils of wide ranging abilities and cultural backgrounds, encouraging their enthusiasm for learning, enabling each pupil to achieve their potential
- Maintain an ongoing evaluation of the quality and content of both teaching and learning
- Provide a broad, forward looking curriculum at all levels with appropriate resources
- Maintain a supportive and happy environment where the individual and spiritual needs of pupils and staff are recognized and provided for
- Provide sound moral values through clear expectations of behavior, emphasizing respect and consideration for others
- Encourage self-confidence, self-motivation and self-discipline within a safe and caring community

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- Engage and maintain effective communication with members of the School and wider community
- Value the School's special, natural environment and historic estate and use them wherever appropriate in the curriculum
- Provide continuing support of our pupils already in receipt of fee assistance through bursaries – subject to regular reviews and the schools ability to financially meet the overall commitments
- Develop our links with local state schools and the community through opportunities to share on-site facilities and staffing and through outreach activities.

OUR ETHOS, STRATEGY & POLICIES

Stover School is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. Our fees are set at a level to ensure the financial viability of the School, whilst remaining accessible to a wide range of the local community.

Our School welcomes pupils from all backgrounds. To admit a prospective pupil we look for a 'goodness of fit' with the school's ethos by interviewing, observing during taster days and reviewing previous school reports. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

Our School is committed to safeguarding and promoting the welfare of our pupils and expects all staff and volunteers to share this commitment.

In the last Independent Schools' IS Inspectorate report". – Compliance inspection 2017 – "school fully compliant with all D of E and ISI regulations- GOOD"

In the ISI Quality Inspection January 2020 – "Quality of Pupil Achievement – Good, Quality of Pupil Personal Development – MET in all areas".

Parents are given regular information about their children's academic progress and personal growth through regular reporting, both formally and informally. We maintain regular contact with parents throughout the year via telephone, email, and face to face meetings where necessary and through our school newsletter. Preparatory pupils have class teachers and Older pupils have a Form Tutor, who is responsible for their well-being, pastoral care and academic development. The Senior Management Team's continuous focus on Research Based Learning, a BYOD approach to technology, Value-Added outcomes and individualisation of assessment and learning continues to drive high standards of attainment. The continued improvement in the quality of the school's provision has again been well received in the local market place, whilst pupil numbers continued to grow above 500 during the academic year.

Demand is still very strong across the whole school. Applications for the coming year are very high with record attendance at Open Days.

The Schools Planning, Masterplan, continues its journey to full application submission by early November 2023. There are a number of public consultation meetings planned in the near future with the assistance of our professional planning consultants and landscape architects. The Plan aims to satisfy English Heritage,

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Natural England, the wider community, and local planners, and therefore deliver the facilities that a school of this size demands, namely, a new, all-purpose sports hall incorporating multi use courts (to replace the temporary tennis cover), a Multi-Use Games Area (MUGA pitch), new classrooms to replace the “ Devon

Ladies” wooden buildings, and extending Science, Food Technology, and Drama spaces. These enhanced facilities will also provide significant public benefit, roughly 40 hours per week. This is an exciting moment in Stover's long history and one that will sustain and grow it for future generations of pupils

Existing facilities continue to be enjoyed by the local community including the Devon Sports Partnership, Ipplepen Cricket Club, Newton Brewers and Exeter Spitfires Baseball Teams, Hi5, and Stage Coach Theatre Group. Going forwards, we will once again host the Templar 10 Cross-Country.

As a result of the quality of educational provision and consequent demand for places, the school continued to budget for a six-figure surplus. It would be fair to say that continuing uncertainty existed throughout the year, due to increased fuel (petrol) costs, cover staff being employed due to long term sickness / absences, and the professional fees for the Masterplan which we were fully committed too. However, pupil growth, and especially a limited but welcome return of overseas boarders, mainly from Europe, allowed planned investment to continue and a healthy year-end six figure surplus to be realised again

Governors continued to review the Schools strategy regularly throughout the year with the plan for growth but are mindful of headwinds around potential VAT being imposed on fees and the change to charitable status being rumoured. Focus was also given to further restoration of specific heritage assets that has been a feature for the last 4-5 years. Investment in ICT hardware continued as a high priority in view of the potential for further virtual lesson delivery and our strategic focus on RBL learning and further digitisation.

With careful budgeting, we have achieved a surplus which satisfies our bank covenant and proves long term sustainability and allows the school to fulfil longer term ambitions and / or help protect it from the impacts of VAT etc.

PLANS FOR THE FUTURE

The management team will continue to drive educational standards across all stages of the school, and the sustainability of the school through surpluses. Our 2022 / 2023 Strategy Day continued to focus and deliver key on-going improvements and innovations in educational, pastoral and pupil enrichment outcomes alongside facility enhancement. As the pattern of healthy year on year surplus is now established, the updated five-year rolling facility plan includes:

- Additional classroom space to accommodate the planned growth in school numbers - 2 new classrooms delivered for Summer 2022.
- Delivering a Sports hall, covered tennis courts, and MUGA / Astroturf facility, subject to heritage approval and planning, for 2024/25.
- Update, involving replanting of main entrance and re tarmacking main drive, in line with planning and landscape requirements to satisfy English Heritage and planners
- Improved site parking and landscaping
- Continuing premises update and repairs and maintenance
- Continued restoration of heritage assets, year on year, continuing with the with Mansion House windows

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Previously, the Covid Pandemic and lockdowns resulted in a number of capital projects being delayed in favor of the priority to keep pupils and staff safe and financially support those suffering hardships as a result of the pandemic. It is the opinion of the Trustees that despite Covid-19 and its widespread impact, the school remains in a strong position due to astute management and governance over the last 2-3 years. The school has the full backing of its bank, Barclays Plc., and will place the highest priority on continuing to meet its covenants.

PUBLIC BENEFIT

The Masterplan planning application details all-encompassing projects for the site and buildings which will take the school well into the next generation and beyond with modern facilities that will be enjoyed by the community as a whole. Specifically, the MUGA pitch will be available for at least 40 hours community use per week if and when built. Also, all the other planned facilities will be available to the public outside of term times or weekends and evenings.

Local sporting events, such as the South West School Cross-Country Championship; Westward League Cross-Country events and South Devon & Torbay Table Tennis League continue to enjoy the site. In addition, the site is used in the holidays by the Hi5 Group and Stagecoach Musical Theatre and Drama. The school also makes specific donations to support local events and charities

RISK MANAGEMENT

The Governors are responsible for the overseeing of the risks faced by the School. Detailed considerations of risks are delegated to the school's Senior Management Team however, each governor sub-committee retains control of these by considering a relevant risk matrix at each sub-committee meeting. The Governors' Audit Committee reviews all sub-committee risk registers and considers any salient reportable feedback.

Currently the risks as identified by the Governors are:

- Reputation - the School's success is built on its reputation for providing excellent education and supporting the personal growth and well-being of our pupils. We manage this risk through safeguarding policies, staff/ Safer Recruitment policies, pastoral support for both pupils and staff, careful monitoring of pupil performance to allow early intervention where required, and active identification and resolution of health and safety related issues.
- Finance - our ability to function and invest fully in our services is reliant on pupil fees and the ability to pay bills as they fall due. This risk is managed by marketing activity, having a reputation for curriculum and pastoral excellence and active cash-flow management, including access to adequate short, medium, and long-term credit facilities for the School.
- Curriculum - Curricular excellence requires a shared understanding of pedagogy coupled with up to date facilities and clear understanding of our pupils. We manage this risk by combining rigorous recruitment with sound performance management, ongoing investment in educational facilities

Due to the sound risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated and it is recognised that systems can only provide reasonable but not absolute, assurance that major risks will be foreseen and therefore managed.

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REVIEW OF ACTIVITIES AND ACHIEVEMENTS

Pupil numbers and fees -

Pupil numbers at the school increased from 473 at the start of the year to 513 (not including Nursery) by the year end. This increase continues the upward trend in pupil numbers that started in 2015. Strategy plans have been formulated to continue this growth trend, accommodating pupil numbers by adding staffing, extra classes and classrooms, in order to maintain and / or exceed 500 pupils in the coming year.

We are mindful that any increase in fees needs to be carefully managed and, while we are having to cover our overheads, we always compare our fee structure with other independent schools, in order to remain competitive. Continued, additional challenges are the rise in employers' national Insurance contributions in April 2022, the rise in National Living / Minimum wages also in April 2022, which were absorbed by the school for the financial year 2021/22 but has ongoing impact in salaries and pay levels. A new holiday pay calculation was also adopted in light of the Harpur Trust-v-Brazel ruling which has increased pay levels for part time workers.

Annual reviews continue to be in place with the Teachers Pension Scheme with rumours that the employers rate % will increase again within the next 12 months. There are no plans to withdraw currently, which ensures the goodwill of existing teaching staff and the attraction of new but we have to monitor this closely for affordability.

Fee increases were agreed at Easter time and before the deduction of any means assisted bursaries and scholarships, were:

Pre-Prep year - £2,820per term

Preparatory School - £3,030 to £3,770per term

ALL Senior School - £4,630per term

These will be driven by inflation rates.

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ACADEMIC PERFORMANCE

PREPARATORY SCHOOL

End of Key Stage 2 (Year 6)

InCAS assessments were taken in Spring 2023 in Years 1-6. InCAS are computer based adaptive assessments which highlight pupil attainment in: General Maths, Mental Arithmetic, Reading, Comprehension, Spelling and Developed Ability. The results are highlighted in the table below and show the number of months the school is ahead of the national average across all 6 areas. The table also highlights the differences between the two Key stages (Year 1 and 2 = KS1 and Years 3-6 = KS2).

	General Maths	Mental Arithmetic	Reading	Comprehension	Spelling	Developed Ability
Whole School	7	3	6	6	2	16
KS1	8	2	2	2	4	4
KS2	7	4	8	7	1	19

In Year 6

Key Information Figures

Total Cohort 25 pupils

Boys 44%

Girls 56%

SEN Register (formal) 44% (11/25 pupils)

English as an additional Foreign Language (EFL) 4%

The children categorised as SEND all attended break out groups during lessons and received intervention, generally taking place during MfL. 37% of the SEND children also had an official neurodivergent diagnosis. Therefore, the Attainment and Progress of the children is remarkable and testament to the hard work of the year 6 team at the end of the Key stage and the whole school leading up to this exit point. With Writing and Maths having an attainment rating of 80% and 88% respectively; either meeting age related expectations, nationally, or exceeding them.

Writing Attainment	Boy	Girl	Reading Attainment	Boy	Girl	Mathematics Attainment	Boy	Girl
Exceeding 20%	0%	20%	Exceeding 12%	0%	12%	Exceeding 16%	12%	4%
Meeting/Exceeding 80%	28%	52%	Meeting/Exceeding 64%	28%	36%	Meeting/Exceeding 88%	40%	48%
Meeting expected 60%	28%	32%	Meeting expected 52%	28%	24%	Meeting expected 72%	28%	44%
Emergent 20%	16%	4%	Just Below 24%	8%	16%	Just Below 12%	4%	8%
			Below 12%	8%	4%	Below 0%	0%	0%
Writing Progress			Reading Progress			Mathematics Progress		
Exceeding 32%	24%	8%	Exceeding 16%	8%	8%	Exceeding 32%	24%	8%
Meeting/Exceeding 96%	40%	56%	Meeting/Exceeding 100%	44%	56%	Meeting/Exceeding 96%	45%	50.6%
Meeting expected 64%	16%	48%	Meeting expected 84%	36%	48%	Meeting Expected 64%	21.3%	42.6%
Emergent 4%	4%	0%	Just Below 0%	0%	0%	Just Below 4%	0%	4%
			Below 0%	0%	0%	Below 0%	0%	0%

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It is also valuable to highlight the progress made across:

Writing – 96.2%

Reading – 100%

Mathematics – 96%

SENIOR SCHOOL

The 2023 A Level results were the best in over 10 years with a 100% pass rate and 63% awarded at grades A* to B. Similarly, GCSE results remained strong with 86% being awarded at grade 4 and above (against a national figure of 68%). Once again, all A Level UCAS applicants earned a place at one of their top two choices of university, with destinations including Bath, Cardiff, Bristol, Manchester and the Royal Northern School of Music.

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CHARITY FUND RAISING –

The School continued with fundraising initiatives throughout the year, raising at total of £5,821 for a number of charities including the Royal British Legion Poppy Appeal, National Children's Bureau, Comic Relief/Red Nose Day, Cancer Research UK, Children in Need, British Heart Foundation, The Itsby Bisy Bookshop, The Brain Tumour Charity, Breast Cancer Research, Royal Navy & Marine Charity, and ABF The Soldiers Charity.

Community Service

As part of the Duke of Edinburgh's Award, our pupils fulfill a wide variety of services in the local community ranging from country park ranger services to providing care in old people's homes. Biennially our pupils take part in a self-funded cultural visit to a far-away location to undertake a number of charitable initiatives in local schools and communities. Plans for future overseas trips are underway.

ACCESS POLICY

It is important that access to a Stover education is not restricted to those who can afford our fees. We believe our pupils benefit from learning within a diverse pupil community. A great deal of learning occurs through social interaction, conversation and shared experiences. This helps our pupils to develop emotional intelligence; a tool that will stand them in good stead for the rest of their lives. Our bursary policy, together with our broadly non-selective approach to admissions, contributes to a wide access to the education we offer and the facilities we enjoy.

BURSARY POLICY

The Governors view our bursary awards as important in helping to ensure children from families who would otherwise not be able to afford the fees, can access the education we offer. Our bursary awards must satisfy our admissions process and are made solely on the basis of parental means testing, or to relieve short term hardship, where a pupil's education and future prospects would otherwise be at risk.

In assessing means we take a number of factors into consideration including family income, investments and savings and family circumstances, for example dependent relatives and the number of siblings. However, our school does not have an endowment fund and, in making our awards, we have to be mindful that we must ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards. Our Bursary policy states that these awards should be tested annually.

Information about fee assistance through bursaries is provided to all applying to the School. Further details of our bursary policy are available on our website.

Bursaries

This year the value of means tested bursaries totaled **£189,101** and represented **2.5%** of our gross fees.

Family discounts policy

To underline the value we place on continuity for families, and to assist with affordability for families with more than one child, we offer discounts where parents have more than one child at the School. These discounts stand at 10% for a second child, 20% for a third, and so on.

NHS, Armed Forces and Police.

In support of the Armed Forces Covenant, where they are eligible for the Continued Education Allowance (CEA), serving members of the Armed Forces are offered 10% reduction.

(Non CEA approved) Forces personnel, can apply for scholarships and bursaries, but eligible for a 20% reduction. We continued to support NHS staff and members of the police force with 10% fee remission.

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SCHOLARSHIP POLICY

The purpose of our scholarship awards is to recognize high academic potential or the ability to excel in Sport, Music or The Arts.

Scholarships are awarded with a fixed remission of fees of between 5% and 15%. Where further assistance is required, scholarship awards may be supplemented by a means tested bursary. We make information on scholarships available to prospective parents and we advertise the availability of scholarship awards from time to time. Further details of our scholarship policy are available on our website.

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

Scholarships

The School awarded scholarships totaling **£201,244** and representing **2.7%** of our gross fees.

Assistance for our teaching staff

As part of our emphasis on attracting and retaining high calibre staff, we offer a discount scheme when staff members choose to educate their children at Stover School.

OUR FINANCES

Results for the year ended 31 July 2023 are shown in the Consolidated Statement of Financial Activities. The continued effects of the Covid-19 pandemic were mitigated with continued growth in pupil numbers throughout, good debt management, and other factors, which improved the year-end figures in income terms. Hence, the total incoming resources were **£7.659m**, (**£7.068m** 2022), up 8.3%. After expenditure of **£7.361m** (**£6.697m** 2022), including depreciation of **£297k** (£271k 2022), the accounts show **a net incoming of resources for the year of £298k** (£370k in 2022). Expenditure on new capital purchases was **£295k** (£238k in 2022).

The Governors continued to invest in the maintenance and refurbishment of the School buildings in order to maintain the best possible range of facilities for our pupils. This program is financed from the general fund, with capital development projects pursued in years of surplus.

As a charity the parents of our pupils have the assurance that all the income of the School must be applied for educational purposes. As an educational charity we enjoy tax exemption on our educational activities and on our investment income and gains provided these are applied for our charitable aims.

As a charity we are also entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our bursary awards. However, as an educational charity, we are unable to reclaim VAT input tax on our costs as we are exempt for VAT purposes. We also pay tax as an employer through the national insurance contributions we make.

PAY POLICY FOR SENIOR STAFF

The Governors consider the Board of Governors, who are also the Charity's Trustees, and the senior leadership team to comprise the key management personnel of the charity, responsible for managing and directing the charity on a day to day basis. Governors are not remunerated and give of their time freely. Related party transactions are set out in Note 17 to the financial statements.

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When setting the pay policy for the senior management team, the Governors have available to them the published pay scales of the state sector, and also various benchmarking data for the independent sector. Salary levels are set to ensure that the School attracts the best talent available, whilst being mindful to control costs to ensure that the School makes a sufficient surplus to allow for future investment.

DEVELOPMENTS AND MAINTENANCE

The Bursar, Estates Manager, and the Estates team, will continue to work closely with heritage and conservation experts to preserve the Stover Estate, with emphasis on the priority areas and buildings such as The Old Stables, The Lodge, The Walled Garden, Mansion House, and Clock House. Further works have been achieved by The Stover Heritage Trust to date, from Lottery funding. We are pleased to be part of extensive plans for the renovation and preservation of historical assets on the Stover School grounds, in particular the latest plans to restore the Serpentine Lake.

The Estates Team continued to focus on remedial and longer-term restoration works which are financed from previous years surpluses and ring fenced as a Restoration Fund. This is in line with our commitment to English Heritage, the Local Planning Department, and our own wishes to be excellent custodians of the historical Stover Estate. Projects such as the Clock House roof and a refurbishment plan for windows across the estate have been prioritised with an associated delivery plan. Frustratingly, the next phase of the Clock House roof, front elevation, planned for summer 2022, is delayed due to bat movements but the materials have already been purchased and works will start as soon as we have the required licence.

A great deal of work continued to be directed towards planning for the MUGA / Astro-turf Pitch during the year and we were advised by our consultants. This will include the siting and build of a sports hall as the priority. On-site meetings have taken place with stakeholders to try and progress a full application and we have entered into a Planning Performance Agreement with Teignbridge in an attempt to put specific timescales on any agreement from them. A full application to TDC is hoped for by end November 23.

More upgrading of laptops and other electronic devices, resulting in faculties having access to the latest technology for lessons, continued throughout the year.

Reserves Policy

The Governors review the reserves of the charity, annually, which, in accordance with current SORP guidance, relate solely to funds that are freely available for the charity's purposes, and therefore exclude restricted funds and funds tied up in fixed assets.

Unrestricted free reserves are beneficial in the event of a downturn in the school's financial performance, be it through a downturn in pupil numbers, changes in Government policy, reduction in net fees or unexpected expenditures being incurred. The Governors are aware that at present most of the charity's unrestricted funds are represented by freehold property (held for charity use), but cash Reserves amounting to some £226,000 have been built up and will aid future building projects subject to full planning approval.

The charity has restricted free reserves, but nevertheless, in drawing up the 2022/23 budget, it continues to aim for a six-figure surplus again next year. Despite the lingering effects of the Covid Pandemic, the school is in a much stronger financial position and plans to remain so. The charity's net debt position has improved considerably in recent years, and the school continues to generate cash surpluses which are in line with our bank covenants. As a consequence, it is the governors' continued policy for the charity to accumulate annual surpluses in order to be able to invest in the charity's future. Governors review this policy annually.

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Year Ended 31 July 2023

Trustees' Responsibilities

The Trustees (who are also directors of Stover School Association for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and the United Kingdom Accounting Standards (UK 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, including the income and expenditure of the charitable company for the period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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.

In so far as the Trustees are aware:

- 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 auditor is aware of that information.

By Order of the Board on the 29th November, 2023

S J Killick
Chairman of Governors

Stover School Association

Independent Auditors' Report to the Members of Stover School Association

Year Ended 31 July 2023

Opinion

We have audited the financial statements of Stover School Association (the 'Charitable Company') and its subsidiary (the Group) for the year ended 31 July 2023, which comprise the Consolidated Statement of Financial Activities incorporating Income and Expenditure Account, the Consolidated and Company Balance Sheet, Consolidated Statement of Cash Flows and notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 and the Charitable Company's affairs as at 31 July 2023 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Charities SORP; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusion 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 ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Stover School Association

Independent Auditors' Report to the Members of Stover School Association

Year Ended 31 July 2023

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Report set out on pages 2 to 16, the trustees 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 and Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor'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.

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the Group and the education sector in which it operates to identify the key laws and regulations affecting the Group. The key laws and regulations we identified were compliance with requirements relating to safeguarding.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily FRS 102 (effective 1 January 2019) - (Charities SORP), the Companies Act 2006 and the Charities Act 2011.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty.

We discussed with management how the compliance with these laws and regulations is monitored and discussed policies and procedures in place.

We also identified the individuals who have responsibility for ensuring that the Group complies with laws and regulations and deals with reporting any issues if they arise.

Stover School Association

Independent Auditors' Report to the Members of Stover School Association

Year Ended 31 July 2023

As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the Group's ability to continue trading and the risk of material misstatement to the accounts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management and those charged with governance regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements;
- Reviewed legal and professional costs to identify any possible non compliance or legal costs in respect of non compliance.;
- Reviewed Board and Finance Committee minutes.

As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud of which there were none.

We also evaluated the risk of fraud through management override including that arising from management's incentives. The key risks we identified were the manipulation of the financial statements (including the risk of override of controls) and we determined that the principal risks were related to fraudulent financial reporting, in particular to fraud in revenue recognition and grant funding received.

In response to the identified risk, as part of our audit work we:

- Used data analytics to test journal entries throughout the year, for appropriateness;
- Reviewed grant funding agreements;
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

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

SHARON AUSTEN FCCA (Senior Statutory Auditor)

PKF Francis Clark
Chartered Accountants and Statutory Auditor
Sigma House
Oak View Close, Edginswell Park
Torquay
TQ2 7FF

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Stover School Association

Consolidated Statement of Financial Activities (Incorporating Consolidated Income and Expenditure Account)

Year Ended 31 July 2023

	Notes	General Fund £	Restricted Fund £	2023 Total £	General Fund £	Restricted Fund £	2022 Total £
Income							
Charitable Activities							
School fees receivable	2	6,584,280	-	6,584,280	6,118,110	-	6,118,110
Ancillary trading income	3	910,787	-	910,787	781,138	-	781,138
Other trading activities							
Commercial trading operations	4	110,116	-	110,116	112,505	-	112,505
Other income		56,631	-	56,631	53,288	-	53,288
Donations		1,542	-	1,524	1,000	2,250	3,250
Total income		7,663,338	-	7,663,338	7,066,041	2,250	7,068,291
Expenditure							
Charitable Activities							
School operating costs	5	7,322,010	-	7,322,010	6,602,732	500	6,603,232
Costs of generating funds							
Commercial trading operations	5	43,075	-	43,075	94,534	-	94,534
Total expenditure	5	7,365,085	-	7,365,085	6,697,266	500	6,697,766
Net income / (expenditure) before transfers		298,253	-	298,253	368,775	1,750	370,525
Transfers between funds		-	-	-	-	-	-
Net income / (expenditure) and movement in funds for the year		298,253	-	298,253	368,775	1,750	370,525
Funds as at 1 August 2022		1,588,611	2,400	1,591,011	1,219,836	650	1,220,486
Funds as at 31 July 2023		1,886,864	2,400	1,889,264	1,588,611	2,400	1,591,011

Stover School Association

Consolidated Balance Sheet

31 July 2023

		2023 £	2022 £
Fixed assets	Notes		
Intangible assets	8	-	-
Tangible assets	9	<u>2,208,104</u>	<u>2,211,213</u>
		2,208,104	2,211,213
Current assets			
Stock		53,132	53,158
Debtors	11	343,222	166,447
Cash at bank and in hand		<u>1,238,983</u>	<u>1,204,704</u>
		1,635,337	1,424,309
Current liabilities			
Amounts falling due within one year	12	<u>(1,942,899)</u>	<u>(1,234,269)</u>
Net current liabilities		(307,562)	190,040
Total assets less current liabilities		1,900,542	2,401,253
Long term liabilities			
Amounts falling due after one year	12	<u>(11,278)</u>	<u>(810,242)</u>
Net assets		<u>1,889,264</u>	<u>1,591,011</u>
Restricted funds	13/14	2,400	2,400
Unrestricted general fund	13/14	<u>1,886,864</u>	<u>1,588,611</u>
Total funds		<u>1,889,264</u>	<u>1,591,011</u>

These financial statements were approved by the Governors on and signed on their behalf by:

S J Killick
Chairman of Governors

Company No. 565995

Stover School Association

Company Balance Sheet

31 July 2023

	Notes	2023 £	2022 £
Fixed assets			
Intangible assets	8	-	-
Tangible assets	9	2,208,104	2,211,213
Investments	10	2	2
		<u>2,208,106</u>	<u>2,211,215</u>
Current assets			
Stocks		8,333	7,984
Debtors	11	469,964	221,787
Cash at bank and in hand		1,147,689	1,162,110
		<u>1,625,986</u>	<u>1,391,881</u>
Current liabilities			
Amounts falling due within one year	12	(1,933,550)	(1,201,843)
Net current liabilities		<u>(307,564)</u>	<u>190,038</u>
Total assets less current liabilities		1,900,542	2,401,253
Long term liabilities			
Amounts falling due after one year	12	(11,278)	(810,242)
Net assets		<u>1,889,264</u>	<u>1,591,011</u>
Restricted funds	13/14	2,400	2,400
Unrestricted general fund	13/14	<u>1,886,864</u>	<u>1,588,611</u>
Total funds		<u>1,889,264</u>	<u>1,591,011</u>

The company made a surplus for the financial year of £298,253 (2022: £370,525).

These financial statements were approved by the Governors on and signed on their behalf by:

S J Killick
Chairman of Governors

Company No. 565995

Stover School Association

Consolidated Cash Flow Statement

Year ended 31 July 2023

	Notes	2023 £	2022 £
Net cash inflow from operations	(i)	395,034	904,365
Returns on investments and Servicing of finance			
Finance costs paid		(43,113)	(34,663)
Capital expenditure and financial Investment			
Payments for tangible fixed assets		(294,775)	(237,658)
Proceeds from sale of fixed assets		505	4,375
Net cash outflow from capital expenditure		<u>(294,270)</u>	<u>(233,283)</u>
Financing			
Repayment of bank borrowing		(14,301)	(40,675)
Payment to finance lease creditors		(22,471)	(31,105)
New finance lease agreements		13,400	-
Net cash outflow from financing		<u>(23,372)</u>	<u>(71,780)</u>
Increase in cash in the year		<u>34,279</u>	<u>564,639</u>
Reconciliation of net cash flow to movement in net funds	(ii)		
Increase in cash		<u>34,279</u>	<u>564,639</u>
Change in net funds		34,279	564,639
Net funds at 1 August 2022		<u>1,204,704</u>	<u>640,065</u>
Net funds at 31 July 2023		<u>1,238,983</u>	<u>1,204,704</u>

Stover School Association

Consolidated Cash Flow Statement

Year ended 31 July 2023

(i) Reconciliation of net incoming resources to net cash flow from operations

	2023 £	2022 £
Net income for the year	298,253	370,525
Elimination of non-operating cashflows:		
Financing costs	43,113	34,663
Amortisation charge	-	-
Loss on disposal of fixed assets	185	2,277
Depreciation charge	297,194	270,544
Decrease / (increase) in stock	26	(3,191)
(Increase) / decrease in debtors	(176,775)	56,991
(Decrease) / increase in creditors	(80,590)	150,118
Increase in deposits	13,628	22,438
Net cash inflow from operations	395,034	904,365

(ii) Analysis of changes in net funds

	At 1 August 2022 £	Cash flows £	At 31 July 2023 £
Cash at bank and in hand	1,204,704	34,279	1,238,983
Bank overdraft	-	-	-
	<u>1,204,704</u>	<u>34,279</u>	<u>1,238,983</u>

Stover School Association

Notes and Accounting Policies

Year Ended 31 July 2023

1 Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention with items being recognised at cost or transaction value unless otherwise stated in the notes to these accounts.

The financial statements have been prepared 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 (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), and with the requirements of the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The functional and presentational currency is sterling.

Going Concern

The Charity has prepared budgets and cashflows for the 12 months following the approval of these financial statements, making what they believe to be reasonable assumptions on the level of fee income given actual recruitment levels for the Autumn 2023 term. The School also has long term facilities in place with its bankers, plus sufficient cash and headroom and therefore, the projections indicate full compliance with its banking covenants. Based on these projections, but accepting the inherent uncertainties around the imposition of VAT, changes to charitable status, and possible Teacher Pension Contributions rises, the Trustees do not believe that there is any material uncertainty related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

Basis of consolidation

The financial statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets of Stover School Association and its wholly-owned subsidiary undertaking, Stover Enterprises Ltd (registered number 3255297). In accordance with section 408 of the Companies Act 2006, no separate SOFA has been presented for the charity alone.

Fees receivable

Fees receivable and extra tuition fees consist of charges for the school year ending 31 July, less bursaries and allowances. Fees received in advance represents amounts received for future periods and are released to incoming resources in the period for which they have been received.

Donations

Donations receivable for the general purpose of the Charity are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are shown as Restricted Funds.

Other income

Income from commercial trading activities is recognised when the goods and services are provided. Investment income is recognised when it is receivable.

Stover School Association

Notes and Accounting Policies

Year Ended 31 July 2023

1 Accounting Policies (*continued*)

Government grants

Revenue grants are credited to the profit and loss account in the period to which they relate.

Expenditure

Expenditure is included on an accruals basis and is shown gross of irrecoverable VAT. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities (SOFA).

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

Costs of charitable activities include expenditure associated with achieving the objects of the charity and include both the direct costs and all support costs relating to these activities.

Governance costs comprise the cost of running the charity, including strategic planning for its future development, external audit, any legal advice for School Governors, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Support costs include central functions and have been allocated to charitable activities on a basis consistent with the use of resources. No attempt has been made to apportion support costs to other categories where such costs are insignificant or a reliable basis cannot be determined.

Intangible fixed assets and amortisation

Intangible assets are included at cost.

Intangible fixed assets are amortised by equal annual instalments over their estimated useful lives as follows:-

Software	3 years
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Tangible fixed assets and depreciation

Tangible fixed assets are included at cost.

The initial cost of Stover House and Gardens is not depreciated. In the opinion of the Governors such omission does not have a material effect on the financial statements.

Tangible fixed assets other than freehold land are depreciated by equal annual instalments over their estimated useful lives as follows:

Freehold buildings	20 years to 50 years
Fixture & fittings	5 and 20 years
Computer equipment	3 years
Motor vehicles	4 years

Stover School Association

Notes and Accounting Policies

Year Ended 31 July 2023

1 Accounting Policies (*continued*)

Pension schemes

a) Teachers' pension

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme actuary as advised to the School. The Scheme is a multi- employer scheme and it is not possible for the School to identify its share of the Scheme assets and liabilities. Accordingly, in accordance with IAS19 contributions are accounted for as if the Scheme were a defined contribution scheme. Further details of the Scheme are given in note 18.

b) Non-teaching staff

The School operates a defined contribution scheme for certain non-teaching staff. Contributions are charged in the year in which they become payable.

Operating leases

The costs of operating leases are charged to the SOFA on a straight line basis over the lease term.

Hire purchase agreements and finance leases

Assets held under hire purchase agreements and finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Stock

Stock is valued at the lower of cost and net realisable value, after having due regard for obsolete and slow moving items.

Funds structure

Funds held by the School are:

Unrestricted general fund

These are funds that can be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted funds

These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of the restricted fund is included in Note 13.

Stover School Association

Notes and Accounting Policies

Year Ended 31 July 2023

1 Accounting Policies (*continued*)

Critical accounting judgements and key sources of estimation uncertainty

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

The estimated 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 revision and future periods if the revision affects both current and future periods. The critical judgement that the Trustees have made in the process of applying the company's accounting policies is that key management personnel comprises the Senior Leadership Team as listed on page 1.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. The company holds the following financial instruments, all of which considered to be basic:

- Short term trade and other debtors
- Short term trade and other creditors
- Short term intra group loans; and
- Bank overdrafts

Charitable status

The charity is a company limited by guarantee and is registered with the Charity Commission for England and Wales. The members of the company are the Trustees listed on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The charitable company is incorporated in England and Wales.

Stover School Association

Notes and Accounting Policies

Year Ended 31 July 2023

2 Charitable activities - School fees

	2023 £	2022 £
Gross school fees receivable	7,511,857	7,021,201
Less:		
Scholarships	(201,244)	(178,255)
Bursaries	(189,101)	(207,349)
Other discounts and awards	(537,232)	(517,487)
	<u>6,584,280</u>	<u>6,118,110</u>

3 Charitable activities – Ancillary trading income

	2023 £	2022 £
Catering and transport	658,202	577,667
School trips and other re-chargeables	237,217	180,492
Entrance and registration fees	15,000	15,896
Other income	368	7,083
	<u>910,787</u>	<u>781,138</u>

4 Trading Income and Expenditure

The School has a wholly owned subsidiary, Stover Enterprises Limited, which lets property owned by the School to third parties for recreational, educational and commercial purposes and also operates the school shop. Trading results extracted from its unaudited accounts are shown below, together with the School's own results for the year, to distinguish them from the consolidated Statement of Financial Activities.

Provision was made in the 2022 Stover Enterprises Limited accounts for potential VAT costs. This matter was then resolved with no costs resulting and so the accrual has been released in the current year.

	Subsidiary		Charity	
	2023 £	2022 £	2023 £	2022 £
Turnover and fee income	110,116	112,505	7,008,418	6,501,612
Cost of sales: Subsidiary	<u>(60,095)</u>	<u>(63,254)</u>		
Gross profit: Subsidiary	50,021	49,251		
Administration: Subsidiary	<u>6,009</u>	<u>(42,529)</u>		
Income for the year	56,030	6,722	<u>7,560,565</u>	<u>6,967,035</u>
Deed of Covenant	<u>(56,030)</u>	<u>(6,722)</u>	56,030	6,722
Gross incoming resources	-	-	<u>7,616,595</u>	<u>6,973,757</u>
Costs of charitable activities	-	-	<u>(7,318,342)</u>	<u>(6,603,232)</u>
Retained income	<u>-</u>	<u>-</u>	<u>298,253</u>	<u>370,525</u>

Stover School Association

Notes and Accounting Policies

Year Ended 31 July 2023

5 Analysis of Expenditure

	Staff costs £	Other costs £	Depreciation £	Total 2023 £	Total 2022 £
Charitable activities-					
Salary & Staff Costs	4,744,093	-	-	4,744,093	4,172,184
Teaching	-	446,574	-	446,574	505,585
Catering	-	288,077	-	288,077	273,710
Estates/Grounds	-	669,540	247,841	917,381	825,101
Governance	-	205,606	-	205,606	148,111
Support costs of schooling	-	670,926	49,353	720,279	678,541
	<u>4,744,093</u>	<u>2,280,723</u>	<u>297,194</u>	<u>7,322,010</u>	<u>6,603,232</u>
Charity					
	4,744,093	2,280,723	297,194	7,322,010	6,603,232
Cost of generating funds:					
Trading costs of the subsidiary	-	43,075	-	43,075	94,534
	<u>-</u>	<u>43,075</u>	<u>-</u>	<u>43,075</u>	<u>94,534</u>
Total Resources Expended Group	<u>4,744,093</u>	<u>2,323,798</u>	<u>297,194</u>	<u>7,365,085</u>	<u>6,697,766</u>

6 Expenditure – Other Disclosures

	2023 £	2022 £
Auditors' remuneration:		
Audit fees	16,406	13,470
Accounting and other compliance services	10,840	3,140
Payroll services	8,312	13,334
Depreciation of intangible fixed assets (note 8)	-	-
Depreciation of tangible fixed assets (note 9)	297,194	270,540
Bank and other loan interest payable	43,907	35,573
	<u>16,406</u>	<u>13,470</u>
	<u>10,840</u>	<u>3,140</u>
	<u>8,312</u>	<u>13,334</u>
	<u>-</u>	<u>-</u>
	<u>297,194</u>	<u>270,540</u>
	<u>43,907</u>	<u>35,573</u>

During the year there were no payments to Governors (2022: £Nil); this amount relates to both reimbursed expenditure and direct payments made to third parties for travel, meetings and training. Governors are not remunerated.

Stover School Association

Notes and Accounting Policies

Year Ended 31 July 2023

7 Staff Costs

	2023 £	2022 £
Wages and salaries	3,819,402	3,371,479
Social security costs	356,257	299,333
Other pension costs	568,434	501,372
	<u>4,744,093</u>	<u>4,172,184</u>
Average number of employees	158	146
The number of higher paid employees was:		
£60,001 - £70,000	1	1
£100,001 - £110,000	1	1
	<u>2</u>	<u>2</u>
Of these employees, the number with retirement benefits accruing in defined benefit pension schemes was	<u>2</u>	<u>2</u>
	2023 £	2022 £
Aggregate employee remuneration of key management personnel	<u>515,756</u>	<u>490,168</u>

8 Fixed Assets - Intangible

	Software £	Charity Total £	Subsidiary Total £	Group Total £
Cost				
At 1 August 2022	33,404	33,404	-	33,404
At 31 July 2023	<u>33,404</u>	<u>33,404</u>	<u>-</u>	<u>33,404</u>
Depreciation				
At 1 August 2022	33,404	33,404	-	33,404
At 31 July 2023	<u>33,404</u>	<u>33,404</u>	<u>-</u>	<u>33,404</u>
Net book amounts				
At 31 July 2022	-	-	-	-
At 31 July 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Stover School Association

Notes and Accounting Policies

Year Ended 31 July 2023

9 Fixed Assets - Tangible

	Freehold properties £	Fixtures & fittings £	Computer equipm't £	Motor vehicles £	Charity Total £	Subsidiary Fixtures & fittings £	Group Total £
Cost							
At 1 August 2022	3,443,650	2,926,275	161,633	171,458	6,703,016	1,492	6,704,508
Additions	8,037	204,267	21,191	61,280	294,775	-	294,775
Disposals	-	-	-	(2,400)	(2,400)	-	(2,400)
At 31 July 2023	3,451,687	3,130,542	182,824	230,338	6,995,391	1,492	6,996,883
Depreciation							
At 1 August 2022	1,994,580	2,247,600	126,072	123,551	4,491,803	1,492	4,493,295
Charge for year	52,632	195,209	20,773	28,580	297,194	-	297,194
Eliminated on disposals	-	-	-	(1,710)	(1,710)	-	(1,710)
At 31 July 2023	2,047,212	2,442,809	146,845	150,421	4,787,287	1,492	4,788,779
Net book amounts							
At 31 July 2022	1,449,070	678,675	35,561	47,907	2,211,213	-	2,211,213
At 31 July 2023	1,404,475	687,733	35,979	79,917	2,208,104	-	2,208,104

All tangible fixed assets are used in direct furtherance of the charity's objectives.

Finance lease and hire purchase agreements

Included within the net book value of £2,208,104 is £59,231 (2022: £46,607) relating to assets held under finance leases and hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £30,225 (2022: £38,221).

10 Fixed Assets - Investments

Company

Unlisted subsidiary undertaking at cost.
As at 1 August 2022 and 31 July 2023

£
2

The unlisted subsidiary undertaking, which is wholly-owned, is Stover Enterprises Limited (Company Number: 3255297), the principal activity of which is letting property and operating the school shop. The company's registered office address is Stover School, Newton Abbot, TQ12 6QG.

Stover School Association

Notes and Accounting Policies

Year Ended 31 July 2023

11 Debtors

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Fees receivable	115,461	4,956	114,984	4,956
Trade debtors	81,082	59,164	80,162	53,851
Amounts owed by subsidiary undertaking:				
Deed of covenant payment	-	-	56,030	6,722
Other amounts owed	-	-	72,109	53,931
Prepayments and accrued income	146,679	102,327	146,679	102,327
	<u>343,222</u>	<u>166,447</u>	<u>469,964</u>	<u>221,787</u>

12 Creditors: payable within one year

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Loans and bank overdraft	817,000	35,530	817,000	35,530
Finance leases and hire purchase agreements	14,360	20,238	14,360	20,238
Trade creditors	88,958	93,284	88,741	89,997
Fees received in advance	62,357	31,168	62,357	31,168
Deferred billing income	178,155	-	178,155	-
Refundable deposits	271,540	257,912	271,540	257,912
PAYE and social security	87,208	72,382	87,208	72,382
Accruals and deferred income	423,321	723,755	414,189	694,616
	<u>1,942,899</u>	<u>1,234,269</u>	<u>1,933,550</u>	<u>1,201,843</u>

Creditors: payable after one year

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Bank loan	-	795,771	-	795,771
Finance leases and hire purchase agreements	11,278	14,471	11,278	14,471
	<u>11,278</u>	<u>810,242</u>	<u>11,278</u>	<u>810,242</u>

The bank loan is secured by legal charges over the Charity's freehold property. Obligations under finance leases, hire purchase agreements and other loans are secured by a charge over the assets to which they relate.

Stover School Association

Notes and Accounting Policies

Year Ended 31 July 2023

13 Funds

General Fund (Unrestricted)

The general fund is held to finance the fixed assets and to cover normal fluctuations in working capital.

Drama Outreach Programme (Restricted)

This represents a donation from The Rotary Club to support the Drama Outreach Programme.

Tree Planting Fund (Restricted)

This is an opportunity for parents to be involved in Stover School eco-initiative. Parents can sponsor a tree, making a £50 pledge towards the purchase of an older sapling tree (we would like to target trees of 4 to 6ft in order to give them the best possible start and chance of establishing themselves and maturing quickly). The consultant will then work with our site team and the landscape architect to identify a species and best location for your tree. We will pass this information to parents as well as labelling the tree with the family name when it is planted.

Analysis in movements in funds

	Balance 1 August 2022 £	Income £	Expenditure £	Transfers In/(out) £	Funds 31 July 2023 £
Unrestricted funds					
General funds	1,588,611	7,663,338	(7,365,085)	-	1,886,864
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Restricted Funds					
Drama Outreach Programme	150	-	-	-	150
Tree Planting	2,250	-	-	-	2,250
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	2,400	-	-	-	2,400
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total funds	1,591,011	7,663,338	(7,365,085)	-	1,889,264
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Stover School Association

Notes and Accounting Policies

Year Ended 31 July 2023

13 Funds (continued)

Analysis in movements in funds – previous year

	Balance 1 August 2021 £	Income £	Expenditure £	Transfers In/(out) £	Funds 31 July 2022 £
Unrestricted funds					
General funds	1,219,836	7,063,704	(6,694,929)	-	1,588,611
Restricted Funds					
Drama Outreach Programme	150	-	-	-	150
Music Department Fund	500	-	(500)	-	-
Tree Planting	-	2,250	-	-	2,250
	650	2,250	(500)	-	2,400
Total funds	1,220,486	7,065,954	(6,695,429)	-	1,591,011

14 Allocation of Net Assets

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £	Restricted Fund 2022 £	Unrestricted Funds 2022 £	Total Funds 2022 £
Fixed Assets	-	2,208,104	2,208,104	-	2,211,213	2,211,213
Cash at bank	2,400	1,236,583	1,238,983	2,400	1,202,304	1,204,704
Other net current liabilities	-	(1,546,545)	(1,546,545)	-	(1,014,664)	(1,014,664)
Creditors due after one year	-	(11,278)	(11,278)	-	(810,242)	(810,242)
Total	2,400	1,886,864	1,889,264	2,400	1,588,611	1,591,011

15 Share Capital

The company is limited by guarantee, having no share capital. In the event that the company is wound up, the liability of each member is limited to £1.

Stover School Association

Notes and Accounting Policies

Year Ended 31 July 2023

16 Financial Commitments

Operating leases

At 31 July 2023, the company and group had total future minimum lease payments as follows:

	2023 £	2022 £
Within one year	175,704	59,426
Within two to five years	225,336	107,444
	<u>401,040</u>	<u>166,870</u>

17 Related Party Transactions

- (a) During the financial year the School received a donation under a Deed of Covenant of £56,030 (2022: £6,722) from Stover Enterprises Ltd, a wholly owned trading subsidiary.
- (b) Where Governors have relatives who attend the school, they pay the appropriate fees on the same terms as others. Where scholarships, bursaries or other benefits apply to such fees, these are awarded using the same criteria as apply to all.
- (c) The company is under the effective control of the Governors, who are also directors of the company, Trustees of the charity and members of the Stover School Association.

18 Pension Schemes

(a) Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £751,517 (2022: £669,977) and at the year-end £62,891 (2022: £54,489) was accrued in respect of contributions to this scheme.

The Teachers' Pension Scheme (TPS or scheme) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS following enrolment.

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

Stover School Association

Notes and Accounting Policies

Year Ended 31 July 2023

18 Pension Schemes (continued)

Valuation of the Teachers' Pension Scheme

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

The 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019. The key elements of the valuation and subsequent consultation were:

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

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

(b) Non-teaching staff

The employer's contributions to the non-teaching staff defined contribution scheme during the year was £44,520 (2022: £45,665). At 31 July 2023 £4,048 (2022: £3,998) was accrued in respect of contributions to this scheme.

Stover School Association

Year Ended 31 July 2023

The following pages do not form part of the statutory financial statements.

Stover School Association

Detailed Income and Expenditure Account - Company

Year Ended 31 July 2023

	Actual 2023 £	Budget 2023 £	Actual 2022 £
School fee income			
Gross fees receivable	7,396,423	7,418,380	6,857,794
Nursery income	110,962	80,000	115,738
LS,EFL Income	4,472	43,000	47,669
Bursaries, scholarships, discounts	(927,577)	(1,070,000)	(903,091)
	<u>6,584,280</u>	<u>6,471,380</u>	<u>6,118,110</u>
Catering income	381,211	360,000	367,218
Registration fees	15,000	10,000	15,896
Deposits retained	-	-	-
	<u>396,211</u>	<u>370,000</u>	<u>383,114</u>
Renewable Heat Incentive	48,234	40,000	44,717
Insurance commissions	368	1,000	7,083
Vending machine commission	-	-	494
Other income etc.	6,398	-	3,702
	<u>55,000</u>	<u>41,000</u>	<u>55,996</u>
Disbursements income	237,216	118,000	180,492
Disbursements costs	(273,830)	(209,600)	(229,596)
	<u>(36,614)</u>	<u>(91,600)</u>	<u>(49,104)</u>
School bus income	276,996	285,087	210,449
School bus costs	(162,528)	(164,050)	(73,605)
	<u>114,468</u>	<u>121,037</u>	<u>136,844</u>
Donations and similar income:			
Gift aid receivable	56,030	15,000	6,722
Sponsorships and donations	3,524	-	3,250
Profit on disposal of asset	-	500	4,375
	<u>59,554</u>	<u>15,500</u>	<u>14,347</u>
Activities to generate funds:			
Licence fee income	11,012	5,000	11,250
Total income	7,183,911	6,932,317	6,670,557
Expenditure	(6,885,658)	(6,822,107)	(6,300,032)
Surplus for the year	298,253	110,210	370,525

Stover School Association

Detailed Income and Expenditure Account - Company

Year Ended 31 July 2023

	Actual 2023 £	Budget 2023 £	Actual 2022 £
Costs of generating funds			
School advertising	47,380	52,550	21,495
Commission payable	17,890	20,000	36,124
	<u>65,270</u>	<u>72,550</u>	<u>57,619</u>
Salary & Staff Costs			
Payroll costs	4,744,093	4,700,000	4,172,184
Staff Costs	10,150	27,500	18,945
	<u>4,754,243</u>	<u>4,727,500</u>	<u>4,191,129</u>
Teaching and direct costs			
Main school supplies	152,538	210,455	183,258
Junior and nursery school supplies	-	-	55,205
	<u>152,538</u>	<u>210,455</u>	<u>238,463</u>
Welfare			
Catering and cleaning	336,703	329,500	283,324
School medical	3,984	1,500	1,804
	<u>340,687</u>	<u>331,000</u>	<u>285,128</u>
Estates inc. Grounds			
Insurance	31,835	39,500	33,246
Rates and waste disposal	78,081	66,200	66,043
Light and heat	184,940	174,000	184,246
Grounds inc. Tennis Courts	50,177	50,000	57,389
Estates repairs & equipment	155,747	151,700	154,038
Restoration	65,881	60,000	56,356
Maintenance contracts	25,163	28,500	26,193
Sewerage system	24,005	10,000	8,337
Furniture and soft furnishings	6,764	16,000	23,131
Depreciation - Buildings	52,632	54,267	52,433
Depreciation - Fixtures and Fittings	173,227	158,744	153,384
Depreciation – Grounds equipment	21,982	22,145	21,399
	<u>870,434</u>	<u>831,056</u>	<u>836,195</u>

Stover School Association

Detailed Income and Expenditure Account - Company

Year Ended 31 July 2023

	Actual 2023 £	Budget 2023 £	Actual 2022 £
Support costs of schooling			
Speech day and entertaining	29,401	5,095	20,818
Phyllis Dence Concert	8,293	4,000	4,703
School magazine	4,609	3,000	3,045
Staff training	6,267	15,000	13,108
Agency Recruitment Fee	6,378	4,000	4,063
Post and telephone	27,806	32,500	30,133
Travelling and minibus expenses	151,428	142,127	113,037
Office supplies	45,770	42,750	43,447
Computer expenses	165,380	130,000	139,285
Bad and doubtful debts	(56,047)	5,000	45,000
Bank interest	(9,500)	-	6,000
Bank charges	14,756	15,100	15,889
Supplier interest	3	-	(21)
Loan interest	49,129	43,000	23,768
HP Interest	3,481	5,000	4,916
Sundry	14,267	9,550	7,868
Depreciation - Motor vehicles	28,580	34,324	28,835
Depreciation - Computers and photocopier	20,773	15,000	14,493
Loss on disposal of an asset	185	-	-
	<u>510,959</u>	<u>505,446</u>	<u>518,387</u>
Governance costs			
Governors' expenses	1,628	1,500	-
Audit, accountancy and other advice	27,246	19,500	16,610
Legal and professional fees	176,731	98,100	131,501
	<u>205,605</u>	<u>119,100</u>	<u>148,111</u>
Contingency	(14,078)	25,000	25,000
Total Expenditure	<u>6,885,658</u>	<u>6,822,107</u>	<u>6,300,032</u>