

Charity Registration No. 307034

Company Registration No. 902869 (England and Wales)

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**

**(LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED  
(LIMITED BY GUARANTEE)  
LEGAL AND ADMINISTRATIVE INFORMATION**

---

<b>Trustees</b>	Mrs D J Alun-Jones MA N P Backhouse MA FCA W Belcher J A B Bruce FCA Miss L K Hamblett MA R A J Hill Mrs K Hogan BA C M Keville (Chairman) Mrs J P Matthews J A Passam J H L Patrick MVO BSc
<b>Secretary</b>	G P Falconer
<b>Charity number</b>	307034
<b>Company number</b>	902869
<b>Principal address</b>	Westbourne House School Coach Road Shopwyke Chichester West Sussex PO20 2BH
<b>Registered office</b>	Westbourne House School Coach Road Shopwyke Chichester West Sussex PO20 2BH
<b>Auditor</b>	Jones Avens Limited Piper House 4 Dukes Court Bognor Road Chichester West Sussex PO19 8FX
<b>Bankers</b>	National Westminster Bank Plc 5 East Street Chichester West Sussex PO19 1HH
<b>Investment advisors</b>	Rathbone Brothers Plc 8 Finsbury Circus London EC2M 7AZ

---

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED  
(LIMITED BY GUARANTEE)  
CONTENTS**

---

	<b>Page</b>
Trustees' report	1 - 5
Statement of Trustees' responsibilities	6
Independent auditor's report	7 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 28

---

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED  
(LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

The Trustees present their report and financial statements for the year ended 31 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Trust's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

**The impact of COVID-19**

These have been unprecedented times for the School. Trustees have used their experience and judgement to navigate through the COVID-19 Pandemic. A number of material decisions were taken which impacted severely upon the School's income through a reduction in fees, fundraising and facilities hire. This, combined with a weak performance of our investments, led to a relatively small increase to our reserves. However, the School ends this period in a stronger position than might have been the case, due to a combination of good judgement and strong leadership from the School's Senior Management Team.

**Objectives and activities**

The aim of the School is to stimulate and encourage children to maximise their potential in mind, body and spirit through a broad and varied curriculum. The School wishes to provide this quality of education for an ever wider range of children while at the same time being a responsible employer and an integral member of the local community.

The Trustees are fully committed to operating the School in the spirit of the Charities Act 2006 and for the public benefit in its broadest sense. They believe the benefits of the charity to the pupils of the School are clear and some of their achievements are mentioned below as are the steps the Trustees are taking to widen access to the charity's benefits by making both facilities and the provision of education itself available to greater numbers of children. The Trustees recognise, however, that a balance must be struck between offering free or reduced-fee places and maintaining sufficient income to sustain the financial health of the charity. The School works hard to maintain links with local community schools, mainly by sharing sports facilities and is very open to involvement in other ways. The Trustees are able to confirm that all of the expenditure detailed in these accounts was used in furtherance of the Trust's objectives.

In furtherance of the Trust's objectives, the Trustees have pursued a policy of continuous improvement in both facilities and teaching practices. During the year, this programme has continued, with the old Music Centre being fully refurbished to become a modern Centre for Performing Arts, an Air Handling Unit installed in the Swimming Pool and a new hard surface laid for the Cricket Nets. Preventative maintenance continued on the Main House and the hallway underwent extensive redecoration.

The Trust constantly monitors trends and developments in education and where these have proved advantageous they have been adopted. In funding improvements it has always been the policy to generate sufficient surpluses to fund the costs of developments. There has been no change in these policies during the year.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake.

**Strategic report**

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED  
(LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND  
STRATEGIC REPORT)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**Achievements and performance**

The primary charitable activity of the Trust during the year has been the education of the (on average) 350 children at Westbourne House. Overall pupil numbers remained stable, with trends very similar to those of the previous year. A good take-up of places in the Prep School allowed a modest increase in staff and further investment in teaching resources. Further changes to make boarding more flexible ensured that boarding continued to be popular; an average of 45 children boarded for part or most of the week in each term, however, boarders were absent for the Summer Term due to the COVID-19 Pandemic.

At the end of the year, all 50 pupils in Year 8 passed the Scholarship or Common Entrance examination to gain places at the senior school of their first choice. Twenty six pupils won a total of 33 awards from their senior school in recognition of their ability and potential.

On the sports field, School teams and individuals again enjoyed considerable success, both locally and more widely, with several pupils representing the County at national championships. Many more saw their achievements recognised in a wide range of sporting and cultural activities. The balanced curriculum includes a structured programme of outdoor education and leadership in Years 3 to 8 with tailored on-site activities and expeditions. This year's challenges took Year 3 and 4 pupils to the New Forest in March, however, the activities for years 5, 6 and 8 were cancelled due to the COVID-19 Pandemic. Autumn saw the usual Year 7 educational visit to France, a hockey tour to the Netherlands and a cricket tour to South Africa. The choir trip to Rome was cancelled due to the Pandemic.

During the year, 61 children received assistance from the School in the form of scholarships or bursaries while a further 37 children paid discounted fees. Eight children benefited from bursaries worth 75-100% of the fees and the Trustees continued their policy of widening access to the School by advertising further substantial awards. In all cases, bursaries were means-tested by an independent third party to ensure that remissions were only awarded to the most deserving cases. Seven families (12 pupils) received assistance from the Hardship Fund, which was established to provide financial help to families who were experiencing unprecedented difficulties due to the COVID-19 Pandemic.

These are considerable achievements and support the Senior Management and Trustees' aim of maximising all pupils' potential.

**School and Community**

The School seeks to promote a family atmosphere within its community and enjoys an excellent relationship with its employees. Staff turnover remains low; few teachers leave other than on promotion or retirement and there is a good record of internal promotion. The School maintains a close relationship with parents and with former pupils and continues to strengthen its ties with the Old Westbournian community.

Westbourne House is very conscious and proud of its place in the wider community. During 2019-20, the sports facilities were regularly used by local clubs and teams, including badminton, football, rugby, cricket and swimming. In some cases, a charge is made to defray a proportion of running expenses, but each week the School provides recreational opportunities to hundreds of people from the local area. The Millennium Hall continues to be a popular venue for festivals of music, drama and dance as well as fund-raising events for charities and the School looks forward to playing a greater role in the cultural life of Chichester. The hire of facilities for charitable and fund-raising activities is generally free, or at a greatly reduced rate. However, all of this activity was badly affected during the Summer Term as a result of the COVID-19 Pandemic.

Pupils, parents and staff again organised a wide variety of fundraising activities for this year's School's charities, including the Chichester Downs Syndrome Support Group, Team Unlimbited, Sausage Tree Charity and the School's own Bursary Fund. Yet again, much of this activity was depressed due to the COVID-19 Pandemic.

Westbourne House contributes significantly to the local economy. Its employees predominantly live in the Chichester District and the School has a policy of purchasing goods and services locally wherever possible.

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED  
(LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND  
STRATEGIC REPORT)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**Financial review**

The operating activities of the Trust generated an income of £5.373 million and this resulted in a surplus on unrestricted funds of £151,756, noting there would have been a significant deficit without a one-off donation and furlough grants. There was a decrease in operating income of £125,113 relative to last year.

Total balances held with National Westminster Bank, Nationwide Building Society and Lloyds Bank at 31 August 2020 were £2,212,012 (2019 - £2,431,517).

The Trust remains in a healthy financial position, which will enable it to maintain its ongoing programme of capital expenditure.

Total reserves at the balance sheet date are £12,502,078 (2019 - £12,350,553), of which £12,402,499 (2019 - £12,250,743) are unrestricted and £99,579 (2019 - £99,810) are restricted.

It is the policy of the charity that free reserves should be maintained at a level equivalent to at least three month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities whilst consideration is given to ways in which additional funds may be raised. As at 31 August 2020 free reserves stood at £1,621,938 representing the charity's unrestricted funds less fixed assets (£10,447,426) and longer term investments (£333,135).

The day to day finances of the charity are managed by the Bursar and his assistant. The Bursar reports regularly to the Finance Committee. Budgeting and careful control of expenditure are key policies for the charity.

The charity's principal funds are generated from fees charged to parents of pupils. All expenditure in the year, other than governance costs, has been incurred specifically to meet the charity's key objective of educating children up to the age of 13.

The Trustees consider that the market value of the land and buildings substantially exceeds the book value of £9.898 million.

**Risk review**

The major risks to which the charity is exposed are recorded in a comprehensive Risk Register. Trustees regularly review these risks and mitigate them wherever possible. The most significant risks are considered to be:

- A further financial shock caused by the COVID-19 Pandemic which causes partial or complete closure of the School.
- An adverse change in the legislative regime under which independent schools operate.
- A collapse in the local or national economy.
- A major criminal incident which causes closure of the School and/or severe loss of confidence by parents.
- A major accident which causes partial or complete closure of the School.

**Plans for the future**

Westbourne House plans to maintain its leading position in the Preparatory School sector by employing sufficient teaching staff of the right calibre and expertise to inspire our pupils and by ensuring a high standard of facilities through continuous upkeep of the buildings and grounds. Our objectives are set out on page 1.

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED  
(LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND  
STRATEGIC REPORT)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

---

Our commitment to the broader community through charity fundraising will continue. A portion of our fundraising will be used to support the Bursary Fund which the trustees see as being an important aspect of widening access to the School.

**Structure, governance and management**

The Trust is a registered charity and a company incorporated under the Companies Acts 1985 to 2006, limited by guarantee. The Trust's governing document is its Memorandum and Articles of Association. The Trust's objects are to provide high quality education for children up to the age of 13 years, through the medium of Westbourne House School, and to prepare children for entry to Public and State schools.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs D J Alun-Jones MA  
N P Backhouse MA FCA

W Belcher

J A B Bruce FCA

(Appointed 26 June 2020)

Miss L K Hamblett MA

R A J Hill

Mrs K Hogan BA

(Appointed 30 September 2019)

C M Keville (Chairman)

K W Langmead

(Resigned 27 June 2020)

Mrs J P Matthews

J A Passam

J H L Patrick MVO BSc

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Trustees desire that the Board should represent a wide spectrum of appropriate interest and experience including business and administration, education, the law, the arts and, especially, a strong feeling for the School and its aims. Most of the Trustees have had children at the School, and it is the policy that one or two trustees should be current parents. Trustees may be nominated by anyone connected with the School and nominations are considered by a Nominations Committee of Trustees who take soundings from interested parties, including the Headmaster, before recommending a name to the full board. The induction and training of new trustees is in five overlapping phases: a detailed introduction to the School by the Headmaster, mentoring by the Chairman of Governors and by the chairmen of committees in their respective areas, frequent visits to the School and regular contact via newsletters etc, attendance at events organised by training bodies, and self-study of training materials. The most recent Regulatory Compliance Inspection by the Independent Schools' Inspectorate (ISI) took place in June 2018. The School was found to meet the necessary standards. This inspection only provides either a met/not met assessment of the school.

The Trust is governed by a Board of Trustees (Governors) who determine the policy and strategies of the School. The Board is supported by the Finance and General Purposes Committee and by the Academic and Pastoral Committee. The operational management of the School is directed by the Headmaster, Mr Martin Barker (Chief Executive Officer) and the Bursar, Mr Gordon Falconer (Chief Operating Officer and Finance Officer) who manage a total of 70 teaching staff and 50 support staff, both full and part time. This year the school benefitted also from the services of gap year students from Australia although this arrangement ended prematurely due to the COVID-19 Pandemic.

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED  
(LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND  
STRATEGIC REPORT)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

---

Remuneration is set by the Board, with the policy objective of ensuring appropriate incentives to encourage enhanced performance and in a fair and responsible manner, rewarding for individual contributions to the School's success. The appropriateness and relevance of the remuneration policy is reviewed regularly including reference to comparisons with other independent schools to ensure that Westbourne House remains sensitive to the broader issues of pay and employment conditions elsewhere. We aim to recruit, subject to experience, at a position within a pay band in order to be able to reward staff for excellence. Delivery of the Company's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

There are no restrictions on the investment powers of the Trustees. The current policy is to invest surplus funds in interest bearing accounts in major UK Banks or Building Societies, in short-dated UK gilts or in UK managed investment accounts. The School's investment portfolio with Rathbones is based on a Risk 3 Investment Strategy, investing in; Liquidity (Indexed Linked Government Stocks, High Quality Bonds and Cash), Equity Type Risk (Corporate Bonds and Global Equities) and Diversifiers (Gold, Infrastructure and Absolute Return Strategies). The Trustees keep the performance of investments under regular review in order to manage risk and maximise return. With that aim in mind, the Trustees took a decision in June 2020 to direct additional funds towards our Investment Portfolio.

**Asset cover for funds**

Note 22 sets out an analysis of the assets attributable to the various funds and a description of the Trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

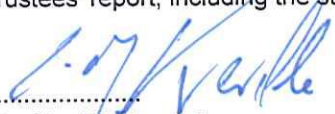
**Auditor**

The auditor, Jones Avens Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

**Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report, including the strategic report, was approved by the Board of Trustees.

  
.....  
**C M Keville (Chairman)**

Trustee

Dated: 2/12/20 .....

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
***FOR THE YEAR ENDED 31 AUGUST 2020***

---

The Trustees, who are also the directors of Westbourne House School Educational Trust Limited for the purpose of company law, are responsible for preparing the Trustees' 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 Trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED  
(LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST  
LIMITED**

---

**Opinion**

We have audited the financial statements of Westbourne House School Educational Trust Limited (the 'Trust') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, 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 Trust 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

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

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.

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED  
(LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST  
LIMITED**

---

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

In our opinion, based on the work undertaken in the course of our 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 strategic report and the directors' 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Trust for the purpose 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 Trust'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.

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

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED  
(LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST  
LIMITED**

---

**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 auditors' 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.



**Claire Norwood BSc FCA ATII (Senior Statutory Auditor)  
for and on behalf of Jones Avens Limited**

9/12/20

**Chartered Accountants  
Statutory Auditor**

Piper House  
4 Dukes Court  
Bognor Road  
Chichester  
West Sussex  
PO19 8FX

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	<b>Notes</b>						
<b><u>Income and endowments from:</u></b>							
Donations and legacies	3	250,000	18,492	268,492	-	124	124
Charitable activities	4	4,716,271	-	4,716,271	5,176,453	-	5,176,453
Investments	5	18,041	-	18,041	26,670	-	26,670
Other income	6	388,640	-	388,640	53,571	-	53,571
<b>Total income</b>		<b>5,372,952</b>	<b>18,492</b>	<b>5,391,444</b>	<b>5,256,694</b>	<b>124</b>	<b>5,256,818</b>
<b><u>Expenditure on:</u></b>							
Raising funds	7	4,402	-	4,402	4,279	-	4,279
Charitable activities	8	5,226,913	18,723	5,245,636	5,208,925	264	5,209,189
<b>Total resources expended</b>		<b>5,231,315</b>	<b>18,723</b>	<b>5,250,038</b>	<b>5,213,204</b>	<b>264</b>	<b>5,213,468</b>
Net gains/(losses) on investments	13	10,119	-	10,119	7,618	-	7,618
<b>Net movement in funds</b>		<b>151,756</b>	<b>(231)</b>	<b>151,525</b>	<b>51,108</b>	<b>(140)</b>	<b>50,968</b>
Fund balances at 1 September 2019		12,250,743	99,810	12,350,553	12,199,635	99,950	12,299,585
<b>Fund balances at 31 August 2020</b>		<b>12,402,499</b>	<b>99,579</b>	<b>12,502,078</b>	<b>12,250,743</b>	<b>99,810</b>	<b>12,350,553</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.


The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED  
(LIMITED BY GUARANTEE)  
BALANCE SHEET**

**AS AT 31 AUGUST 2020**

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	15	10,447,426		10,187,628	
Investments	16	333,135		320,986	
		<u>10,780,561</u>		<u>10,508,614</u>	
<b>Current assets</b>					
Debtors	18	372,114		361,919	
Cash at bank and in hand		2,213,230		2,433,940	
		<u>2,585,344</u>		<u>2,795,859</u>	
<b>Creditors: amounts falling due within one year</b>	19	(863,827)		(953,920)	
Net current assets			1,721,517		1,841,939
<b>Total assets less current liabilities</b>			<u>12,502,078</u>		<u>12,350,553</u>
<b>Income funds</b>					
Restricted funds	21		99,579		99,810
<u>Unrestricted funds</u>					
General unrestricted funds		12,342,970		12,187,603	
Revaluation reserve		59,529		63,140	
Total unrestricted funds			<u>12,402,499</u>		<u>12,250,743</u>
			<u>12,502,078</u>		<u>12,350,553</u>

The accounts were approved by the Trustees on 2/12/20

  
C M Keville (Chairman)  
Trustee

Company Registration No. 902869

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	26		162,608		40,287
<b>Investing activities</b>					
Purchase of tangible fixed assets		(399,329)		(107,794)	
Receipts from sale of tangible fixed assets		-		5,100	
Purchase of other investments		(74,252)		(4,483)	
Proceeds on disposal of other investments		72,222		1,854	
Dividends and interest received		18,041		26,670	
<b>Net cash used in investing activities</b>			(383,318)		(78,653)
<b>Net cash used in financing activities</b>			-		-
<b>Net decrease in cash and cash equivalents</b>			(220,710)		(38,366)
Cash and cash equivalents at beginning of year			2,433,940		2,472,306
<b>Cash and cash equivalents at end of year</b>			<u>2,213,230</u>		<u>2,433,940</u>
<b>Relating to:</b>					
Cash and Bank balances			<u>2,213,230</u>		<u>2,433,940</u>

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**1 Accounting policies**

**Charity information**

Westbourne House School Educational Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Westbourne House School, Coach Road, Shopwyke, Chichester, West Sussex, PO20 2BH.

**1.1 Accounting convention**

The financial statements have been prepared in accordance with the Trust's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Trust is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

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

**1.4 Income**

Income, including grants, is recognised when the Trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Included in other income are recoverables which are shown net of expenditure. These are shown net because they are small amounts spent which are recoverable from the pupils and are included on the bills sent to parents.

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**1 Accounting policies**

**(Continued)**

**1.5 Expenditure**

Liabilities are recognised when they are incurred and the costs are debited to the Statement Of Financial Activities in full in the year in which they relate to. Education equipment and materials and sports and games equipment incurred in June, July and August are treated as prepaid and are therefore debited to the Statement Of Financial Activities in the following financial year.

Charitable activities expenditure consists of providing education which is split between activities undertaken directly, grant funding of activities, support costs and governance costs. Activities undertaken directly includes the gross salary, employer's NI and employer's pension of the teaching staff, the depreciation of the computer equipment, education equipment and materials, sport and games equipment, educational visits and activities and provisions. Support costs includes all the other costs incurred except audit and accountancy fees which are included in Governance costs.

**1.6 Tangible fixed assets**

Tangible fixed assets other than freehold land are stated at cost net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Nil
Leasehold property	15 years / 50 years straight line
Plant and machinery	25% Reducing balance / 10% straight line
Fixtures, fittings & equipment	10% Reducing balance
Computers	10% - 25% Straight line
Motor vehicles	25% Reducing balance

No depreciation is provided on freehold buildings on the grounds that it would be immaterial as the buildings have an estimated long remaining useful life and high residual value.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**1.7 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

**1.8 Impairment of fixed assets**

At each reporting end date, the Trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.9 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**1 Accounting policies**

**(Continued)**

**1.10 Financial instruments**

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Trust's contractual obligations expire or are discharged or cancelled.

**1.11 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**2 Critical accounting estimates and judgements**

In the application of the Trust'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 associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**3 Donations and legacies**

	Unrestricted funds	Restricted funds	Total	Restricted funds
	2020 £	2020 £	2020 £	2019 £
Donations and gifts	250,000	18,492	268,492	124

**4 Charitable activities**

	2020 £	2019 £
Gross Fees receivable	5,516,554	6,018,716
Less: Bursaries, Scholarships and Discounts	(835,533)	(919,605)
Net Fees receivable	4,681,021	5,099,111
Recreational facilities	35,250	58,664
Summer camps and courses	-	18,678
	4,716,271	5,176,453

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**5 Investments**

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Income from listed investments	6,432	6,908
Interest receivable	11,609	19,762
	<u>18,041</u>	<u>26,670</u>

**6 Other income**

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net gain on disposal of tangible fixed assets	-	2,023
Other income	46,212	51,548
Coronavirus Job Retention Scheme grants	342,428	-
	<u>388,640</u>	<u>53,571</u>

**7 Raising funds**

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<u>Investment management</u>	4,402	4,279
	<u>4,402</u>	<u>4,279</u>

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**8 Charitable activities**

	Providing education 2020 £	Providing education 2019 £
Staff costs	2,969,032	2,869,727
Depreciation and impairment	39,816	40,977
Education equipment and materials	98,027	106,135
Sport and games equipment	6,811	4,266
Educational visits and activities	28,724	55,545
Provisions	100,643	136,429
	<u>3,243,053</u>	<u>3,213,079</u>
Grant funding of activities (see note 9)	18,123	-
Share of support costs (see note 10)	1,966,748	1,978,824
Share of governance costs (see note 10)	17,712	17,286
	<u>5,245,636</u>	<u>5,209,189</u>
<b>Analysis by fund</b>		
Unrestricted funds	5,226,913	5,208,925
Restricted funds	18,723	264
	<u>5,245,636</u>	<u>5,209,189</u>

**9 Grants payable**

	Providing education 2020 £	2019 £
Grants to individuals (7 grants)	18,123	-
	<u>18,123</u>	<u>-</u>

The grants payable in 2020 of £18,123 are restricted grants to individuals paid out of the Hardship Fund which was established to support families who couldn't pay their children's school fees due to the Coronavirus pandemic.

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**10 Support costs**

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Staff costs - Support	776,938	-	776,938	838,680	-	838,680
Staff costs - Welfare	311,918	-	311,918	307,892	-	307,892
Depreciation	99,715	-	99,715	80,073	-	80,073
Rates	92,074	-	92,074	90,941	-	90,941
Insurance	38,036	-	38,036	37,249	-	37,249
Light and heat	104,357	-	104,357	109,620	-	109,620
Repairs and maintenance	159,105	-	159,105	121,714	-	121,714
Printing, postage, stationery, advertising and website	74,849	-	74,849	114,635	-	114,635
Telephone and fax	8,955	-	8,955	8,056	-	8,056
Motor expenses	33,189	-	33,189	40,821	-	40,821
Legal and professional fees	76,948	-	76,948	28,906	-	28,906
School inspection	5,055	-	5,055	5,392	-	5,392
Household expenses	39,032	-	39,032	35,294	-	35,294
Cleaning contracts	75,443	-	75,443	83,894	-	83,894
Upkeep of grounds and pool	38,141	-	38,141	38,224	-	38,224
Bad debts	5,667	-	5,667	5,127	-	5,127
Sundry expenses	24,731	-	24,731	29,184	-	29,184
Bank charges	2,595	-	2,595	3,122	-	3,122
Audit fees	-	5,850	5,850	-	5,700	5,700
Accountancy	-	11,862	11,862	-	11,586	11,586
	<u>1,966,748</u>	<u>17,712</u>	<u>1,984,460</u>	<u>1,978,824</u>	<u>17,286</u>	<u>1,996,110</u>
Analysed between Charitable activities	<u>1,966,748</u>	<u>17,712</u>	<u>1,984,460</u>	<u>1,978,824</u>	<u>17,286</u>	<u>1,996,110</u>

Governance costs includes payments to the auditors of £5,850 (2019- £5,700) for audit fees and £11,862 (2019- £11,586) for other services.

**11 Trustees**

None of the Trustees (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed travelling expenses (2019- none).

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**12 Employees**

**Number of employees**

The average monthly number of employees during the year was:

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Teaching staff	57	60
Admin and support staff	29	29
Welfare staff	11	13
	<u>97</u>	<u>102</u>

**Employment costs**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	3,196,335	3,300,358
Social security costs	294,661	289,838
Other pension costs	506,701	370,097
Other staff costs	60,191	56,006
	<u>4,057,888</u>	<u>4,016,299</u>

The number of employees whose annual remuneration was £60,000 or more were:

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
£60,000 - £70,000	2	1
£90,000 - £100,000	1	1
	<u>3</u>	<u>2</u>

During the year, the charity paid £41,535 (2019 - £20,708) pension contributions for 3 (2019 - 2) members of staff earning over £60,000.

During the year there were staff redundancy costs of £0 (2019 - £17,038).

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**13 Net gains/(losses) on investments**

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Revaluation of investments	7,491	7,702
Gain/(loss) on sale of investments	2,628	(84)
	<u>10,119</u>	<u>7,618</u>

**14 Taxation**

Due to its charitable status no liability to taxation arises in the financial year.

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED  
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

15 Tangible fixed assets	£	£	£	£	£	£	£	£
	Freehold land and buildings	Leasehold property	Plant and machinery	Fixtures, fittings & equipment	Computers	Motor vehicles	Total	Total
<b>Cost</b>								
At 1 September 2019	9,352,126	538,604	502,594	618,528	315,452	88,954	11,416,258	
Additions	207,368	-	156,551	9,607	25,803	-	399,329	
At 31 August 2020	9,559,494	538,604	659,145	628,135	341,255	88,954	11,815,587	
<b>Depreciation and impairment</b>								
At 1 September 2019	-	183,362	360,576	422,500	176,939	85,253	1,228,630	
Depreciation charged in the year	-	16,642	61,590	20,558	39,816	925	139,531	
At 31 August 2020	-	200,004	422,166	443,058	216,755	86,178	1,368,161	
<b>Carrying amount</b>								
At 31 August 2020	9,559,494	338,600	236,979	185,077	124,500	2,776	10,447,426	
At 31 August 2019	9,352,126	355,242	142,018	196,028	138,513	3,701	10,187,628	

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**16 Fixed asset investments**

	Listed investments £
<b>Cost or valuation</b>	
At 1 September 2019	320,986
Additions	74,252
Valuation changes	21,128
Disposals	(83,231)
	<u>333,135</u>
At 31 August 2020	333,135
<b>Carrying amount</b>	
At 31 August 2020	<u>333,135</u>
At 31 August 2019	<u>320,986</u>

**Fixed asset investments revalued**

The investments are included at middle price market value at 31 August 2020. The historical cost of these investments is £273,606.

<b>17 Financial instruments</b>	<b>2020</b>	<b>2019</b>
	£	£
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	333,135	320,986
	<u>333,135</u>	<u>320,986</u>
<b>18 Debtors</b>	<b>2020</b>	<b>2019</b>
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	160,145	168,866
Other debtors	85,764	12,368
Prepayments and accrued income	126,205	180,685
	<u>372,114</u>	<u>361,919</u>

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

19 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	74,633	72,891
Trade creditors	112,072	58,009
Other creditors	626,102	791,727
Accruals and deferred income	51,020	31,293
	<u>863,827</u>	<u>953,920</u>

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**20 Retirement benefit schemes**

**Defined contribution schemes**

The Trust operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Trust in an independently administered fund.

The Trust has also been included in Auto Enrolment since August 2014 with 33 members of staff being enrolled in August 2014.

The charge to profit or loss in respect of defined contribution schemes was £34,759 (2019 - £29,056). At the balance sheet date there were accrued pension contributions of £7,136 (2019 - £5,737).

**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 £471,642 (2019: £341,041) and at the year-end £53,866 (2019 - £44,737) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). 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 judgment 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 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 this 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.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal 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.

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED  
(LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**21 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 September 2018		Movement in funds		Balance at 1 September 2019		Movement in funds		Balance at 31 August 2020	
	£	£	Incoming resources	Resources expended	£	£	Incoming resources	Resources expended	£	£
Bursary Fund	99,086	-	124	-	99,210	-	-	-	369	99,579
Donation for Trees	864	(264)	-	(264)	600	-	-	(600)	-	-
Hardship Fund	-	-	-	-	-	18,492	(18,123)	(369)	-	-
	<u>99,950</u>	<u>(264)</u>	<u>124</u>	<u>(264)</u>	<u>99,810</u>	<u>18,492</u>	<u>(18,723)</u>	<u>-</u>	<u>99,579</u>	

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**22 Analysis of net assets between funds**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 August 2020 are represented by:						
Tangible assets	10,447,426	-	10,447,426	10,187,628	-	10,187,628
Investments	333,135	-	333,135	320,986	-	320,986
Current assets/ (liabilities)	1,621,938	99,579	1,721,517	1,742,129	99,810	1,841,939
	<u>12,402,499</u>	<u>99,579</u>	<u>12,502,078</u>	<u>12,250,743</u>	<u>99,810</u>	<u>12,350,553</u>

**23 Operating lease commitments**

At the reporting end date the Trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	19,118	25,358
Between two and five years	19,478	38,476
	<u>38,596</u>	<u>63,834</u>

The operating lease payments recognised as an expense in the year were £25,238 (2019 - £25,358).

**24 Capital commitments**

2020 £	2019 £
-----------	-----------

At 31 August 2020 the Trust had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment

<u>61,809</u>	<u>-</u>
---------------	----------

**25 Related party transactions**

**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	<u>395,371</u>	<u>248,058</u>

**WESTBOURNE HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**25 Related party transactions** **(Continued)**

**Transactions with related parties**

Mr J Passam and Mr J Bruce have children that attend the school with fee arrangements being in accordance with the school's normal terms.

<b>26 Cash generated from operations</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Surplus for the year	151,525	50,968
Adjustments for:		
Investment income recognised in statement of financial activities	(18,041)	(26,670)
Gain on disposal of tangible fixed assets	-	(2,023)
(Gain)/loss on disposal of investments	(2,628)	84
Fair value gains and losses on investments	(7,491)	(7,702)
Depreciation and impairment of tangible fixed assets	139,531	121,050
Movements in working capital:		
(Increase) in debtors	(10,195)	(38,040)
(Decrease) in creditors	(90,093)	(57,380)
<b>Cash generated from operations</b>	<b>162,608</b>	<b>40,287</b>

**27 Analysis of changes in net funds**  
The Trust had no debt during the year.

