

Charity Registration No. 307045
Company Registration No. 00875915 (England and Wales)

**KENNEDY INDEPENDENT SCHOOL TRUST LIMITED
KNOWN AS 'SHOREHAM COLLEGE'
(LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**

KENNEDY INDEPENDENT SCHOOL TRUST LIMITED
KNOWN AS 'SHOREHAM COLLEGE'
(LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Governors	S M Barnett BSc ACG (Chairman) P Y Booth BA PGCE (Vice Chairman) P A Kent FRICS D Kelsey D E J Kittow LLB S Mills BS MCIM MMRS MIDM I Rudge FRICS R J Sharp
Principal	S Bakhtiari MA, BA, QTS
General Manager and Company Secretary	A B Warner
Charity Number	307045
Company Number	00875915
Registered Office & Principal Address	Shoreham College St Julian's Lane Shoreham-by-Sea West Sussex BN43 6YW
Auditors	TC Group The Courtyard Shoreham Road Upper Beeding Steyning West Sussex BN44 3TN
Bankers	Barclays Bank PLC North Street Brighton East Sussex BN1 1SF

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GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT)**

The Governors present their report and accounts for the year ended 31 August 2021.

The accounts comply with the requirements of the Companies Act 2006, the Charities Act 2011, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Kennedy Independent School Trust is a company limited by guarantee and has no share capital. Every member of the Trust undertakes to contribute to the assets of the Trust in the event of it being wound up while he / she is a member, or within one year after he / she ceases to be a member, such amounts may be required not exceeding £1.

Governing Body

The Governors, who are also the directors for the purpose of company law, and who served during the year were:

S M Barnett BSc, ACG (Chair)
P Y Booth BA, PGCE (Vice Chair)
D Kelsey
P A Kent FRICS
D E J Kittow LL B
S R Mills BSc, MCIM, MMRS, MIDM
I Rudge FRICS
R J Sharp

None of the Governors have any beneficial interest in the company. Each Governor makes an annual declaration of any conflict of interest in addition to one for each meeting attended. All of the Governors are members of the company and guarantee to contribute £1 in the event of a winding up.

Governor training and induction

All new Governors are invited into the College for an in-depth discussion with the Principal and the General Manager. They are given comprehensive information about the charity and their responsibilities. All Governors are expected to spend some time at the College each year to ensure they fully understand the workings of the school.

Each year all Governors are assessed for their training requirements and it is the policy of the trust to offer training courses either internally or externally as deemed appropriate. Last year most Governors attended at least one training course. A log is kept of all training given.

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GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

Overview

The Governors recognise that they have a number of accountabilities. These are summarised as follows:

- Ultimate accountability for directing the affairs of the College.
- Ensuring the College is solvent and well run.
- Delivering charitable outcomes for the benefit of the public.
- Ensuring compliance with charity law and operating within the terms of the Company Memorandum and Articles of Association.
- Duty of prudence:
 - remain solvent by keeping informed of its' financial position;
 - use of funds within the purpose of the College;
 - avoid undue risk; and
 - take special care when borrowing.
- Duty of care:
 - reasonable care by meeting regularly to ensure effective oversight of College activities;
 - use personal knowledge and experience to ensure the College is well run and efficient; and
 - take professional advice on all matters where there is material risk.
- Define the strategic aims of the College.
- Ratify the College objectives and directions that deliver the strategic aims of the College.
- Identify and manage risks ensuring robust systems are in place to monitor all known risks.

To ensure that the Council can deliver against these accountabilities and to actively demonstrate effective oversight of the College it is important that a governance meeting structure is in place for the Council.

Organisation management

The Council meeting governance structure is represented below:

College Council: This is made up of all the Governors of the College and meets once a term. In addition, the Governors also meet for a topic meeting once a term and for training at least once a year

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Finance and General Purposes Committee: This is a sub-committee of the College Council that meets twice a term.

Education Committee: This is a sub-committee of the College Council that meets once a term.

Compliance and Policy Oversight Committee: This is a sub-committee of the College Council that meets at least once a term.

Principal Review Committee: This is a sub-committee of the College Council that meets as and when required.

Complaints and Grievance Panel: This is a sub-committee of the College Council that meets as and when required.

All Governors are members of at least one committee and all committees report back to the main College Council meetings.

The Governors determine the strategic direction and general policy of the school. The day-to-day management of the school is delegated to the key management personnel who are:

- The Principal
- The General Manager/Clerk to Governors
- The Assistant Headteacher for Early Years, KS1 and KS2
- The Assistant Headteacher for KS3
- The Assistant Headteacher for KS4
- The Assistant Headteacher for Curriculum

The Principal and the General Manager attend most meetings of the Governing Body's Committees and the Senior Management Team attend the Education Committee meetings or when invited by the Governors.

The remuneration of key management personnel is set by the Board, with the policy objective of providing appropriate incentives to encourage enhanced performance and rewarding them fairly and responsibly for their individual contributions to the College's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent and maintained schools to ensure that the College remains sensitive to the broader issues of pay and employment conditions elsewhere.

We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope for rewarding excellence. Delivery of the College'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. All staff are paid at least the national living wage.

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OBJECTIVES AND ACTIVITIES

Charitable Objects

Challenging, Supporting and Inspiring

Giving every child the confidence to succeed and flourish in the wider world.

In order to fulfil our commitment to provide an education to children across a range of abilities, ensuring that they achieve their full potential, we aim to:

- provide a welcoming and nurturing environment where every pupil is known, supported and celebrated;
- provide an excellent academic education where ambition, resilience, creativity and confidence are developed;
- provide exciting opportunities beyond the classroom;
- foster a commitment to charitable causes and local community action;
- encourage all pupils and staff to achieve their full potential within a happy and safe environment;
- be inclusive, respectful and kind; valuing individuals and their families.

In meeting these Objects, the College's public benefit aim is to provide a good all-round education, both through academic tuition, and through developing wider sporting, artistic and social skills in all its pupils. It is intended to provide a family-orientated environment where each pupil can develop and fulfill his or her potential, help build self-confidence and instill a desire to contribute to the wider community. They must be achieved within a competitive fee structure that is sufficient to keep the College financially viable.

Volunteers

Despite the lockdown and Covid-19 restrictions, Shoreham College Parents' Association and The Old Shorehamers' Association have assisted the College with fundraising and other activities during the year. The Governors would like to take this opportunity to say how much they appreciate their continuing and valuable support of the College.

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GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

STRATEGIC REPORT

Achievements and Performance

Shoreham College is a vibrant and successful school, which was demonstrated by the inspection reports obtained in January 2015, and the Regulatory Compliance Inspection report in 2018 having many areas rated both good and excellent. The College has a particular role in the local community which clearly enjoys the academic, social and spiritual benefits of it being a broadly inclusive independent co-educational day school and an educational alternative for their children in an area densely populated by academically selective schools and boarding schools.

The year started in a dynamic and positive way but the world-wide events and the spread of Coronavirus (Covid-19) meant that some major changes had to take place. The College very quickly adapted to offer remote teaching to all pupils with virtual classrooms, google meets, online resources and using the expertise of the staff we had on site. In addition, the College offered teaching throughout the lockdown to key worker children and was able to offer half a term of face to face teaching on-site to many junior classes and then all junior classes for the last two weeks for the summer term. The College received a lot of praise for the work the staff were able to provide and all staff went that extra mile to ensure the pupils were not disadvantaged.

The College does not have an academic entrance examination and yet the children perform extremely well in their GCSE examinations - significantly above maintained schools with similar intakes. 98% of the 2021 cohort achieved five 9-4 grades. The result was exceptionally good this year especially as the results were based on Teacher Assessed Grades and the pupils did not complete their external examinations due to the Covid-19 issues. The College does not undertake vocational qualifications so these figures are for GCSE passes only. It remains the College's policy to ensure that pupils are individually challenged to achieve or exceed their potential as expressed in standardised testing academically and in all aspects of school life in a broader co-curricular sense. The wider curriculum is very important to us and this is expressed for example in our commitment to the Forest School in our juniors (which has also included the John Muir Award, involvement with the Southdowns' National Park, the National Trust and local ranger) and our Leadership and Skills Programme for our seniors. This enables our pupils to experience challenges and achievement through the Bronze and Silver Awards with the Duke of Edinburgh Award Scheme, including: first aid, navigation, community projects, entrepreneurship, sports' leadership and more.

It is encouraging to see a particularly good range of schools on our sports fixture lists, primary and secondary, with plenty of matches with maintained and independent schools prior to the Covid restrictions, including football tournaments for primary age pupils. We will continue to develop links with other independent and state sector schools in our area, having established links with local schools, with whom we are discussing the sharing of good practice and joint educational projects, including teacher training, work experience for sixth formers and book awards for the pupils.

We remain committed to giving children of all social, cultural and economic backgrounds the opportunity to study at the College. The College has both fee discount scholarships and means-tested bursaries and has limited the number of commercial discounts on offer.

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We continue to be aware of the needs of the wider community, and are committed to social awareness and action. Indeed, we encourage our pupils to develop core values, alongside life skills and academic skills as part of their learning journey. In recent years the school has raised funds for the Chestnut Tree House Children's Hospice, The Woodland Trust, RNLI, Mary's Meals, Jeans for Genes, Off the Fence, The Bumble Bee Conservation Trust and the Oscar Foundation supporting children in the slums of Mumbai. Notably, the pupils have their own committee, the School Council, in the senior and junior schools, through which they have decided to support at least three charities a year: one for young people, one national and one international.

We also work closely with the community, including the Friends of St Julian's Church and the EYE (Eco., Young and Engaged) Environmental Project and local food banks, including the Emmaus Community and Off the Fence, of Brighton and Hove. In 2016, the College was nominated for the Community School of the Year award, for its work supporting local food banks, by the Argus newspaper. The College was awarded a cup for its contribution to the Adur and Worthing Youth Council for its outstanding level of engagement with projects designed to give young people a voice, a gold democracy award in 2020, and a bronze award in 2019.

It is very important that we prepare our pupils for the wider world beyond Shoreham and it is pleasing that working with 20 or more local sixth form providers with whom we have strong connections, offering a diverse range of further education, we are able to provide our students the right pathways for them, whether this be taking up A-levels, apprenticeships or BTEC diplomas.

We are a learning community and we continue to work in partnership with Brighton University, Chichester University and Sussex University and we offer a range of placements to students studying for qualifications in teaching: School Direct for instance, child care and including the assessment only route. We remain committed to offering induction years for newly qualified teachers to assist them in obtaining their Qualified Teacher Status.

Financial Review

Incoming resources for the year totalled £4,726,919 (2020: £4,519,562). Although the Covid-19 issues still had a significant impact on the College, the figures show an improvement as the level of fee alignment was reduced. The College continued to provide excellent online teaching to all pupils whilst offering a fixed reduction of £550 to all full-time pupils for the Summer term to acknowledge the time when the College was teaching remotely during the Lent term. The College at the start of the current year has 346 pupils compared to 356 at the same point in the previous year. Interest in the College has remained strong as the economy recovers. The College is seeing a large number of prospective pupils and has just had a record attendance at an open morning for prospective pupils and continued good exam results have given a clear indication to parents that the College has a quality product to offer at a competitive price.

Resources expended rose by approximately 1.5% from £4,335,726 in 2020 to £4,401,816. Although the College was to revert to remote teaching for part of the year, there were only few savings that could be made as the College still hosted a number of critical worker and vulnerable children. Staff costs remained very similar to the previous year although there had been a slight reduction in staff numbers. Careful financial controls and management of the budgets remained in place.

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The College continued to offer competitive salaries for the staff and first-rate facilities for the pupils. The College is committed to providing an inspiring learning environment with teaching by first-rate teachers. Teaching staff costs have risen to be above the national scale and the College has continued to reward the better-performing staff with threshold payments and scale improvements.

The overall net surplus for the year was £325,103 (2019: £183,836). This equates to a net surplus of approximately 11 % (2019: 9%) of net fees before depreciation is included. This will assist the College in capital development and the improvement plans for the future. Considering there was a major change in income due to the Covid-19 lockdown, this is an excellent result.

Grant-Making Policy

Over the year the value of means tested bursaries and other awards made to the College's pupils was £406,464 from unrestricted funds (£98,618 representing commercial concessions, £114,306 public benefit concessions and £193,540 from the additional concession made due to the Covid-19 pandemic). Excluding the Covid concessions, 148 awards were received by 133 pupils – this is an increase in the number of pupils receiving awards. Means-testing takes place on all new bursaries and they are reviewed annually where appropriate. All pupils in the College received a Covid concession for the time away from the College in the Lent Term.

Shoreham College has a policy, in line with other independent schools, to offer open competition from both internal and external candidates for these awards on the basis of relieving hardship where the pupil's education and future prospects would otherwise be at risk. The availability of all such awards for fee assistance, together with the terms and conditions for each kind of award, is advertised on our website and in the local press and newsletters.

Plans for Future Periods

The College Governors review the Strategic Development Plan on an annual basis for the whole school which includes both the educational and facilities side of the charity. This document, reviewed by Governors and leadership mentors in 2021 and runs through until 2025 and provides the direction to the Senior Management Team. Educationally, for example, a forest school is now well established for the juniors and also includes the John Muir Award and co-curricular activities for the senior children. Across the College, mindfulness has been enhanced, as has the development of growth mindset amongst the pupils and staff, both of which we see as key to enabling pupils to augment their well-being.

The academic tracking system is now well established in Junior and Senior Schools and the PSHE provision in the school has been updated to include PSHE as a timetabled lesson using the 'Jigsaw' programme of resources which has been put in place to give excellent coverage for PSHE and SMSC programmes. A College counsellor via Dialogue is at the College weekly and annual evaluations have shown this has been immensely powerful for our pupils in terms of adding to our pastoral provision. In addition, the College is successfully using new materials developed by Morrisby and has a member of staff who is assisting with 1:1 careers' advice for our pupils.

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The Governors working with the Principal, General Manager and Senior Management Team continue to revise the estates' master plan which includes the redevelopment of the music facilities, improved toilet facilities for the junior staff and covered pool. However, these are major alterations to the site and would have a major impact. The Governors are currently mindful of not overstressing finances in this time of economic uncertainty. This year, however, the College enhanced some classrooms, including in the Early Years Foundation Stage, learning support office provision and staff facilities. The College is keen to make significant enrichment to its operational provision.

The College Council is aware that the future development of Shoreham College must be dependent on ways which will be of benefit to all pupils. The aim is therefore focused on improving our facilities and continuing to improve the standards of teaching and learning throughout the school. For example, the College has embedded the Achieve 3000 reading programme in key year groups which is proving very beneficial.

Improvements in marketing, including greater use of social media (such as Twitter and Facebook) and a strong parent contingent who are promoting the College have meant that the College is seeing a surge in parents wanting to visit and join the College. This has to be weighed prudently, however, alongside the uncertainty being caused by the current economic climate and national issues, notably the Covid pandemic.

The College will continue to enhance the excellent links already gained with other local independent and state schools. In addition, it will further widen the access to the community through the provision of means-tested bursaries and continue to offer the use of the College facilities for educational purposes. It has also expanded its work with local primaries through offering inset to the Glebe, Deepdene, Easterbrook and Swiss Gardens Primary Schools. Currently, it is planning new collaborations including cricket festivals, football tournaments and science projects, subject to Covid restrictions.

Principal Risks and Uncertainties

The Governors are responsible for the management of the risks faced by the College. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on an annual basis or more regularly if required.

The key controls used by the charity include:

- formal agendas for all Committee and Council activity;
- detailed terms of reference for all Committees;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational structure and lines of reporting;
- formal written policies;
- clear authorisation and approval levels, and
- vetting procedures as required by law for the protection of the vulnerable.

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Through the risk management processes established for the College, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The risk register headings are as follows:

- Objects/Mission
- Charity Law & Other Regulation
- Governance & Management
- Vulnerability to External Influences
- Operational Processes
- Failure to comply with operational regulations
- Personnel
- Environmental
- Technological
- Educational
- Financial
- Investment
- Purchasing
- Payroll
- Major Projects

From these headings, the College management and Governors have identified potential risks and has strategies in place to mitigate these risks. These are regularly monitored to ensure their effectiveness. Significant risk areas include:

- The challenging economic conditions that are faced by the College and its parental body during the pandemic. In addition, it is noted that the College operates in a highly competitive market and we have to ensure that educational standards remain our highest priority.
- The requirement for all pupils and staff to be educated and work in a safe and supportive environment, with policies and procedures in place to ensure that the College meets the needs of its staff and is able to attract high quality recruits. The need to attract experienced Governors is also of high importance.
- The need to ensure the College, like all schools, is protected from the threats in an increasing litigious environment by ensuring appropriate advisers are available to assist the College in being able to keep up to date with all requirements and to meet any challenges.
- The national issues facing the sector as a whole with financial and political pressures such as the threat of removal of charitable status, the potential addition of VAT on school fees, the removal of charitable business rate relief and the further rise in the Teachers' Pension employer contribution rate.

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GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

RESERVES POLICY

The Charity's reserves policy is to ensure that its financial affairs are maintained within a tight budget that is approved by the Trustees. The nature of the Charity's activities determines that reserves fund the property and other net assets and are held to cover unexpected shortfalls on the Statement of Financial Activities.

The Trustees consider that, in the event of a significant drop in short term funding, they will be able to continue the Charity's activities while consideration is given to ways in which additional funds may be raised. The charity has a designated fund that is used to fund significant capital expenditure as and when the trustees feel appropriate. The fund is reviewed annually. The Trustees of the Charity are governed by the Trustee Act 2000 which sets out the general power of investment.

The Charity seeks to produce the best financial return within an acceptable level of risk. A proportion of the assets are expected to be spent over the next few years and capital preservation is of paramount importance. The investment objective for the reserves is to preserve the capital value with a minimum level of risk. Assets should be readily available to meet unanticipated cash flow requirements.

The Charity holds assets to fund planned capital expenditure over the next few years. As such capital volatility cannot be tolerated and assets should be invested to minimise risk. The Charity's assets should be held in cash or near cash investments denominated in sterling. The Charity's cash balances are deposited with institutions with a minimum long term rating of A- or invested in a diversified money market fund. The Charity will monitor the rating of the institutions where the assets are deposited on an annual basis. The Charity will draw down the cash as required and will continue to trade to meet future capital projects.

The Charity manages its own cash deposits and has nominated a list of authorised signatories, two of which are required to sign instructions to the deposit taking institution. The General Manager monitors the cash position and prospective cash flow schedule and reports this to the Board of Trustees at each termly meeting.

ASSET COVER FOR FUNDS

Note 13 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.

DISCLOSURE OF INFORMATION TO AUDITORS

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

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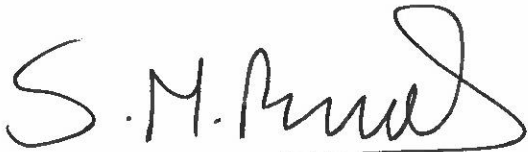
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GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

AUDITORS

A resolution proposing that TC Group be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the board of Governors,

A handwritten signature in black ink, appearing to read 'S.M. Barnett', written over a horizontal line.

S M Barnett BSc, ACG (Chair)

Dated: 18 November 2021

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STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors, who are also the Directors of Kennedy Independent School Trust Limited for the purpose of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Governors 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE KENNEDY INDEPENDENT SCHOOL TRUST LIMITED

We have audited the financial statements of Kennedy Independent School Trust Limited (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and notes to the financial statements. 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 (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 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the governor's 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 doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorized for issue.

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

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE KENNEDY INDEPENDENT SCHOOL TRUST LIMITED

Other information

The other information comprises the information included in the annual report, including the governor's report, other than the financial statements and our auditor's report thereon. The governors are responsible for the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require; or
- the directors 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 governors' report and from the requirement to prepare a strategic report.

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INDEPENDENT AUDITOR'S REPORT

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Responsibilities of governors

As explained more fully in the governors' responsibilities statement, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors 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 governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the governors and other management (as required by auditing standards), and discussed with the governors and other management the policies and procedures regarding compliance with laws and regulations (see below);

**KENNEDY INDEPENDENT SCHOOL TRUST LIMITED
KNOWN AS 'SHOREHAM COLLEGE'**

(LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE KENNEDY INDEPENDENT SCHOOL TRUST LIMITED

- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption, school inspections, DBS checks, and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the governors and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK.
- We considered the nature of the charitable company's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
- We considered the procedures and controls that the charitable company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

**KENNEDY INDEPENDENT SCHOOL TRUST LIMITED
KNOWN AS 'SHOREHAM COLLEGE'**

(LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE KENNEDY INDEPENDENT SCHOOL 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, or for the opinions we have formed.

TC Group

Mark Cummins FCCA (Senior Statutory Auditor)

for and on behalf of TC Group

Statutory Auditors

Office: Steyning, West Sussex

Dated: *25 November 2021*

KENNEDY INDEPENDENT SCHOOL TRUST LIMITED
KNOWN AS 'SHOREHAM COLLEGE'

(LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds £	Designated Funds £	Total 2021 £	Total 2020 £
Incoming from:					
Incoming resources from generated funds					
Donations		100	-	100	5,665
Government grant income		37,258	-	37,258	107,499
Lettings income		3,514	-	3,514	-
Bank interest		3,605	-	3,605	16,652
Charitable activities	3	4,682,442	-	4,682,442	4,389,746
Total income		4,726,919	-	4,726,919	4,519,562
Expenditure on:					
Raising funds					
Finance costs		-	-	-	738
Total cost of raising funds		-	-	-	738
Charitable activities					
Education		4,401,816	-	4,401,816	4,334,998
Total expenditure	4	4,401,816	-	4,401,816	4,335,726
Net income and expenditure		325,103	-	325,103	183,836
Transfer between funds	12	(175,000)	175,000	-	-
Fund balances at 1 September 2020		7,736,657	1,200,000	8,936,657	8,752,821
Fund balances at 31 August 2021	13	7,886,760	1,375,000	9,261,760	8,936,657

All income and gains for the period are recognised above. All of the company's activities are classified as continuing.

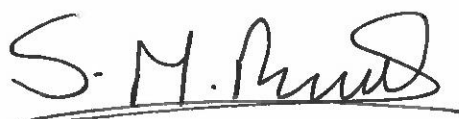
The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

There are no recognised gains or losses other than those reported on the Statement of Financial Activities.

KENNEDY INDEPENDENT SCHOOL TRUST LIMITED
KNOWN AS 'SHOREHAM COLLEGE'
(LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 AUGUST 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		5,387,190		5,507,339
Current assets					
Stocks		29,610		28,663	
Debtors	8	1,346,138		1,806,755	
Cash at bank and in hand		4,420,975		3,501,880	
		<u>5,796,723</u>		<u>5,337,298</u>	
Creditors: amounts falling due within one year	9	<u>(1,922,153)</u>		<u>(1,907,980)</u>	
Net current assets			<u>3,874,570</u>		<u>3,429,318</u>
Net assets			<u>9,261,760</u>		<u>8,936,657</u>
Income funds	13				
Unrestricted funds:					
Designated funds	12		1,375,000		1,200,000
Other charitable funds			7,886,760		7,736,657
			<u>9,261,760</u>		<u>8,936,657</u>

The accounts were approved by the Board on 18/11/2021



S M Barnett BSc ACG (Chairman)
 Governor

Company Registration No. 00875915

KENNEDY INDEPENDENT SCHOOL TRUST LIMITED
KNOWN AS 'SHOREHAM COLLEGE'

(LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	2020 £
Cash flows from operating activities	14	982,681	(137,884)
Cash flows from investing activities			
Purchase of tangible fixed assets	(67,191)	(55,521)	
Finance costs	-	(738)	
Interest received	3,605	16,652	
Net cash from investing activities		(63,586)	(39,607)
Cash flows from financing activities			
Repayment of bank loan	-	(72,106)	
Net cash outflow from financing activities		-	(72,106)
Increase in cash and cash equivalents		919,095	(249,597)
Cash and cash equivalents at start of year		3,501,880	3,751,477
Cash and cash equivalents at end of year		4,420,975	3,501,880

All cash is cash at bank and in hand.

**KENNEDY INDEPENDENT SCHOOL TRUST LIMITED
KNOWN AS 'SHOREHAM COLLEGE'**

(LIMITED BY GUARANTEE)

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Statutory information

Kennedy Independent School Trust is a charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found on the legal and administrative information page.

2. Accounting policies

2.1 Basis of preparation

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 (FRS102) (effective 1 January 2015) – Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Kennedy Independent School Trust meets the definition of a public benefit entity under FRS102. Assets and Liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). There are no material uncertainties about Kennedy Independent School Trust's ability to continue as a going concern, which takes into account consideration of the impact of the COVID – 19 pandemic.

2.2 Income

School fee income is accounted for on a receivable basis and consists of charges billed for the school year ended 31 August 2021, less bursaries and allowances. Fees received for education to be provided in future years are carried forward as deferred income.

Donations are accounted for as received by the school.

Grant income and investment income is accounted for in the period in which the school is entitled to receipt.

2.3 Expenditure

Expenditure is accounted for on an accruals basis. Overhead and other costs not directly attributable to a particular functional activity are included within support costs. The irrecoverable element of VAT is included with the item of expenses to which it relates.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the 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.

KENNEDY INDEPENDENT SCHOOL TRUST LIMITED KNOWN AS 'SHOREHAM COLLEGE'

(LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

2.4 Tangible fixed assets and depreciation

All assets costing more than £1,000 are looked at on an individual basis and capitalised if appropriate. Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and assets under construction are not depreciated

Freehold buildings 2% Straight line

Fixtures, fittings & equipment 25% Reducing balance and 3 years straight line

Motor vehicles 25% Reducing balance

2.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals paid under operating leases are charged to income as incurred.

2.6 Stock

Stock is valued at the lower of cost and net realisable value.

2.7 Pensions

Teaching staff are members of the Teachers' Pension Scheme (TPS), a defined benefit scheme administered by the Teachers' Pension Agency. The Teachers' Pension Scheme is an unfunded scheme. Contributions on a "pay as you go" basis are credited to the Exchequer under arrangements governed by the Superannuation Act 1972. Actuarial valuations are carried out on a notional set of investments. Under the definitions set out in Financial Reporting Standard 17 Retirement Benefits, Teachers' Pension Scheme is a multi-employer pension scheme. The school is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, under Financial Reporting Standard 17 Retirement Benefits the scheme is accounted for as if it were a defined contributions scheme. Non-teaching staff are eligible to join a defined contributions scheme. A charge is made against expenditure for the amounts payable to the scheme in respect of the accounting period.

The college also contributes to defined contribution pension schemes for non-teaching staff.

Pension costs are charged to the Statement of Financial Activities when they become due.

**KENNEDY INDEPENDENT SCHOOL TRUST LIMITED
KNOWN AS 'SHOREHAM COLLEGE'**

(LIMITED BY GUARANTEE)

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2.8 Accumulated funds

Unrestricted funds - these are funds which can be used in accordance with the charitable objects at the discretion of the governors.

Designated funds - these are funds set aside by the governors out of unrestricted general funds for specific future purposes or projects.

Further explanations of the nature and purpose of each fund are included in the notes to the accounts.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments. The Trustees seek to use short and medium term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

2.10 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

Prepayments are valued at the amount prepaid net of any trade discounts due.

KENNEDY INDEPENDENT SCHOOL TRUST LIMITED
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NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

3. Income from charitable activities

	2021 £	2020 £
Gross school fees	4,990,577	5,112,862
Bursaries, scholarships and discounts *	(406,464)	(794,062)
Net school fees	4,584,113	4,318,880
Minibus income	72,510	60,555
Extras	25,819	10,391
Net school fees	4,682,442	4,389,746

* Includes COVID -19 fee adjustments for both 2021 and 2020.

4. Total expenditure

	Staff costs £	Depreciation £	Other Costs £	Total 2021 £	Total 2020 £
Raising funds					
Finance costs	-	-	-	-	738
Total cost of raising funds	-	-	-	-	738
Charitable activities					
<u>Education</u>					
Teaching costs	2,687,307	40,736	80,007	2,808,050	2,885,987
Welfare costs	22,350	-	322,336	344,686	320,499
Premises costs	239,073	146,603	307,384	693,060	618,757
Support costs	350,472	-	205,548	556,020	509,745
Total charitable activities	3,299,202	187,339	915,275	4,401,816	4,334,988
Total expenditure	3,299,202	187,339	915,275	4,401,816	4,335,726

Support costs include governance costs, of which payments to the auditors of £11,580 (2020: £11,160) for audit fees and £9,288 (2020: £11,592) for other services were made.

Net incoming resources are stated after charging £48,438 (2020: £48,438) to operating lease rentals included in Welfare Costs and interest charged of £Nil (2020: £738) included in Finance Costs.

**KENNEDY INDEPENDENT SCHOOL TRUST LIMITED
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(LIMITED BY GUARANTEE)

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. Governors

None of the governors (or any persons connected with them) received any remuneration during the year. There were no reimbursed travelling expenses this year (2020: four governors reimbursed a total of £518 for travelling expenses).

6. Employees

Number of employees

The average monthly headcount was 91 (2020: 92 staff) and the average monthly number of full time equivalent employees during the year was:

	2021	2020
	Number	Number
Teaching	41	42
Non-teaching	35	34
Total	76	76

Employment costs

	2021	2020
Wages and salaries	2,590,388	2,590,937
Social security costs	251,963	249,960
Other pension costs	456,851	460,807
	3,299,202	3,301,704

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**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**

6. Employees (continued)

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

	2021	2020
	Number	Number
£60,000 - £69,999	2	-
£90,000 - £100,000	1	2

Contributions totalling £39,086 (2020: £34,633) were made to pension schemes on behalf of employees whose emoluments exceeded £60,000.

The total employee benefits of key management personnel of the school during the year were £519,948 (2020: £558,464). Key management during the year comprised the Principal, General Manager and four Assistant Heads.

7. Tangible fixed assets

Cost	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
At 1 September 2020	7,434,006	574,703	8,008,709
Additions	34,813	32,378	67,191
At 31 August 2021	7,468,819	607,080	8,075,900
Depreciation			
At 1 September 2020	1,995,693	505,677	2,501,370
Charge for the year	146,603	40,736	187,339
At 31 August 2021	2,142,296	546,413	2,688,709
Net book value			
At 31 August 2021	5,326,523	60,667	5,387,190
At 31 August 2020	5,438,313	69,026	5,507,339

Included in Land and buildings is an amount of £125,000 (2020: £125,000) relating to land which is not depreciated. In the opinion of the governors the market value of both land and buildings is in excess of the net book value above. However, a revaluation policy has not been adopted as no real economic benefit would be achieved in implementing this.

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**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. Debtors

	2021	2020
	£	£
Trade debtors	1,308,025	1,733,176
Prepayments and accrued income	38,113	73,579
	<u>1,346,138</u>	<u>1,806,755</u>

9. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	64,412	51,749
Taxes and social security costs	61,430	61,643
Fees in advance	1,641,824	1,615,618
Fee deposits	90,650	80,450
Other creditors	63,837	98,520
	<u>1,922,153</u>	<u>1,907,980</u>

Fees in advance represent fees due for the Michaelmas term 2021.

Fee deposits may be returned upon giving one term's notice of the parents' intention to remove the child from the school.

**KENNEDY INDEPENDENT SCHOOL TRUST LIMITED
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**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**

10. Pension commitments

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 £402,015 (2020: £410,198) and at the year-end £54,836 (2020: £46,759) 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 government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of 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. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

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.

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**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**

10. Pension commitments (continued)

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The school also contributes to defined contribution schemes on behalf of its other staff. Employer contributions payable to those schemes were £54,836 (£2020: £50,609) and at the year end £3,999 (2020: £3,729) was accrued in respect of contributions due to those schemes.

11. Share capital and control

The company is limited by guarantee and has no share capital. In the event of a winding up, each of the governors undertakes to contribute to the assets of the trust such amounts as may be required, not exceeding £1.

No one party has overall control of the charity.

12. Designated funds

The income funds include the following designated funds which have been set aside out of unrestricted funds by the Governors for specific purposes:

	Movement in Funds				
	Balance at 1 September 2020	Incoming Resources	Resources Expended	Transfers	Balance at 31 August 2021
	£	£	£	£	£
Capital Development Fund	1,200,000	-	-	175,000	1,375,000
	1,200,000	-	-	175,000	1,375,000

The fund was created for the purpose of improvements to the College including major capital projects. The strategic development plan is currently being reviewed following the ongoing impact of Covid-19. During the year a further £175,000 was transferred in from general funds.

**KENNEDY INDEPENDENT SCHOOL TRUST LIMITED
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**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**

13. Analysis of net assets between funds

	Unrestricted funds	Designated funds	Total
	£	£	£
Fund balances at 31 August 2021 are represented by:			
Tangible fixed assets	5,387,190	-	5,387,190
Current assets	4,421,723	1,375,000	5,796,723
Creditors: amounts falling due within one year	(1,922,153)	-	(1,922,153)
	<u>7,886,760</u>	<u>1,375,000</u>	<u>9,261,760</u>
	Unrestricted funds	Designated funds	Total
	£	£	£
Comparative Fund balances at 31 August 2020 are represented by:			
Tangible fixed assets	5,507,339	-	5,507,339
Current assets	4,137,298	1,200,000	5,337,298
Creditors: amounts falling due within one year	(1,907,980)	-	(1,907,980)
	<u>7,736,657</u>	<u>1,200,000</u>	<u>8,936,657</u>

14. Net cash inflow/(outflow) from operating activities

	2021 £	2020 £
Reconciliation to changes in resources		
Net income	325,103	183,836
Interest received	(3,605)	(16,652)
Financing costs	-	738
Depreciation of tangible fixed assets	187,339	186,234
(Increase)/decrease in stocks	(947)	(10,148)
(Increase)/decrease in debtors	460,617	(441,376)
Increase/(decrease) in creditors	14,174	(40,516)
	<u>982,681</u>	<u>(137,884)</u>

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**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Reconciliation of net cash flow to movement in net funds

	2021	2020
	£	£
Increase/(decrease) in cash	919,095	(249,597)
Repayment of bank loan	-	72,106
Movement in net funds	<u>919,095</u>	<u>(177,491)</u>
Net funds at 1 September 2020	<u>3,501,880</u>	<u>3,679,371</u>
Net funds at 31 August 2021	<u><u>4,420,975</u></u>	<u><u>3,501,880</u></u>

16. Analysis of net cash

	At 1 September 2020	Cash flow	Non-cash changes	At 31 August 2021
	£	£	£	£
Cash at bank and in hand	3,501,880	919,095	-	4,420,975
	<u>3,501,880</u>	<u>919,095</u>	<u>-</u>	<u>4,420,975</u>

17. Commitments under operating leases

At 31 August 2021 the company had total commitments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Expiry date:		
Within one year	48,269	48,269
Between two and five years	<u>68,381</u>	<u>116,650</u>

18. Related party transactions

There were no related party transactions during the year (2020: None). Details on governor's expense reimbursements is included in note 5.