
REGISTERED COMPANY NUMBER: 00624273 (England and Wales)
REGISTERED CHARITY NUMBER: 307937

REPORT OF THE GOVERNORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022
FOR
BETHANY SCHOOL

BETHANY SCHOOL

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FOR THE YEAR ENDED 31 AUGUST 2022**

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BETHANY SCHOOL

**REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2022**

The governors who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2022. The governors have adopted the provisions of 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).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
00624273 (England and Wales)

Registered Charity number
307937

Registered office
Curtisden Green
Goudhurst
CRANBROOK
Kent
TN17 1LB

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

J M Fenn LLB	- Chairman
W S Kent	- Vice Chairman
K Buckland BA FCA	
R C Clark BA MD (Ed)	
J R W Hangarter MB BS BSc(Hons) MBA	- resigned 05/03/22
N P Kimber BSc FCA	
R Pilbeam	- resigned 30/09/21
A Cunningham	
P B Askew	
L Roberts	
E Connell	
M Harman	
P Mackinnon	- resigned 16/12/21
D Shaw	
G Power	
S Bonell	
A Scott	- appointed 05/03/22

Headmaster

F Healy BSc HDipEd NPQH

Bursar and Company Secretary

V Epps-Wood	- resigned 28/02/22
C Morey BA(Hons) ACA	- appointed 25/03/22

BETHANY SCHOOL

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

TC Group
Statutory Auditors
The Courtyard,
Shoreham Road
Upper Beeding
Steyning
West Sussex
BN44 3TN

Solicitors

Pengelly & Rylands
39-41 High Street
Tenterden
Kent
TN30 6BJ

Investment Advisors

Rathbone Investment Management Limited
Port of Liverpool Building
Pier Head
Liverpool
L3 1NW

Bankers

National Westminster Bank
Longford House
19 Mount Ephraim
Tunbridge Wells
TN4 8AE

STRUCTURE, GOVERNANCE AND MANAGEMENT

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

The Board of Governors meet once per term. The main Sub Committee of the Governors is the Executive Committee, which was formed following an AGBIS review of Governance and replaces the Management Committee. The Executive Committee meets once a month to discuss the day to day matters concerned with the running of the School. Major items are passed to the Main Board for discussion, with the Executive Committee's recommendations. J Fenn (Chairman), W Kent (Vice Chair), R Clark, K Buckland and S Bonnell sit on this Committee with the Headmaster and Bursar in attendance.

The other permanent Sub Committees are the Finance Committee, who meet with the Executive Committee once per term, with N Kimber and P Askew as members. Other permanent Sub Committees include the Education Committee, the Marketing and Development Committee and Estates Committee. The following School Committees, which have Governor representation met during the year:

ICT Committee
H & S Committee

The Day to Day running of the School is delegated to the Senior Management Team, the members of which are: Headmaster, Deputy Head (Pastoral), Deputy Head (Academic), Bursar and Human Resources Manager. The Headmaster and Bursar attend Governors and Executive Committee meetings. The Headmaster, Bursar, Deputy Heads and the Human Resources Manager attend Board meetings.

BETHANY SCHOOL

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2022

RECRUITMENT, INDUCTION AND TRAINING OF GOVERNORS.

Appointment and re-appointment of Governors

The Articles of Association allow for there to be between seven and twenty appointed Governors. There are currently fourteen on the Board. Governors are appointed by the existing Board members in the first instance and they are re-appointed after 3 years and 3 yearly thereafter.

Training

During the year, the Governors were trained in safeguarding and have undertaken online training using Educare courses.

All other Governors were made aware of briefing documents provided by AGBIS, ISBA and other recognised bodies.

SENIOR MANAGEMENT PAY POLICY

In line with pay for all staff, the Senior Management pay is determined by the Governors. In deciding the level of remuneration, the Committee take into account, amongst other things, the current market demand for teachers, the financial strength of the School, the economic outlook, the performance of the relevant individuals, and the 'going rate for remuneration' of senior management in the local independent school market. Details of key management personnel pay are shown in note 10 of the accounts.

EMPLOYMENT POLICY

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees has continued at all levels with the aim of taking their views into account when decisions are made that are likely to affect their interests. A full staff survey of their views has been conducted recently and points raised are being actioned.

CHARITABLE OBJECTS

The objects of the School as set out in the Articles of Association are to advance the education of boys and girls by the provision of a school or schools based on a strong Christian foundation and tolerant of other faiths. In setting the School's objectives the Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

AIMS AND OBJECTIVES

The School provides education to boys and girls, committed to providing young people with an education for life in a changing world.

It is our policy for the School to help pupils achieve their highest academic potential as well as providing an extra-curricular programme which aims to develop life-long interests and to help build self-confidence and a desire to contribute to the community.

The School aims to play its part in the wider community including making facilities available to selected outside bodies.

The School aims to give means-tested financial assistance to the parents of some pupils who might otherwise find the full fee a limiting factor to sending their sons and daughters to the School. In conjunction with this aim, the School continues to develop its Designated Funds.

The School aims to build relationships with educational establishments in the Maintained Sector.

Whilst the physical development of the School is regulated by the planning authorities, the School is conscious of its impact on the local community and is therefore seeking ways to communicate more effectively with them.

PRINCIPAL ACTIVITIES OF THE YEAR

As already stated, the School advances the education of boys and girls by the provision of a school based upon a strong Christian foundation and tolerant of other faiths.

BETHANY SCHOOL

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENTS AND PERFORMANCE

In the 2021 school year there were 356 pupils in the school (in 2020 there were 349) of whom 78 were boarders (in 2020 there were 85). There were 71 pupils in the Sixth Form. Boarding pupils are primarily British, although there were a number from overseas countries and these were primarily from Europe, Africa and the Far East.

A very healthy number of pupils sat the Year 7 entrance assessments in November 2021. It is clear that school's promotion of wellbeing and happiness struck a chord with prospective parents.

The ratio of boys to girls remains at 2-1. We were very pleased with this year's GCSE and A level results which were terrific. The Centre assessed grades system were carefully awarded and underwent considerable scrutiny within the school. There was not a single parental or pupil complaint regarding the results, and therefore there were no appeals. This was testament to the levels of communication between the school, parents and pupils as well as the painstaking approach that the school took to ensure that the grades were fairly awarded.

As usual all of the pupils who wished to go to university gained entry to their preferred places of study. Given the breadth of curriculum that we offer at A level, we were naturally delighted that our creative and artistic pupils were once again able to pursue their talents in their chosen destinations.

The GCSE results were similarly impressive with a high proportion of pupils gaining the top grades. The ability profile for the school's GCSE pupils is in line with the national average but the results obtained were considerably above national norms.

Once again, our GCSE and A level pupils were incredibly well supported by our vocational staff and they also worked extremely hard in tandem with the pupils, which enabled such great successes to be obtained.

Prior to the start of term in September 2021, all pupils and staff were Covid tested. Overseas pupils who were required to be quarantined were accommodated at Bethany.

We were delighted to return to 50-minute lessons and the teachers once again taught in their own classrooms.

In September the wearing of face coverings was initially optional but was mandatory on school transport. As we did in the previous year, we remained sensible and pragmatic whilst at the same time being proactive and applying all mandatory government guidance.

We were delighted that we were able to resume our annual charity walk in September, as well as host our annual sports afternoon the same month.

We had our first Open Morning of the year in September and we had well-signposted one way systems everywhere, which parents willingly followed.

At the end of September, pupils in Years 8 and above were vaccinated for Covid, and Bethany was relatively untroubled by Covid for the remainder of the year.

We had a two week half term break in October, and due to the Covid situation, Bethany remained open for our overseas boarders who stayed with us for the 2 weeks.

In a further sign of normality within the school, the Friends of Bethany School organised a most successful disco for pupils in Years 7 to 9 in the Assembly Hall in November.

Both the Christmas Concert and Christmas Carol Service were recorded and distributed to parents electronically to ensure our overseas boarders did not succumb to Covid in the final weeks of term. Our 7 year groups had school based Christmas parties before the end of term.

In order to ensure that pupils in Years 11 and 13 were kept as safe as possible for their summer examinations, our parent teacher meetings remained remote so that no unnecessary risks were taken with pupils and staff catching Covid.

Shortly after the invasion of Ukraine, Year 12 pupils organised a very successful cake sale. All funds were donated to help the humanitarian efforts in Ukraine.

BETHANY SCHOOL

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENTS AND PERFORMANCE - continued

The Duke of Edinburgh Award Scheme returned to normality, and expeditions resumed in the latter half of the summer term. The central Christian ethos of the school was maintained with all of our pupils attending weekly chapel services. The professional development of staff continued at pace, with further sharing of expertise in terms of IT and Microsoft Teams, as well as the introduction of teachers videoing themselves in lessons so that their practice could be constructively analysed by both themselves and colleagues. It is a continued desire at Bethany to continually improve and evaluate teaching and learning as this maximises the pupils' learning experiences at Bethany.

Once again Bethany hosted a Society of Heads Computer Science day, which was attended remotely by Computer Science teachers from all over the country. The networking involved enthused all participants and the feedback was outstanding.

Project Based Learning has now been embedded into Years 7-9 and this has now become a part and parcel of the key stage three curriculum. In these tasks, pupils complete day long projects focusing on skills rather than knowledge, so that pupils themselves understand why the knowledge they are learning is required in real life situations.

Bethany has intentionally kept its range of GCSE and A level subjects broad, so that we can meet the needs of our creative and artistic pupils.

Our STEM (Science Technology Engineering and Maths) clubs remain incredibly popular. Bethany has once again started to enter national competitions which have now resumed.

FINANCIAL REVIEW

The School principally raises its funds from fees and related activities and has not engaged in appeals for many years until recently for the new Performing Arts Centre. Up until now developments have either been financed from surpluses after ordinary expenditure, or by borrowing under strict rules to ensure that even in the face of a significant national financial crisis leading to a downturn in pupil numbers, the borrowing could be repaid in less than 10 years.

The School generated total income of £8.08 million during the year (2021: £7.01 million), of which £7.59 million was generated from school fees (2021: £6.54 million). Expenditure totalled £7.47 million (2021: £6.49 million) which, including losses on investments of £82k (2021: gain of £230k), gave a surplus for the year of £521k (2021: £836k). Before depreciation the surplus was £958k (2021: £1.27 million). This was used to reduce borrowing resulting from previous investment in improved resources.

Total funds at 31 August 2022 were £16.84 million (2021: £16.32 million), of which £2.72 million were held in the endowment fund, now redesignated as a designated fund (2021: £2.87 million).

Reserves Policy

The School holds total unrestricted reserves of £13.37 million (2021: £12.94 million), which include tangible fixed assets of £12.65 million (2021: £12.64 million) and long-term bank loans of £785k (2021: £952k). Fixed assets include residential properties and, should it be necessary to call upon these, the houses could be sold individually without detriment to the School's operations.

The Governors have agreed to maintain one term's worth of working capital wherever possible.

Investment Powers, Policy and Performance.

The Articles of Association give the School wide investment powers. The School's investments in quoted shares form part of the Christopher Jackson Fund. Rathbones Investment Management have been appointed to manage this investment portfolio for the School. An investment policy has been agreed by the Governors since the year end.

Note 14 provides detail of investment movements during the year. Investment performance was in line with the School's objectives.

Bursary Policy

This year the School awarded scholarships, bursaries and discounts of £818k (2021: £805k) which represented 11% of gross fee income (2021: 12%). The Governors' policy, in line with that of most other independent schools, is to award Scholarships based on ability and bursaries based on need.

All Bursaries are means tested on application by an external assessment company.

BETHANY SCHOOL

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2022

Asset cover for funds

Note 24 sets out an analysis of these assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the School's obligations on a fund by fund basis.

Risk Management

The Governors are responsible for the management of the risks faced by the School. Risks are identified, assessed and controls established throughout the year. The Board reviews the full Risk Assessment annually in March, and Risk is a standing item on the agenda for other Board Meetings and all Executive Committee meetings.

The Governors consider the major potential risks to the School to be:

- Challenging economic and political environments adversely affecting pupil numbers and fee levels.
- The impact of the Covid-19 Pandemic.
- Impact of Brexit on pupil recruitment and retention.
- Inflationary pressures on certain costs.
- Competition from both independent and state schools for pupils
- Ensuring Safe-guarding and Inspection in an increasingly regulated environment.

The key controls used by the School to mitigate risks include:

- Formal agenda for Committee and Board activities.
- Strategic planning and scenario setting.
- 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.
- Safer recruitment as required by law for the protection of the vulnerable.
- Staff training, Child Protection and safeguarding.

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

COMMUNITY LINKS AND THE PUBLIC BENEFIT

The school continued to improve its links with the local community. Our Thursday afternoon enrichment programme ensured that the Duke of Edinburgh Award Scheme pupils assisted the local community in a range of services. A variety of charities benefitted from fundraising activities of Bethany pupils during the year. These included: Children of Gambia Services, Dementia UK, Hospice in the Weald, Just Like Us, Kent Air Ambulance, Mid Kent Mind MS Society, Nourish Community Food bank, NSPCC, Oliver Fisher Charity and Save the Children as well as a range of other good causes.

We were delighted that our annual summer school could resume in August and the school premises were also rented out to Urban Saints. Local community clubs also used the school site in the summer.

The School offered 9.74% of its fee income in Scholarships, Bursaries and Fees subsidies.

- 65 Pupils received Means Tested Bursaries of which 1 was for 100% fees, 1 was 70%, 7 were for 50%, 15 were 30% - 49% and 41 were under 30% of fees.
- 51 Pupils received a Sibling Discount (10%).
- 85 Pupils received Scholarships – Academic, Art, Dance, Drama, Music, Drama Sport and Technology which ranged from to 40% of fees.
- 1 Pupil received Services or Clergy bursary (10%).

One teacher and one governor act as governors for local primary schools.

BETHANY SCHOOL

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2022

DEVELOPMENT AND FUTURE PLANS

Following the granting of planning permission for the PAC (Performing Arts Centre) in July 2020, a fundraising appeal, which was set up in January 2021, had an initial fundraising target of £800,000. This has been surpassed and the target has been increased to £1 million to help fund the construction of the PAC. It is hoped to have the PAC operational by September 2024.

A pre-planning application to replace Pengelly Boarding House was submitted in March.

Maintenance was carried out to existing buildings, and this included

- Drama Studio: Specialist coating applied to failing asphalt roof to the drama studio which was also redecorated externally.
- The library was redecorated externally and its gable ends on the dormers repaired.
- The pupils' play area was redecorated.
- The Mount boarding house was extensively refurbished which included the fire escape and the house was re-carpeted from top to bottom.
- The outside hedges were topped/reduced on Mount Path/Top Tennis Courts/in between North Wing & Mount to provide enhanced visibility/safety.
- The Mount North Wing was redecorated in both bottom and top corridors and both staircases.
- The Sixth Form Centre had 5 new fire doors with vision panels on the study rooms fitted and these rooms were also redecorated.
- The Orchard boarding house had a partition fitted and a new fire door installed on the ground floor which also had new flooring. Some bedrooms were refurbished as was a communal bathroom.
- The Wellness Centre had a new ceiling fitted in the new office on the first floor and this was also redecorated.
- The private residence in Old Poplars had a fully fitted kitchen, new electrics (sockets/lights) fitted, new vinyl laminate flooring, ceiling replastered & redecorated. The Dining room ceiling was reboarded, redecorated & a new light fitting installed.
- The Sports Centre had a new oil-fired boiler installed.
- The Dining Room had a full refurbishment and modernisation.
- The exterior lighting was upgraded around the side of Kendon House.
- New flood lighting was installed onto Pengelly House.
- Exterior lighting was upgraded on the Wellness Centre/Food Tech/Admin.
- There was an upgrade to the main control panel for gas/heating into the main kitchens.
- Various fire escapes/handrails around site were redecorated.

REPORTABLE INCIDENTS

During the year there have been no incidents which required notification to the Charity Commission.

BETHANY SCHOOL

**REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2022**

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The governors (who are also the directors of Bethany School for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the governors are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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


In so far as the governors are aware:

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

AUDITORS

The auditors, TC Group, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the governors, incorporating a strategic report, approved by order of the board of governors, as the company directors, on 11 March 2023 and signed on the board's behalf by:


.....
J M Fenn - Governor

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BETHANY SCHOOL

Opinion

We have audited the financial statements of Bethany School ('the charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 2022 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The governors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Governors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Governors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governors.

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BETHANY SCHOOL

Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, 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 but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which 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 commercial and 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;
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); Independent Schools Inspectorate (ISI); fraud; bribery and corruption 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.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and 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 business 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.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BETHANY SCHOOL**

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.

TC Group

Mark Cummins FCCA (Senior Statutory Auditor)
for and on behalf of TC Group
Statutory Auditors
The Courtyard,
Shoreham Road
Upper Beeding
Steyning
West Sussex
BN44 3TN

Date: 4 May 2023

BETHANY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted fund £	Designated fund £	Restricted fund £	Endowment fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM							
Donations and legacies	3	8,944	-	226,621	-	235,565	245,130
Gift aid		-	-	49,947	-	49,947	46,988
Charitable activities	4	7,653,034	(43,195)	-	(19,255)	7,590,584	6,540,509
Other trading activities	5	128,055	-	-	-	128,055	214,301
Investment income	6	43,114	-	-	29,897	73,011	50,541
Total		7,833,147	(43,195)	276,568	10,642	8,077,162	7,097,469
EXPENDITURE ON							
Raising funds	7	-	-	-	2,765	2,765	12,794
Charitable activities	7	7,451,554	-	-	19,623	7,471,177	6,478,711
Total		7,451,554	-	-	22,388	7,473,942	6,491,505
Net realised gains/(losses) on investments	14	-	-	-	318	318	212
Net unrealised gains/(losses) on investments	14	50,000	-	-	(132,362)	(82,362)	230,276
NET INCOME/(EXPENDITURE)		431,593	(43,195)	276,568	(143,790)	521,176	836,452
Transfers between funds	25	-	2,720,701	-	(2,720,701)	-	230,276
Net movement in funds		431,593	2,677,506	276,568	(2,864,491)	521,176	836,452
RECONCILIATION OF FUNDS							
Total funds brought forward		12,938,226	315,205	197,022	2,865,838	16,316,291	15,479,839
TOTAL FUNDS CARRIED FORWARD		13,369,819	2,992,711	473,590	1,347	16,837,487	16,316,291

CONTINUING OPERATIONS

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.

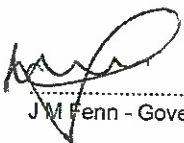
The notes form part of these financial statements

BETHANY SCHOOL

BALANCE SHEET
31 AUGUST 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	13	12,646,626	12,640,733
Investments	14	1,303,321	1,438,139
Investment property	15	<u>650,000</u>	<u>600,000</u>
		14,599,947	14,678,872
CURRENT ASSETS			
Stocks	16	13,750	13,750
Debtors	17	269,753	167,639
Cash at bank	18	<u>5,293,034</u>	<u>4,267,777</u>
		5,576,537	4,449,166
CREDITORS			
Amounts falling due within one year	19	<u>(2,734,164)</u>	<u>(2,039,933)</u>
NET CURRENT ASSETS			
		<u>2,842,373</u>	<u>2,409,233</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		17,442,320	17,088,105
CREDITORS			
Amounts falling due after more than one year	21	<u>(604,853)</u>	<u>(771,814)</u>
NET ASSETS			
		<u>16,837,467</u>	<u>16,316,291</u>
FUNDS			
Unrestricted funds		13,369,819	12,938,226
Designated funds	25	2,992,711	315,205
Restricted funds	26	473,590	197,022
Endowment funds	27	<u>1,347</u>	<u>2,865,838</u>
TOTAL FUNDS			
		<u>16,837,467</u>	<u>16,316,291</u>

The financial statements were approved by the Board of Governors and authorised for issue on 11 March 2023 and were signed on its behalf by:


.....
J M Fenn - Governor

The notes form part of these financial statements

BETHANY SCHOOL

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>1,591,485</u>	<u>1,364,413</u>
Net cash provided by operating activities		<u>1,591,485</u>	<u>1,364,413</u>
Cash flows from investing activities			
Purchase of tangible fixed assets	13	(463,306)	(193,159)
Sale of tangible fixed assets		-	912
Sale of fixed asset investments	14	2,774	2,608
Income from investment property		36,500	17,000
Interest received		6,614	6,759
Dividends received		<u>29,897</u>	<u>26,782</u>
Net cash used in investing activities		<u>(387,521)</u>	<u>(139,098)</u>
Cash flows from financing activities			
Loan repayments in year		(166,961)	(166,562)
Income attributable to endowment	27	10,642	42,209
Expenditure attributable to endowment	27	<u>(22,388)</u>	<u>(24,023)</u>
Net cash used in financing activities		<u>(178,707)</u>	<u>(148,376)</u>
Change in cash and cash equivalents in the reporting period			
		1,025,257	1,076,939
Cash and cash equivalents at the beginning of the reporting period		<u>4,267,777</u>	<u>3,190,838</u>
Cash and cash equivalents at the end of the reporting period		<u>5,293,034</u>	<u>4,267,777</u>

The notes form part of these financial statements

BETHANY SCHOOL

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	521,176	836,452
Adjustments for:		
Depreciation charges	436,654	437,549
Loss on disposal of fixed assets	20,758	-
Losses/(gain) on investments	82,044	(230,488)
Interest received	(6,614)	(6,759)
Dividends received	(29,897)	(26,782)
Income attributable to endowment	(10,642)	(42,209)
Expenditure attributable to endowment	22,388	24,023
Income from investment property	(36,500)	(17,000)
Increase in stocks	-	(2,691)
(Increase)/decrease in debtors	(102,114)	50,175
Increase in creditors	694,232	342,143
	<u>1,591,485</u>	<u>1,364,413</u>
Net cash provided by operations	<u>1,591,485</u>	<u>1,364,413</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.21	Cash flow	At 31.8.22
	£	£	£
Net cash			
Cash at bank	<u>4,267,777</u>	<u>1,025,257</u>	<u>5,293,034</u>
	<u>4,267,777</u>	<u>1,025,257</u>	<u>5,293,034</u>

BETHANY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1. CHARITY INFORMATION

Bethany School is a charitable company limited by guarantee incorporated in England (charity number 307937, company number 00624273) and operates from its registered office Curtisden Green, Goudhurst, Kent TN17 1LB.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Preparation of the accounts on a going concern basis

The Governors consider that there are no material uncertainties about the School's ability to continue as a going concern.

Statement of cash flows

The School's cashflow statement reflects the presentation requirements of FRS102. In addition, the cash flow statement reconciles cash and cash equivalents whereas under previous UK GAAP the statement reconciled to cash.

Income

All income is recognised in the Statement of Financial Activities once the school has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

School fee income is accounted for on a receivable basis and consists of charges billed for the school year ended 31 August 2022, less bursaries and allowances. Fees received for education to be provided in future years are carried forward as deferred income.

Donations are accounted for once the school has entitlement to the gift, it is probable that the income will be received and the amount can be measured reliably.

Investment income is accounted for when it is receivable and the amount can be measured reliably.

There are no restrictions on the incoming resources of the endowment fund.

Expenditure and irrecoverable value added tax (vat)

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the school to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

The irrecoverable element of value added tax is included with the item of expense to which it relates.

Support costs are allocated to the cost of raising funds and charitable activities on the basis of an appropriate apportionment of resources and activities.

Governance costs have been allocated in line with administration costs and include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the School.

Tangible fixed assets and depreciation

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 is not depreciated. Assets under construction are not depreciated until they are available for use.

BETHANY SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets and depreciation

Land and buildings	2% - 4% on cost
Fixtures, fittings & equipment	20% on cost
Motor vehicles	20% on cost

It is the School's policy to capitalise all items of a capital nature over £5,000.

Investments

Fixed asset investments are stated at fair value. Realised and unrealised gains and losses are dealt with through the Statement of Financial Activities.

Investment property is included at fair value. Gains and losses are recognised through the Statement of Financial Activities.

Stock

Stocks are valued at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items.

Fund accounting

Unrestricted funds are general funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the School and which have not been designated for other purposes.

Designated, Restricted and Endowment funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are dealt with through the Statement of Financial Activities.

Pension costs and other post-retirement benefits

Most of the 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 a multi-employer pension scheme which is unfunded. Actuarial valuations are carried out on a notional set of investments.

The School is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, under FRS102, the scheme is accounted for as if it were a defined contributions scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged to the Statement of Financial Activities in the period in which the salaries to which they relate are payable.

The School also contributes to personal pension schemes for other teachers and non-teaching staff. These schemes are defined contribution schemes. The assets of the schemes are held separately from those of the School in independently administered funds. Contributions payable for the year are charged to the Statement of Financial Activities. The School has no other liabilities under these schemes.

Employee benefits

Short term employee benefits including holiday pay are recognised in the Statement of Financial Activities in the period in which the service is rendered. Termination benefits are accounted for on an accrual basis and in accordance with FRS102.

Donations of goods, services and facilities

Donated goods, professional services and facilities are recognised as income when the School has control over the item or has received the service, any conditions associated with the donation have been met, the receipt of the economic benefit from the use of an item by the school is probable, and that economic benefit can be measured reliably.

BETHANY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

2. ACCOUNTING POLICIES - continued

Donations of goods, services and facilities

On receipt, donated goods, professional services and facilities are recognised on the basis of the value of the gift to the School which is the amount the School would have been willing to pay to obtain the goods, services or facilities on the open market; a corresponding amount is then recognised in the expenditure in the period of receipt.

Goods donated for on-going use by the School in carrying out its day to day activities are recognised as tangible fixed assets.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised when the School 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The School only has financial assets and financial liabilities of a kind that qualify as basic financial instruments under FRS102. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Critical accounting estimates and judgements

In the application of the School's accounting policies, the Governors 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.

The Governors do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

3. DONATIONS AND LEGACIES

	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Donations	8,944	-	226,621	-	235,565	245,130
	<u>8,944</u>	<u>-</u>	<u>226,621</u>	<u>-</u>	<u>235,565</u>	<u>245,130</u>

BETHANY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022

4. CHARITABLE ACTIVITIES

	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
School fees	8,265,378	-	-	-	8,265,378	7,523,505
Registration fees	15,100	-	-	-	15,100	13,200
Bursaries and scholarships	(798,975)	-	-	(19,255)	(818,230)	(805,012)
Hardship discount	-	(43,195)	-	-	(43,195)	(307,247)
Transport income	171,531	-	-	-	171,531	116,063
	<u>7,653,034</u>	<u>(43,195)</u>	<u>-</u>	<u>(19,255)</u>	<u>7,590,584</u>	<u>6,540,509</u>

5. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Rental income	128,055	-	-	-	128,055	30,366
Job retention scheme grant	-	-	-	-	-	183,935
	<u>128,055</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>128,055</u>	<u>214,301</u>

6. INVESTMENT INCOME

	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Income from listed investments	-	-	-	29,897	29,897	26,782
Income from investment property	36,500	-	-	-	36,500	17,000
Interest received	6,614	-	-	-	6,614	6,759
	<u>43,114</u>	<u>-</u>	<u>-</u>	<u>29,897</u>	<u>73,011</u>	<u>50,541</u>

BETHANY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022

7. EXPENDITURE

	Staff Costs	Depreciation	Other Costs	Total 2022	Total 2021
	£	£	£	£	£
Raising funds					
Investment management fees	-	-	2,765	2,765	2,600
Fundraising costs	-	-	-	-	10,194
Total costs of raising funds	-	-	2,765	2,765	12,794
Charitable activities					
Education					
Teaching costs	2,653,361	19,623	334,173	3,007,157	2,666,668
Welfare costs	216,023	-	611,677	827,700	674,319
Premises costs	683,486	417,030	1,331,819	2,432,335	2,050,047
Support costs	681,673	-	456,505	1,138,178	1,049,281
Finance costs	-	-	15,784	15,784	15,042
Governance costs	-	-	29,265	29,265	23,354
Loss on disposal of tangible fixed asset	-	-	20,758	20,758	
Total charitable activities	4,234,543	436,653	2,799,981	7,471,177	6,478,711
Total expenditure	4,234,543	436,653	2,802,746	7,473,942	6,491,505

Governance costs include payments of £12,900 (2021: £12,300) for audit fees and payments of £900 (2021: £9,965) for other non-audit services.

Net income is stated after charging £56,414 (2021: £34,268) to operating lease rentals included within premises costs, £51,498 (2021: £41,796) to operating lease rentals included within teaching and support costs and interest charged on bank loans of £13,290 (2021: £13,439) included within finance costs.

Of costs relating to raising funds, £2,765 (2021: £2,600) relates to the endowment fund. Of costs relating to charitable activities, £19,623 (2021: £21,423) relates to the endowment fund.

8. SUPPORT COSTS

	2022	2021
	£	£
Support staff costs	681,673	637,717
Marketing costs	112,210	89,986
Computer costs	12,962	8,324
Post & stationery	24,665	24,296
Staff welfare & other staff costs	57,182	47,276
Staff recruitment	34,039	36,765
Telephone	14,872	9,073
Overseas recruitment & commission	81,604	43,981
Professional fees	44,555	44,117
Travel & subsistence	282	547
Subscriptions	12,031	6,276
Miscellaneous costs	62,103	100,923
TOTAL	1,138,178	1,049,281

BETHANY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022

9. GOVERNORS' REMUNERATION AND BENEFITS

None of the Governors (or any persons connected with them) received any remuneration during this year or the prior year.

Governors' expenses

Two of the Governors were reimbursed a total of £515 for travelling expenses (2021: one was reimbursed a total of £55 for travelling expenses).

No amounts were due to or from Governors at the balance sheet date (2021: £nil).

10. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	3,330,014	2,906,520
Social security costs	348,703	287,098
Other pension costs	555,826	491,139
	<u>4,234,543</u>	<u>3,684,757</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Teaching	45	40
Administration	31	28
Welfare and premises	42	34
	<u>118</u>	<u>102</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
£60,000 - £70,000	2	3
£90,001 - £100,000	-	-
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-
	<u>3</u>	<u>4</u>

Contributions totalling £62,105 (2021: £64,168) were made during the year to money purchase pension schemes on behalf of employees whose employee benefits exceed £60,000.

The key management personnel of the school are the Headmaster, the bursar, the HR manager, the deputy head academic and the pastoral deputy. The total employee benefits including employers pension contributions and National Insurance for the key management personnel were £499,243 (2021: £479,150).

During the year under review, ex gratia payments totalling £nil (2021: £7,667) were made to employees in relation to termination of employment.

BETHANY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Designated fund £	Restricted fund £	Endowment funds £	Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	-	84,721	160,409	-	245,130
Gift Aid	-	10,375	36,613	-	46,988
Charitable activities	6,642,751	(117,669)	-	15,427	6,540,509
Other trading activities	214,301	-	-	-	214,301
Investment income	23,759	-	-	26,782	50,541
Total	6,880,811	(22,573)	197,022	42,209	7,097,469
EXPENDITURE ON					
Raising funds	10,194	-	-	2,600	12,794
Charitable activities	6,457,288	-	-	21,423	6,478,711
Total	6,467,482	-	-	24,023	6,491,505
Net gains on investments	-	-	-	230,488	230,488
NET INCOME/(EXPENDITURE)	413,329	(22,573)	197,022	248,674	836,452
RECONCILIATION OF FUNDS					
Total funds brought forward	12,524,897	337,778	-	2,617,164	15,479,839
TOTAL FUNDS CARRIED FORWARD	12,938,226	315,205	197,022	2,865,838	16,316,291

12. TAXATION

The school is a Registered Charity (number 307937). All activities are undertaken to fulfil the primary objectives of the charity and are therefore exempt under Part 11 of the Corporation Tax Act 2010.

BETHANY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022

13. TANGIBLE FIXED ASSETS

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Assets under construction £	Totals £
COST					
At 1 September 2021	16,508,911	688,471	54,823	136,878	17,388,883
Additions	-	52,647	24,960	385,699	463,306
Disposals	-	(34,596)	-	-	(34,596)
At 31 August 2022	<u>16,508,911</u>	<u>706,522</u>	<u>79,583</u>	<u>522,577</u>	<u>17,817,593</u>
DEPRECIATION					
At 1 September 2021	4,291,517	425,776	30,857	-	4,748,150
Charge for year	342,450	82,083	12,122	-	436,655
Eliminated on disposal	-	(13,838)	-	-	(13,838)
At 31 August 2022	<u>4,633,967</u>	<u>494,021</u>	<u>42,979</u>	<u>-</u>	<u>5,170,967</u>
NET BOOK VALUE					
At 31 August 2022	<u>11,874,944</u>	<u>212,501</u>	<u>36,604</u>	<u>522,577</u>	<u>12,646,626</u>
At 31 August 2021	<u>12,217,394</u>	<u>262,695</u>	<u>23,766</u>	<u>136,878</u>	<u>12,640,733</u>

Included within land and buildings is freehold land of £1,591,176 (2021: £1,591,176) which is not depreciated.

14. FIXED ASSET INVESTMENTS

	Managed investments £
MARKET VALUE	
At 1 September 2021	1,438,139
Disposals	(2,774)
Revaluations	(132,044)
At 31 August 2022	<u>1,303,321</u>
NET BOOK VALUE	
At 31 August 2022	<u>1,303,321</u>
At 31 August 2021	<u>1,438,139</u>
Historical cost:	
At 31 August 2022	<u>1,205,369</u>
At 31 August 2021	<u>1,207,825</u>

The loss on investments shown within the Statement of Financial Activities of £132,044 (2021: gain of £230,488) comprises a realised gain of £318.24 (2021: £212) on investments sold during the year, and an unrealised loss of £132,362 (2021: gain of 230,276) on investments held at the year end.

As at 31 August 2022, all investments are held in:

Rathbone Unit Trust Mgmt - Core Investment Fund for Charities	1,303,321 - 100%
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BETHANY SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

15. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 September 2021	600,000
Revaluation	<u>50,000</u>
At 31 August 2022	<u>650,000</u>
NET BOOK VALUE	
At 31 August 2022	<u>650,000</u>
At 31 August 2021	<u>600,000</u>

16. STOCKS

	2022 £	2021 £
Stocks	<u>13,750</u>	<u>13,750</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	152,424	89,800
Other debtors	17,652	-
Accrued income	45,648	44,788
Prepayments	<u>54,029</u>	<u>33,051</u>
	<u>269,753</u>	<u>167,639</u>

18. CASH AT BANK

	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Operational cash	3,916,015	893,791	473,590	1,347	5,284,743	4,260,536
Managed investment cash	-	8,291	-	-	8,291	7,241
	<u>3,916,015</u>	<u>902,082</u>	<u>473,590</u>	<u>1,347</u>	<u>5,293,034</u>	<u>4,267,777</u>

BETHANY SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 21)	180,000	180,000
Trade creditors	178,044	144,544
Social security and other taxes	124,767	64,362
Fees in advance	1,369,845	880,529
Accrued expenses	881,508	770,498
	<u>2,734,164</u>	<u>2,039,933</u>

Fees in advance represent fees due for the Michaelmas term 2022 and are analysed below in note 20.

Included in accrued expenses is a provision of £21,266 (2021:£nil) relating to the expected costs resulting from the outcome of the 'Harpur Trust v Brazel' case. The School has assessed their liability in relation to employee underpayments and this has been provided for accordingly in the financial statements.

20. FEES IN ADVANCE

	£
Balance at 1 September 2021	880,529
Fees released during the year	(880,529)
Fees deferred during the year	<u>1,369,845</u>
Balance at 31 August 2022	<u>1,369,845</u>

21. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans (see note 22)	<u>604,853</u>	<u>771,814</u>

BETHANY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022

22. LOANS

An analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year on demand: Bank loans	<u>180,000</u>	<u>180,000</u>
Amounts falling between one and two years: Bank loans - 1-2 years	<u>180,000</u>	<u>180,000</u>
Amounts falling due between two and five years: Bank loans - 2-5 years	<u>424,853</u>	<u>540,000</u>
Amounts falling due in more than five years: Repayable by instalments: Bank loans more 5 years	<u>-</u>	<u>51,184</u>

The bank loans are secured by a fixed charge over certain freehold properties. At the year end this charge amounted to 33% (2021: 40%) of the cost of the freehold properties.

Details of the bank loans are as follows:

Loan - £784,853 - interest charged at 1.15% above base, repayable by 31/01/2027.

23. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022 £	2021 £
Within one year	83,054	74,776
Between one and five years	<u>174,070</u>	<u>105,620</u>
	<u>257,124</u>	<u>180,397</u>

BETHANY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Designated fund £	Restricted fund £
Fixed assets	11,859,318	787,308	-
Investments	650,000	1,303,321	-
Current assets	4,199,518	902,082	473,590
Current liabilities	(2,734,164)	-	-
Long term liabilities	(604,853)	-	-
	<u>13,369,819</u>	<u>2,992,711</u>	<u>473,590</u>

	Endowment funds £	2022 Total funds £	2021 Total funds £
Fixed assets	-	12,646,626	12,640,733
Investments	-	1,953,321	2,038,139
Current assets	1,347	5,576,537	4,449,166
Current liabilities	-	(2,734,164)	(2,039,933)
Long term liabilities	-	(604,853)	(771,814)
	<u>1,347</u>	<u>16,837,467</u>	<u>16,316,291</u>

25. DESIGNATED FUNDS

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2022 £
Special projects	150,000	-	-	-	150,000
Hardship fund	165,205	-	43,195	-	122,010
Christopher Jackson fund	-	-	-	2,720,701	2,720,701
	<u>315,205</u>	<u>-</u>	<u>43,195</u>	<u>2,720,701</u>	<u>2,992,711</u>

Designated funds represent amounts set aside for special projects at the discretion of the Governors.

The Governors' agreed to set aside a hardship fund in the year ended 31 August 2020. The purpose of this fund is to provide additional fee assistance to parents who were adversely affected by Covid-19.

Following an extensive review of the history of the Christopher Jackson Endowment Fund, and discussions with Charity legal advisors, it has been agreed that this fund is not an endowment fund and therefore the Governors have given permission for it to be transferred to a designated fund, and be known as the Christopher Jackson Fund, with effect from this financial period.

BETHANY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022

26. RESTRICTED FUNDS

The income funds of the charity include the following restricted funds which have restrictions on their usage imposed by the donors:

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2022 £
Performing Arts Centre	197,022	276,568	-	-	473,590
	<u>197,022</u>	<u>276,568</u>	<u>-</u>	<u>-</u>	<u>473,590</u>

The Performing Arts Centre fund relates to donations specifically donated to fund the construction of the Performing Arts Centre.

27. ENDOWMENT FUNDS

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers £	Investment Gains/ Losses £	Balance at 31 August 2022 £
Permanent endowments						
Jane Tomkinson	1,347	-	-	-	-	1,347
Expendable endowments						
C J Endowment fund	2,864,491	10,642	22,388	(2,720,701)	(132,044)	-
	<u>2,865,838</u>	<u>10,642</u>	<u>22,388</u>	<u>(2,720,701)</u>	<u>(132,044)</u>	<u>1,347</u>

The permanent endowment funds comprise the Jane Tomkinson Art Bursary.

The Governors have agreed to investments in an expendable endowment fund. Any gains or losses of the investments form part of the fund.

The income in the C J Endowment fund represents the school's dividend and interest income of £29,897 (2021: £33,541) for investments held as part of the endowment fund, bursaries and scholarships of (£19,255) (2021: £14,927). The expenditure in the fund comprises £2,765 (2021: £2,600) of investment management fees, £nil (2021: £1,800) of property costs and £19,623 (2021: £19,623) of depreciation.

As per note 25, the C J Endowment fund was transferred to designated funds at the year end and is now known as the Christopher Jackson fund.

BETHANY SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

28. EMPLOYEE BENEFIT OBLIGATIONS

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 £436,668 (2021: £393,617) and at the year-end £51,137 (2021: £45,825) 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. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary and are aiming to implement these changes in time for the 2020 valuations.

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

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

29. CAPITAL COMMITMENTS

At the balance sheet date, the school had capital commitments in respect of the enabling works for the Performing Arts Centre totalling £185,000.

BETHANY SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

30. RELATED PARTY DISCLOSURES

Total donations received from related parties during the year ended 31 August 2022 amounted to £24,800 (2021: £850).

During the year under review, £32,641 (2021: £12,028) was paid to Looking Glass Marketing Limited in respect of marketing services. Mr D Shaw, a governor of the School, holds shares in Looking Glass Marketing Limited. As at 31 August 2022, the School owed the company £4,200 (2021: £1,884).

There were no further related party transactions during the year other than those with Governors as detailed in note 9.

31. ULTIMATE CONTROLLING PARTY

The company, which is registered in England & Wales, is limited by guarantee and has no share capital. In the event of the charity being wound up and unable to meet its liabilities, each of the Governors undertakes to contribute such amounts as may be required up to a maximum of £1.

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