

Registered number: 00133676
Charity number: 309115

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

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**THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY
FOR THE YEAR ENDED 31 AUGUST 2022**

Governors

Mrs E A Harrison BA (Hons) MBA JP^{1,2,3,4,5,6,8}
Mrs J Butler FCA^{1,5}
Ms S Burgess BA MA
Mrs S Colebrook BSc PGCE^{2,9}
Mrs J L Cornell BA (resigned 6 December 2021)^{2,3,5}
Mr S Dimmick LLB^{3,5,6,7}
Mr M Emmanuel^{1,3,6}
Ms R Field BA^{2,6}
Dr H Kemp BM BCh MSc PhD FRCA^{6,10}
Ms J Jolly (appointed 11 July 2022)²
Mr C O'Shea (resigned 11 July 2022)^{1,6}
Mr A Peach^{4,6}
Mr J Sheehan⁵
Mr C Singer BSc FIA^{1,4,6}
Mrs E West LLB^{2,9}
Mr D N Williams BA MA PGCE (resigned 21 March 2022)²

- ¹ Member of the Finance and General Purposes Committee
- ² Member of the Education Committee
- ³ Member of the Estates working group
- ⁴ Member of the Engagement and Development working group
- ⁵ Member of the Governance Committee
- ⁶ Member of the Futures working group
- ⁷ Lead Governor for Risk, Audit, and Compliance
- ⁸ Lead Governor for Human Resources
- ⁹ Lead Governor for Child Protection
- ¹⁰ Lead Governor for Health & Safety

Nominee members of the Council

The Bishop of Oxford
Vacancy

At the Annual General Meeting held on 5 December 2022 the appointment of Ms J Jolly was confirmed and the resignations of Mr D N Williams and Mr C O'Shea were recognised.

The Governors are also Directors of the Company and Trustees of the Charity.

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OFFICERS

The Executive Head	Mr Will le Fleming BA, MA (Cambridge)
Head of Junior School	Mrs Nisha Kaura BSc (Surrey), PGCW, Med (Buckingham)
Head of Finance and Resources	Mrs Nadine Doble BSC (Cardiff), ACMA

ADDRESSES

Senior School 17 Kendrick Road Reading RG1 5DZ	Junior School (Years 2-6) 30 Christchurch Road Reading RG2 7AR
Junior School (Reception & Year 1) 12 Christchurch Gardens Reading RG2 7AH	Junior School (Nursery) 2 Vicarage Road Reading RG2 7AJ

Company registered number	00133676
Charity registered number	309115
Registered office	17 Kendrick Road Reading Berkshire RG1 5DZ
Independent auditors	James Cowper Kreston Reading Bridge House George Street Reading RG1 8LS
Bankers	HSBC UK Bank plc 26 Broad Street Reading RG1 2BU
Solicitors	Blandy & Blandy 1 Friar Street Reading RG1 1DA
Investment advisers	Charles Stanley & Company Ltd 55 Bishopsgate London EC2N 3AS
Insurance brokers	Marsh Brokers Ltd School Division Capital House 1-5 Perrymount Road Haywards Heath, West Sussex RH16 3SY

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

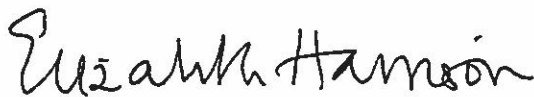
This excellent year has demanded much of our students and of all our staff; they have all responded brilliantly as this Report exemplifies. Last year was tough for everyone, and we called upon those values we seek to foster and cherish in our school. Perhaps it was our resilience that made the vital difference as we sought this year to pick up both the warp and weft of daily school life post pandemic, and as we continue to develop and innovate.

Several big projects, which had needed much preparatory work, arrived at key moments after extensive work during the year. Our application by the Junior School for the IB Primary Years Programme accreditation reached its final assessment stage. Spades entered the ground and work on our new Sixth Form Centre began. And many smaller projects were completed by our various support teams in Estates, IT, Finance, and HR, all of them significant to the smooth running of the school.

Our teaching teams were delighted with the achievements of our students. Results in public examinations in IB, A level and GCSE were simply terrific. Students in art, drama, music and sports excelled in exhibitions and in performances in concert halls, on playing fields, on stage and in the studio. Expeditions and trips and clubs have been restored. Our marketing and social media presence has been transformed and we have made a great beginning in extending the Abbey experience to our wider community.

None of this has been, or could have been achieved, without our brilliant staff, across the school, whatever their role. Covid has continued to impact on everyone. There are weary moments for all, students and staff, but we have continued to support one another as we grow and learn. There is a good feeling around the school, wherever you look.

Leadership has been vital this year. There have been some new appointments and some re-organisation in the way Will le Fleming leads the school, and this has worked well. The relationship between the operational leadership of the school and our super governing body is strong, challenging and supportive. We have met events, both the predictable and the unexpected, with clear thinking and sensitive responses and we feel confident that we have helped our students take excellent decisions at critical moments. We send them on their life's journey with good memories of their school days and a bagful of ideas, skills, knowledge and relationships that will always be there to support them. Everything we do at the Abbey is about our students; we are sad to lose them at the end of their years with us, but we are full of optimism for their road ahead.



.....
Liz Harrison
Chair of Governors
The Abbey School

Date: 5 December 2022

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Governors of The Abbey School, Reading present their annual report for the year ended 31 August 2022 under the Companies Act 2006 and the Charities Act 2011, together with the audited accounts for the year, and confirm that the latter comply with the requirements of the Act, the Trust Deed and the Charities Statement of Recommended Practice (SORP).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Abbey School, Reading is a Company Limited by Guarantee and was registered on 31 January 1914. The Company registration number is 133676.

It is also a Charity, registration number 309115.

The Governors, Officers, Key Addresses and Advisers are set out on Pages 2 and 3.

The company has a wholly owned subsidiary, Abbey Commercial Enterprises Limited, the School's trading arm.

The school is an active member of the Headmasters and Headmistresses Conference (HMC), the Girls' Schools Association, the Independent Association of Prep Schools (IAPS), the Association of the Governing Bodies of Independent Schools and the Independent Schools' Bursars Association.

Volunteers

There is no shortage of volunteer support throughout the School, from parents assisting in reading classes in the Junior School, to helping out in the second-hand clothes shop, in the library and on school trips. Former pupils, Governors and other interested adults have also given freely of their time. All of this is very much valued by the School. Governors take this opportunity to say how much they appreciate the continuing and valuable support of volunteers to the School.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The School is governed by its Memorandum and Articles of Association, dated 4 December 2006 as amended by special resolution dated 7 December 2015.

Governing Body

The Governors are all Directors of the company and appoint new Governors either to fill a casual vacancy or by way of additions to the board. The total number of Governors shall be not less than twelve and not more than twenty-four. Of these, as far as is practicable, one Governor shall be the nominee of The Bishop of Oxford, one an alumna of the school, and one a parent of a child at the school. The nominee positions are ratified at a full Governors' meeting. Each Governor, other than the nominees, is elected for four years and retiring Governors can stand for re-election for one further term at the next Annual General Meeting.

Those who held office during the year are listed on Page 1.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Organisational management

The members of the Governing Body are legally responsible for the overall management and control of the School. The Governing Body meets at least three times a year. Much of the preparation for these meetings is undertaken by the Finance and General Purposes Committee (F&GP Committee) which meets before each Governors' meeting. The Chairman of the F&GP Committee is Mrs J Butler. The other principal committees are:

Education Committee
Governance Committee

chaired by Mrs S Colebrook,
chaired by Mr S Dimmick

In addition to these committees there are working groups on Futures, Estates and Engagement and Development and Governors support the school by taking the lead on Risk, Audit and Compliance ('RAC'), Child Protection and Safeguarding, Human Resources and Health & Safety.

Committee members and Lead Governors are listed on Page 1.

The day to day running of the School is delegated to the Head who is assisted in this by other members of the Whole School Leadership Committee, which comprises the Junior School, Senior School and Business Leadership Teams. The Head, Junior School Head and Head of Finance and Resources are the steering group for the Whole School Leadership Committee and attend meetings of the Governing Body. They are also represented along with other senior staff, on the Committees.

Recruitment and Training of Governors

The Governance Committee considers potential new Governors for eligibility, competence, specialist skills and availability. New Governors are given an induction into the workings of the School, including its policies and procedures, and are given a tailored induction pack. Training and bespoke courses are regularly offered to all Governors.

Corporate Governance

The governing body is mindful of the principles and recommended practice set out in the Charity Governance Code for larger charities, and believes that it applies, much evidenced in this annual report, the specified principles of organisational purpose, leadership, integrity, decision making, risk and control, board effectiveness, diversity, openness and accountability.

As part of an overall approach to managing potential conflicts of interest, The Abbey has a Governor conflict of interest policy and at the start of each Governor meeting everyone in attendance is required to declare any interest that may be in conflict with an agenda or decision item.

Senior members of staff responsible for decision making, including the appointment of staff or contractors, are correspondingly required to sign an annual declaration regarding potential conflicts of interest.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Risk Management

The Governing Body is responsible for ensuring that the risks faced by the Charity are properly assessed. It is aware of the importance of protecting the business as far as possible from operational and reputational damage, as well as from the risks of unpredictable crisis and disaster. Risks are examined each year when updating the Risk Register and in the process of strategic planning.

The generic key controls used by the School to manage risk include:

- Annual review of the Risk Register, in detail by the lead Governor on Risk Audit and Compliance, and reviewed by Council
- Formal agendas and minutes to support decisions on all Committee and Governing Body activities
- Terms of Reference for all Committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational and governance structure and lines of reporting
- Formal written policies
- Vetting procedures as required by law for the protection of vulnerable people
- Clear hierarchical authorisation and approval levels

The above structure formalises the risk management processes established for the Charity.

Through these processes, the Governors identify the major risks to which the Charity is exposed and review the systems and procedures established to manage them. Nevertheless, it is recognised that such systems can provide only reasonable but not absolute assurance that major risks have been adequately addressed and can be managed.

Pay policy for senior staff

The pay of senior staff is reviewed annually, and includes comparisons with other independent schools. Being located in the South East, where there are significant costs in relation to housing, The Abbey keeps abreast of pay and employment conditions elsewhere.

OBJECTIVES AND AIMS

Charitable Objectives

The objects of the School are set out in the Memorandum of Association. The main object is summarised as the running of a School to provide a general education which includes religious instruction in the doctrines and duties of the Church of England.

The Charity's Aims

As an educational charity for girls aged 3-18, The Abbey School exists to provide an outstanding, challenging and fulfilling education for girls that equips them to live with confidence, purpose and joy.

Working in partnership with families, the School supports each individual student to expand their horizons, discover their passions and fulfil their potential. The School offers academic excellence, extra-curricular opportunity and pastoral assurance within an environment prioritising kindness and fellowship.

The School's objective over 130 years of leadership, innovation and reform has been to provide a liberal, practical and general education:

Liberal in thought, tolerance, and generosity.

Practical in preparing students to face a changing world on their own terms, excited by opportunity, resolute towards uncertainty and committed to leadership and service.

General in the remarkable breadth and range of experience and encouragement to participate.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Key Objectives

The School's strategy sets out seven key objectives in three areas: student experience, community and future development. These objectives span the academic and all-round education of students; pastoral care; the strength and diversity of the community; connections with the wider world; an outward-looking perspective and innovative approach; and the highest standards in the maintenance of the School's estates, finance and compliance. All the objectives seek to bring about the charity's overall aim as specified above. A particular focus within the seven key objectives is on partnerships, access to education via bursary support, and involvement in philanthropic and community initiatives to ensure the broadest possible public benefit both locally and further afield.

Measurement of Objectives

In furtherance of these objectives the Governors, as charity trustees, have complied with their duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance concerning the operation of the public benefit requirement under that Act.

Strategic Report

The Head and the Whole School Leadership Committee continue to lead the School and to follow the three-year strategic plan across all areas of the School's operations laid out in 2021.

The School has reviewed its use of space and has in place a plan, still capable of being refined, for all of its diverse sites. This plan seeks to ensure their most effective use as well as the best possible contribution to the local area and community. It also takes into account key environmental priorities. Recent projects have included a major extension and development of the Junior School site and the sympathetic renovation of one of the School's signature spaces, Knell House, home to nursery and Reception. A substantial development of a new Sixth Form Centre is underway.

Also part of the strategic plan, the School continuously looks to raise bursary funds to ensure that girls can continue in the future to enjoy an Abbey education whatever their financial circumstances.

ACHIEVEMENTS AND PERFORMANCE

Summary

The Abbey is one of the country's foremost independent girls' schools from 3-18. The School at present educates around 1,000 girls in a lively, vibrant learning environment. It has identified six qualities that help to define an Abbey education:

- Outstanding outcomes as a by-product of a learning environment full of excitement, fun, discovery and scholarship
- Extraordinary opportunities across an array of activities to allow students to develop leadership and find their passions
- City edge, down-to-earth attitudes and a readiness to take on the world
- Innovation and global outlook, with a curriculum including the International Baccalaureate's PYP and DP, a focus on ideas and passion, a celebration of diversity, and a growing partnership programme connecting students across our local community and across the world
- Exceptional individual attention and care from truly remarkable staff
- Joy at the heart of everything we do

Underlying this is the focus on each individual student and celebrating and cherishing them for what they offer. The School supports each student to be motivated by the joy of what they do and the support of staff and peers to achieve more than they would have imagined possible.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENTS AND PERFORMANCE

In the Sixth Form the School offers two principal pathways: the A Level programme and the International Baccalaureate Diploma Programme. Results in both and in GCSEs were again outstanding. At GCSE over 92% of results were at 9-7 (A*-A). In A Levels over 72% of results were at A*-A. In the IB Diploma the average student score was over 40 points from a maximum of 45 points. These results were achieved in the context of a national fall in top grades following the recalibration of grading levels after the disruption of the pandemic. They were achieved by students who had borne the brunt of that disruption during their courses and are a testament to their resilience and to the support of their teachers.

All-round education and personal development share equal importance with academic success. The School offers eight principal streams of practical and creative activity: music, art, drama, sport, textile design, food technology, outdoor education and a wide range of club activities. All of these areas feature significant student leadership and the opportunity to learn skills that will help all students contribute to their communities. In addition, thriving Duke of Edinburgh, Abbey Award and Creativity, Activity and Service (CAS) programmes prepare students both for service and leadership in the wider world.

All these areas allow for individual excellence. Abbey students routinely achieve the highest levels in music examination and performance, play sport representatively for counties and nationally, and win awards for creative and research work. However, of equal importance is the opportunity they provide for participation for all. Entire cohorts participate in voluntary programmes and charity work and learn to collaborate and contribute. The school's core purpose is to develop confidence, purpose and joy in students and this places personal development at the heart of the education it offers. Students actively campaign in areas such as diversity, the environment, gender relations and equality. The desire to make a difference, the knowledge and skills to do so effectively, and the resilience and confidence to see things through are key elements in the leading educational experience the School provides.

Beneficiaries of the School's charitable work - partnerships with local schools and the community

As we have previously noted, under both the International Baccalaureate course which includes a 'Creativity, Activity and Service' component, and The Duke of Edinburgh's Award Scheme which includes a volunteering strand - 6 months of volunteering for Silver and 12 months for Gold – our girls have ample opportunity to support local schools and the local community. Once again, beneficiaries have included the Royal Berkshire Hospital and MacMillan Cancer Support amongst others.

One of the members of our staff room continues to help out with university applications at the nearby Blessed Hugh Faringdon Catholic School.

Other beneficiaries of the School's charitable work - charity donations and other input

Students and staff at the Abbey school remain keen to be involved in supporting outside charities, and in addition to much valued volunteer contributions, we collected and made donations of almost £15,000 to a range of charities chosen by the girls which included Berkshire Women's Aid, Ukraine, Albert Kennedy Trust (LGBT+), MacMillan, Launch Pad, Jeans for Genes, Children in Need, and the Oxford Animal Sanctuary.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Community Use of facilities

The Abbey School supports its charitable objects within the community by making its facilities available for public benefit. We share our facilities, including the halls, the all-weather sports pitches, the gymnasium and the indoor swimming pool with local schools and community groups. Amongst the beneficiaries during the year were:

- Swim England Synchro Assessments
- Reading University Water Polo Team
- Reading University Hockey Club
- GB Paralympic Rowing Team - capsized drills
- Reading Lacrosse Club
- Reading Bowling Club
- Reading Korean School
- Parenthesis Choir
- West Forest Sinfonia
- School of the Arts
- Reading School
- RABBLE Theatre
- Reading Prayer Group
- The Rock Choir
- Reading St Andrews Scottish Dancing
- Reading Tango Club
- Jawahir Bellydance
- Parking for marshals of Reading Half Marathon

Energy and Carbon Reporting

	31 August 2022	31 August 2021
Energy consumption in KWh	3,697,577	3,847,073
Associated emissions in tonnes CO ₂ e	687.56	744.63
Intensity ratio - tonnes	0.67	0.74

Measures taken to improve energy efficiency include:

- modification and adaption of Building Management System (BMS) providing greater control of heating plant and equipment leading to future reduced energy consumption
- continuation of LED lighting installation, the new Wellbeing Centre as an example
- disconnection during the summer of all heating appliances at the start of the major sixth form extension and remodelling project

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Engagement with employees

The School is committed to regular and transparent sharing of information with all staff and to providing opportunities for collaborative consultation. Regular online and in-person briefings and meetings are held and information is also widely disseminated via email and via collaborative discussion tools such as Jamboards. The School intranet contains news, policies, and other information, accessible to all staff. Important updates affecting employees are often shared in advance to allow for feedback and improvement before final decisions are confirmed. During the year the School reviewed all HR arrangements and is committed to ensuring that remuneration and rewards remain competitive and supportive for all colleagues. With regard to disability the school's active policy is to promote equal opportunities and oppose discrimination on the grounds of disability.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Engagement with suppliers, the parent body, and other business relationships

We recognise the need to maintain and foster good relationships with our suppliers, the parent body, and others, and we monitor closely our dialogues with all of them. Our key business managers have all been in post for a number of years and have developed strong and positive relationships with those with whom we deal. Payments due to us are by and large collected efficiently and, when necessary, with sensitivity, and we pay staff and suppliers promptly and accurately, with supporting information always provided for clarity. On matters of schooling we engage positively with our pupils and their parents through a variety of activities and communications. Many of these processes are two way, we listen carefully to the voices of our highly articulate pupils and the valued feedback and opinions of their parents. We recently launched a new parent organisation, The Abbey Parents' Society (TAPS), to improve our sense of a shared community still further.

Promoting the success of the school

The Governors and the school's executives seek successful outcomes from all of the activities they pursue. In determining the most appropriate way of achieving the desired results, their decisions take account of the interests of, and the impact on, the pupils, the parent body, staff, suppliers, the environment, the local community, and all others likely to be affected. We strive continually not only to maintain but also to enhance our hard won reputation for integrity and high standards of both conduct and achievement.

Financial Assistance

The School has a policy on financial assistance, including bursaries of up to 100%, and this is advertised on its website, and at open days. The Bursary Fund was established over 30 years ago with the specific aim of generating funds in order to offer places to pupils who would otherwise not have access to education at the school. The value of the fund is £1million and will be maintained at this figure.

Academic scholarships worth 10% of tuition fees are offered (which can be supplemented with a means-tested Bursary). Specialist scholarships are offered at the point of entry to the Senior School. This scholarship programme will be reviewed during the coming year.

The Head has the authority to award Scholarships to very able pupils. Parents who cannot afford to pay the fees in full or in part can apply for a means-tested Abbey School Financial Bursary. The Abbey School Scholarship and Bursary policy allows up to a total of 6% of the current level of annual gross fee income for these awards. All awards are tenable subject to satisfactory attendance, conduct and progress.

Temporary financial assistance may be available to parents who find themselves with short term financial difficulties. This is means-tested and offered at the discretion of the Head.

Wider access to Schooling was achieved in 2021/22 with a total of £300,713 (2020/21: £281,181) awarded in scholarships, grants, prizes and other awards. 51 hardship cases received financial support amounting to £555,767 (2020/21: 51, £464,364) towards fees, equivalent to 29 full senior fee places.

35% of the pupils of the senior School (2020/21: 40%) received some form of financial assistance with their fees. This figure does not include staff discounts.

Other pupil benefits

The Childcare Vouchers Scheme is available, as is a 5% third sibling discount.

Income from investments

Income from investments is reinvested, while operating surplus is used to maintain the scholarship and bursary funds, including temporary financial assistance. The investment fund is available to support the bursary fund when required.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

FINANCIAL REVIEW

Financial Results

The consolidated Statement of Financial Activities on page 20 shows the Net Movement in Funds for 2022 as a surplus of £546,313 (2021: £632,045). Broadly speaking, this represents the excess of income from termly fees and related activities, supplemented by donations, fundraising, and other income, over the associated costs.

The School had a surplus for the year of £479,744 (2020/21: £646,300). The surplus before depreciation and interest is 9.9% (2021: 12.9%).

The Balance Sheet on page 22 shows Net Current Liabilities of £1,185,432 (2021: £2,117,395). To fund its ongoing programme of planned capital investment the School has in place a £2m bank loan of which £1.6m falls due after more than one year.

In the opinion of the Governors the market value of the land and buildings of the School is not less than the book value in the accounts.

Investment policy and performance

The overall investment objectives of the School are to create sufficient funds through income and capital in order to enable the School to carry out its purposes consistently, year by year, and with due and proper consideration for future needs. They include the maintenance of and, if possible, enhancement of the value of the invested funds while they are retained.

The School's investment performance is measured regularly against a benchmark, currently named the MSCI PIMFA Private Investor Balanced Index. For this year our total return of -6.4% was poorer than the Index, which was -4.0%.

The School's investments are managed by Charles Stanley and Company Limited under the supervision of Governors. At 31 August 2022 investments, of which the majority were UK listed equities, with a market value of £1,634,839 (2021: £1,745,910), represented designated funds. Their market value at 31 August 2022 contributed to a net investment loss of £129,626 (2021 gain £267,174).

The Governors are authorised by the Memorandum of Association to invest monies not immediately required for the School's purposes in investments, securities or property as may be thought fit.

Reserves Policy

The Governors' policy is to build up funds out of annual operating surpluses, subject to the prior demands of further capital expenditure to equip the School with the up to date facilities needed to maintain the standard of educational services currently provided.

The Governors aim to maintain general reserves equivalent to at least 3 months of operating expenditure for the school. Excluding the designated Bursary Reserve of £1m, general reserves at 31 August 2022 were £15.8m which represents a full year of unrestricted operating expenditure, and provides additional financial flexibility at a time of significant capital investment. These reserves ensure the school can fulfil and complete its charitable obligations and commitments.

Notes 22 and 23 show the allocation of the reserves between those designated for specific purposes and those available for the day to day requirements of the School.

THE ABBEY SCHOOL, READING
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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

GOING CONCERN

The Governors review the School's financial performance and plans at each Council meeting (usually 4 per year) along with our principal financial risks. In March, and again in June and September, they were satisfied that the School had sufficient resources to continue operating for the foreseeable future, and the accounts for the year ended 31 August 2022 have been prepared in the knowledge that the School is a financially viable organisation.

World events, economic circumstances, and the potential impact these could have on the school are regularly assessed by the Governors' Finance and General Purposes Committee, most recently in November 2022 when our ongoing forecasts and projections to ensure that the School remains financially viable were reviewed. With regard to the next accounting period, the year ending 31 August 2023, the most significant matters likely to affect the School's net assets are student numbers and the costs associated with utilities and borrowings. All of these we monitor closely, and our currently depressed student numbers are a disappointment but not a surprise as, in line with expectations already identified, older year groups with higher numbers have departed and younger year groups with lower numbers have joined.

Looking to our ongoing and future activities, we take encouragement from the resilience shown by the School over the last two Covid affected years. To repeat what we stated a year ago, as Governors we have accepted the need to adjust the timing, but not the ambition, of our future building plans so that the School's financial resources and cash flow are not put under too great stress.

The School has a strong asset base and generates a positive cash flow from its operations, and the Governors will continue to monitor and review financial and operating plans with the School's executive team to maintain a robust financial footing as we move forward. We are of the opinion that the charity will continue to have sufficient resources to meet its liabilities as they fall due and as such we remain satisfied that The Abbey School can continue operating for the foreseeable future and our accounts have been prepared in the knowledge that the School is a financially viable organisation.

RISKS AND UNCERTAINTIES

An unexpected fall in pupil numbers would represent a significant risk to the School, causing a failure to meet financial outcomes on which future investment and other expenditure decisions are based. Nevertheless, our regular review of current and projected pupil numbers provides a check that our budgets for future years are as realistic as possible. Any significant reduction in numbers would prompt immediate review action.

The future economic impact of world events, perhaps compounded by withdrawal from membership of the European Union, is difficult to forecast. Economic uncertainty is also naturally a significant factor for parents considering education in the Independent School Sector, and the Governing Body, with guidance from the lead Governor for Risk, Audit and Compliance, will continue to monitor this closely.

Health and Safety, not least the potential threat posed by a resurgence of Covid-19, also represent significant areas for risk management. Physical risks range from fire and other damage to infrastructure to personal risks (most notably when away from the campus on trips and expeditions). There is a regular risk audit, and continuity plans are in place to ensure the school continues to function effectively in the event of a major incident such as fire or flood.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

FUTURE OBJECTIVES

The Governors and the Executive Board once again look forward positively to the challenges that lie ahead, and remain committed to keeping The Abbey at the forefront of education.

The School exists to provide an outstanding, challenging and fulfilling education for girls that equips them to live with confidence, purpose and joy. Working in partnership with families, we support each individual student to expand their horizons, discover their passions and fulfill their potential. We offer academic excellence, extra-curricular opportunity and pastoral assurance within an environment prioritising kindness and fellowship.

Our objective over 130 years of leadership, innovation and reform has been to provide a liberal, practical and general education with the development of character at its heart. That remains true today.

- **Liberal** in freedom of thought and faith, tolerance, and generosity.
- **Practical** in preparing students to face a changing world on their own terms, excited by opportunity, resolute towards uncertainty and committed to leadership and service.
- **General** in the remarkable breadth and range of experience and encouragement to participate.

We have defined seven goals ranging across the student experience, our community, and the future.

Experience

- **Academic education.** We seek to provide excellence and curriculum breadth, valuing and celebrating each individual's personal best endeavour and prioritising curiosity and the love of learning. We aim to ensure outstanding results supporting access to competitive outcomes and encourage ambition, range and individuality in the next stage of our students' education.
- **All-round education.** We seek the widest range of activities and greatest opportunity for student leadership in the co-curriculum, stretching the most able and encouraging the participation of all.
- **Pastoral care.** We seek to help students build resilience and positive mental health, understanding how to look after themselves and others, and to provide the right support quickly when it is needed based on knowing and valuing each student as individuals.

Community

- **People.** We seek to develop and celebrate the experience of learning and working at The Abbey to ensure continued strong numbers of diverse and talented applications from staff and students, supported by a far-reaching bursary programme. We recognise that our strength as a school is founded on the generous and whole-hearted commitment of remarkable students and staff.
- **Connections.** We seek to promote an inclusive sense of common purpose and belonging across our own community of students, staff, families and alumnae and to make connections both locally and globally. We encourage meaningful participation in philanthropic and wider community initiatives to bring mutual benefit and enrichment to as wide an audience as possible.

Future

- **Outward-looking perspective and innovation.** We seek to foster an international outlook that champions diversity and encourages engagement with the world. We look to play an active part in the wider educational arena and commit to a culture of open self-evaluation driving innovation and improvement.
- **Estates, finance and compliance.** We seek to maintain and develop our estate, our finances and our bursary programme sustainably, with confidence and good sense and to ensure financial good health based on appreciation for the support and commitment of our families. We look to meet and exceed compliance standards in all areas of our operations.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

STATEMENT OF RESPONSIBILITIES OF COUNCIL

The Governors (who are also directors of The Abbey School for the purposes of company law and trustees for the purpose of charity law) are responsible for preparing the Governors' Annual Report (incorporating the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, 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;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

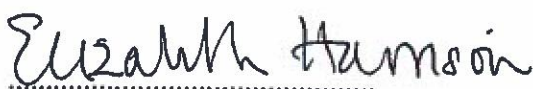
PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are Governors at the time when this Governors Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the School's auditor are unaware; and
- that Governor has taken all steps that ought to have been taken as a Governor in order to be aware of any relevant audit information needed by the School's auditors in connection with preparing their report and to establish that the School's auditors are aware of that information.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of The Abbey School at a Special General Meeting on 5 December 2022, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf.

Approved by order of the members of the board of Governors and signed on their behalf by:



.....
Mrs E A Harrison
(Chair of Governors)

Date: 5 December 2022

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING

Opinion

We have audited the financial statements of The Abbey School, Reading (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 August 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING
(CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Governors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion 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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report and the Strategic 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 Governors' Report including the Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the 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 Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING
(CONTINUED)

Auditors' 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 Auditors' 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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 Auditors' Report.

**THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING
(CONTINUED)**

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Darren O'Connor BSc (Hons) FCCA ACA (Senior Statutory Auditor)

for and on behalf of

James Cowper Kreston

Reading Bridge House

George Street

Reading

RG1 8LS

Date: 7 December 2022

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

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

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies:	6				
Government grants		-	-	-	89,864
Donation		13,126	115,230	128,356	43,932
Charitable activities:	4,9,5				
School fees		-	17,577,861	17,577,861	16,362,449
Ancillary income		-	1,189,835	1,189,835	614,787
Other trading activities:	7				
Trading income		-	123,044	123,044	61,116
Non-ancillary income		-	42,006	42,006	178,168
Investments	8	-	36,398	36,398	31,843
Total income		13,126	19,084,374	19,097,500	17,382,159
Expenditure on:					
Raising funds:					
Raising funds		-	38,603	38,603	43,557
Trading costs		-	5,146	5,146	9,786
Charitable activities	10	7,126	18,370,686	18,377,812	16,963,945
Total expenditure		7,126	18,414,435	18,421,561	17,017,288
Net income before net (losses)/gains on investments		6,000	669,939	675,939	364,871
Net (losses)/gains on investments	16	-	(129,626)	(129,626)	267,174
Net movement in funds		6,000	540,313	546,313	632,045
Reconciliation of funds:					
Total funds brought forward		38,206	16,473,242	16,511,448	15,879,403
Net movement in funds		6,000	540,313	546,313	632,045
Total funds carried forward		44,206	17,013,555	17,057,761	16,511,448

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00133676

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2022

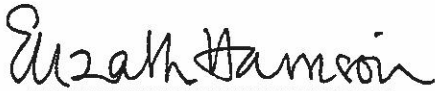
	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	18,163,792	18,630,363
Investments		1,634,839	1,745,910
		19,798,631	20,376,273
Current assets			
Debtors	17	516,860	375,339
Cash at bank and in hand		848,669	690,564
		1,365,529	1,065,903
Creditors: amounts falling due within one year	18	(2,550,961)	(3,183,298)
Net current liabilities		(1,185,432)	(2,117,395)
Total assets less current liabilities		18,613,199	18,258,878
Creditors: amounts falling due after more than one year	19	(1,555,438)	(1,747,430)
Total net assets		17,057,761	16,511,448
Charity funds			
Restricted funds:			
Restricted funds	22	44,206	38,206
Total restricted funds	22	44,206	38,206
Unrestricted funds			
Designated funds	22	1,080,000	1,000,000
General funds	22	15,933,555	15,473,242
Total unrestricted funds	22	17,013,555	16,473,242
Total funds		17,057,761	16,511,448

The Governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00133676

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:



.....
Mrs E A Harrison BA (Hons) MBA JP
(Chair of Trustees)

Date: **5 December 2022**



.....
Mrs J Butler FCA

The notes on pages 25 to 46 form part of these financial statements.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00133676

COMPANY BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	18,163,792	18,630,363
Investments		1,634,841	1,745,912
		19,798,633	20,376,275
Current assets			
Debtors	17	532,804	392,423
Cash at bank and in hand		728,622	630,882
		1,261,426	1,023,305
Creditors: amounts falling due within one year	18	(2,545,762)	(3,173,035)
Net current liabilities		(1,284,336)	(2,149,730)
Total assets less current liabilities		18,514,297	18,226,545
Creditors: amounts falling due after more than one year	19	(1,555,438)	(1,747,430)
Total net assets		16,958,859	16,479,115
Charity funds			
Restricted funds:			
Restricted funds	22	44,206	38,206
Total restricted funds	22	44,206	38,206
Unrestricted funds			
Designated funds	22	1,080,000	1,000,000
General funds	22	15,834,653	15,440,909
Total unrestricted funds	22	16,914,653	16,440,909
Total funds		16,958,859	16,479,115


The Company's net movement in funds for the year was £479,744 (2021 - £646,300).

The Governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

**THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00133676**

**COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022**

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:



.....
Mrs E A Harrison BA (Hons) MBA JP
(Chair of Trustees)

Date: 5 December 2022



.....
Mrs J Butler FCA

The notes on pages 25 to 46 form part of these financial statements.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	2022	2021
	£	£
Cash flows from operating activities		
Net cash used in operating activities	1,849,328	2,273,010
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends and interest on investment portfolio	36,398	31,843
Purchase of tangible fixed assets	(835,447)	(694,548)
Purchase of investments	(251,653)	(260,528)
Receipts from sale of investments	208,733	157,051
	<hr/>	<hr/>
Net cash used in investing activities	(841,969)	(766,182)
	<hr/>	<hr/>
Cash flows from financing activities		
Receipt of new bank loan	-	2,000,000
Repayments of borrowing	(170,929)	(2,073,633)
Interest paid	(56,043)	(56,338)
	<hr/>	<hr/>
Net cash used in financing activities	(226,972)	(129,971)
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	780,387	1,376,857
Cash and cash equivalents at the beginning of the year	68,282	(1,308,575)
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	848,669	68,282
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 25 to 46 form part of these financial statements

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

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

1. General information

The Abbey School is a charitable company limited by guarantee (registered number 00133676 and charity number 309115), incorporated in England and Wales under the Companies Act 2006 and the Charities Act 2011. The address of the registered office is given within the Governors, Officers and Advisors section on page 1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Abbey School, Reading meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 Basis of consolidation

The group accounts consolidate the accounts of The Abbey School, Reading and its subsidiary undertaking, Abbey Commercial Enterprises Limited on a line by line basis. The accounts are made up to 31 August 2022. No separate statement of financial activities or income and expenditure has been presented for the charitable company alone as permitted by the Companies Act 2006 and the 2015 Charities SORP.

The results of the subsidiary undertaking for the year are disclosed in note 17 of the accounts.

FRS102 allows qualifying entities certain disclosure exemptions. The charity, only, has taken advantage of the exemptions for the following disclosure requirement:

- Section 7 "Statement of Cash Flows" - presentation of an entity only Statement of Cash Flow and related notes and disclosures; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.3 Going concern

The Governors note that the group has net current liabilities of £1,185,432 (2021: £2,117,395) at the balance sheet date. They have considered the current year's positive net movement in funds, the projected gross operating surplus and cash flow projections for future years. These indicate that within, and without exceeding, the arrangements established with their bankers the school will be able to meet its liabilities as they fall due.

The Governors have no reason to believe that the current banking facilities will not be continued when they are reviewed in May 2023. They confirm that there is no material uncertainty as to the future of the school, and accordingly they continue to adopt the going concern basis in preparing the financial statements as outlined in the statement of Governors' responsibilities.

2.4 Incoming resources

All incoming resources are included in the statement of financial activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Payments received from the government for furloughed employees are a form of grant. This grant money is receivable as compensation for expenses already incurred, and where this is not in respect of future related costs, is recognised as income in the period in which it becomes receivable and the related expense is incurred.

2.5 Fees and similar income

Fees receivable, charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, bursaries and other remissions granted by the school. Means tested bursaries which provide financial assistance to parents, are treated as expenditure from the designated fund within the statement of financial activities.

Fees received for education to be provided in future years are carried forward as advance fee scheme payments and fees received in advance in the balance sheet. These fees are released to the statement of financial activities over the period in which the school provides the services in future years.

2.6 Donations

Donations received for the general purposes of the School are credited to unrestricted funds. Donations subject to specific wishes of the donors are credited to the relevant restricted fund.

2.7 Resources expended

Resources expended are accounted for on an accrual basis. Resources expended are allocated to specific activities without the need for apportionment. The irrecoverable element of VAT is included within the item of expense to which it relates.

Expenditure in respect of the other support costs of the School includes recruitment costs and general office costs including governance costs.

2.8 Scholarships and bursaries

Scholarships and bursaries, along with temporary financial assistance are charged to the statement of financial activities in the year in which they are granted.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.9 Government grants

Grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.10 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is provided on all tangible fixed assets except land which is considered to be of negligible value, and is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold building	-	2% per annum on cost
Freehold improvements	-	10% per annum on cost
Motor vehicles	-	25% per annum on cost
Other equipment	-	10% per annum on cost
Computer equipment	-	33% per annum on cost

Items costing less than £5,000 are written off as an expense as acquired.

2.11 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

2.13 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.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation.

2.15 Financial instruments

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

2.16 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

2.17 Pensions

The charitable company left the Teachers' Pension Scheme on 31 August 2020.

The charitable company contributes into separate defined contribution schemes for teaching and non-teaching staff for which the contributions are charged in the statement of financial activities in the year in which they are payable.

2.18 Advance fee scheme

Amounts received under the school's former Advance Fee Scheme contracts for education not yet utilised to settle school fees were recorded as current liabilities where the education will be provided 12 months from the reporting date and as long-term liabilities where the education was to be provided in subsequent years.

2.19 Parents' deposits

The Governors have reviewed the contract terms under which pupil fee deposits are held by the school. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The school does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August 2022 have been included within current liabilities. The prior year pupil fee deposits balance has been similarly represented.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.20 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. Details of these reserves, as applicable to the charity, are set out in note 19 .

Restricted funds are funds where specific conditions imposed by the donor would restrict the use of unspent funds or where the terms of the appeal restrict the use of the funds.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Significant estimates included within the financial statements include provision for fee debtors, which require a judgment by management regarding the likelihood of recovery. Management review and assess fee debtors on an individual basis and provide for fee debtors as appropriate.

Depreciation is another key estimate in the accounts which requires management judgment over the useful life of the assets. The policy has been set out in the notes above.

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**NOTES TO THE FINANCIAL STATEMENTS
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4. School fees

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
School fees receivable consist of:			
Gross fees	18,039,356	18,039,356	17,140,408
Less: Scholarships and other awards	(1,000,131)	(1,000,131)	(888,347)
Less: Summer term (Covid-19) discount	(17,131)	(17,131)	(353,976)
Net fees receivable	17,022,094	17,022,094	15,898,085
Add: Bursaries paid out of designated funds	555,767	555,767	464,364
Total 2022	17,577,861	17,577,861	16,362,449
Total 2021	16,362,449	16,362,449	

5. Grants and awards

In addition to the scholarships and other awards noted above, the School provided means-tested bursaries to provide financial assistance to parents.

The total awards are as follows:

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Revenue account (scholarships)	444,364	444,364	423,983
Designated funds (means-tested bursaries)	555,767	555,767	464,364
Total grants and awards	1,000,131	1,000,131	888,347
Total 2021	888,347	888,347	

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6. Income from donations and government grants

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	13,126	115,230	128,356	43,932
Government furlough scheme	-	-	-	89,864
Total 2022	13,126	115,230	128,356	133,796
Total 2021	17,044	116,752	133,796	

7. Non ancillary income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Property rentals	42,006	42,006	34,738
HM Court and Tribunals Service income	-	-	130,485
Miscellaneous income	-	-	12,945
Total 2022	42,006	42,006	178,168
Total 2021	178,168	178,168	

8. Income from investments

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
UK listed investments	36,398	36,398	31,843
Total 2021	31,843	31,843	

Income from investments was designated in the current and previous financial year.

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Ancillary income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
After school care	46,035	46,035	31,624
Trips income	489,560	489,560	74,141
Fees for extra-curricular courses and examinations	507,287	507,287	393,657
Fees in lieu of notice	17,940	17,940	44,920
Registration fees	38,465	38,465	48,217
Miscellaneous income	90,548	90,548	22,228
Total 2022	1,189,835	1,189,835	614,787
Total 2021	614,787	614,787	

10. Expenditure on charitable activities

	Staff costs 2022 £	Other 2022 £	Depreciation 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable activities					
Teaching costs	8,841,900	559,699	145,709	9,547,308	8,939,384
Welfare costs	93,551	1,278,326	-	1,371,877	1,042,802
Premises costs	1,008,469	1,450,725	1,150,788	3,609,982	3,803,943
Support costs	1,586,672	1,077,796	5,521	2,669,989	2,527,271
Trip costs and other travel	-	492,158	-	492,158	126,258
Grants, awards and prizes	-	555,767	-	555,767	464,364
Governance costs	-	19,329	-	19,329	29,730
Finance costs	-	100,850	-	100,850	60,451
Movement in bad debt provision	-	10,552	-	10,552	(30,258)
	11,530,592	5,545,202	1,302,018	18,377,812	16,963,945
Total 2021	10,917,102	4,607,984	1,438,859	16,963,945	

Total expenditure on charitable activities was £18,377,812 (2021: £16,963,945) of this £7,126 (2021: £7,544) was restricted, £555,767 (2021: £464,364) was designated and £17,814,919 (2021: £16,492,037) was unrestricted.

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NOTES TO THE FINANCIAL STATEMENTS
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11. Expenditure on raising funds

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Portfolio management costs	18,190	18,190	16,703
Non-ancillary costs	20,413	20,413	26,854
Trading expenses	5,146	5,146	9,786
	<u>43,749</u>	<u>43,749</u>	<u>53,343</u>

Total expenditure on raising funds was £43,749 (2021: £53,343) of this £18,190 (2021: £16,703) related to designated funds and £25,559 (2021: £26,854) related to unrestricted funds.

12. Auditors' remuneration

Fees payable to the Company's auditor and its associates

- audit fees	17,000	25,000
- other services	3,400	3,200
	<u>20,400</u>	<u>28,200</u>

13. Staff costs

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	9,502,567	8,967,835	9,502,567	8,967,835
Social security	919,769	836,368	919,769	836,368
Pension contributions	1,021,859	967,260	1,021,859	967,260
Other non-payroll staff costs	86,397	145,639	86,397	145,639
	<u>11,530,592</u>	<u>10,917,102</u>	<u>11,530,592</u>	<u>10,917,102</u>

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13. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	Group 2022 No.	Group 2021 No.
Teaching	226	239
Welfare	29	26
Premises	22	18
Support	44	45
	<u>321</u>	<u>328</u>

Aggregate employee costs of the officers of the school , including salary, benefits, pension contributions and national insurance) in the year totalled £408,006 (2021: £510,588).

The governors received £Nil remuneration or other benefit for the year (2021: £Nil). One governor was reimbursed £Nil relating to retirement gift expenses in the year (2021: £295).

The employer's liability insurance of the charitable company includes indemnity insurance for the governors.

The split between part time and full time staff was as follows:

	Full time 2022	Full time 2021	Part time 2022	Part time 2021
Teaching	119	110	107	129
Welfare	7	7	22	20
Premises	15	14	7	4
Support	29	26	15	18
	<u>170</u>	<u>157</u>	<u>151</u>	<u>171</u>

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13. Staff costs (continued)

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

	Group 2022 No.	Group 2021 No.
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	3	2
In the band £80,001 - £90,000	3	5
In the band £90,001 - £100,000	1	1
In the band £150,000 - £160,000	1	1

The total employer contributions in the year towards pension scheme contributions for the above 11 (2021: 11) staff members were £78,766 (2021: £112,073).

During the year, severance pay was awarded to 2 employees with payments for compensation and pay in lieu of notice totalling £7,105 (2021: 15 employees, £32,338). All of this had been paid by the reporting date (2021: All).

14. Taxation

The charitable company is a registered charity, and as such is entitled to tax exemptions on income and gains, properly applied for its charitable purposes.

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15. Tangible fixed assets

Group and Company

	Freehold property and improvements £	Motor vehicles £	Office equipment £	Assets under construction £	Total £
Cost or valuation					
At 1 September 2021	28,072,119	23,338	4,338,342	-	32,433,799
Additions	284,338	-	214,427	336,682	835,447
At 31 August 2022	<u>28,356,457</u>	<u>23,338</u>	<u>4,552,769</u>	<u>336,682</u>	<u>33,269,246</u>
Depreciation					
At 1 September 2021	10,190,661	18,938	3,593,837	-	13,803,436
Charge for the year	1,031,810	3,300	266,908	-	1,302,018
At 31 August 2022	<u>11,222,471</u>	<u>22,238</u>	<u>3,860,745</u>	<u>-</u>	<u>15,105,454</u>
Net book value					
At 31 August 2022	<u><u>17,133,986</u></u>	<u><u>1,100</u></u>	<u><u>692,024</u></u>	<u><u>336,682</u></u>	<u><u>18,163,792</u></u>
At 31 August 2021	<u><u>17,881,458</u></u>	<u><u>4,400</u></u>	<u><u>744,505</u></u>	<u><u>-</u></u>	<u><u>18,630,363</u></u>

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16. Fixed assets investments

	Group 2022 £	Group 2021 £	School 2022 £	School 2021 £
Listed investment (see below)	1,634,839	1,745,910	1,634,839	1,745,910
Abbey Commercial Enterprises Limited (see below)	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>
	<u>1,634,839</u>	<u>1,745,910</u>	<u>1,634,841</u>	<u>1,745,912</u>

Subsidiary undertaking:

The Abbey School owns 100% of the ordinary share capital of Abbey Commercial Enterprises Limited (company number 06334617). This company was incorporated in England and Wales and was established to carry out the non-educational activities associated with the School.

Trading results extracted from its audited financial statements are shown below:

	2022	2021
Turnover	123,044	61,116
Administration expenses	(5,146)	(9,786)
Management charge from the Abbey School	<u>(19,000)</u>	<u>(19,000)</u>
Profit on ordinary activities before taxation	98,898	32,330
Profit on ordinary activities after taxation	<u>98,898</u>	<u>32,330</u>
Net assets	<u>98,902</u>	<u>32,333</u>

All activities have been consolidated on a line by line basis in the SOFA. Any taxable net profit is gifted to the charity. The total expenses include a management charge paid by Abbey Commercial Enterprises of £19,000 (2021: £19,000), which is eliminated on consolidation. At the year end the balance outstanding was a debtor in The Abbey School of £19,000 (2021: £19,000).

Listed Investments

	2022 Market value £	2021 Market value £
At 1 September 2021	1,707,957	1,337,306
Additions	251,653	260,528
Disposals	(208,733)	(157,051)
Unrealised (loss)/gain on revaluation for the year	(129,626)	267,174
At 31 August 2022	<u>1,621,251</u>	<u>1,707,957</u>
Cash held by investment manager	13,588	37,953
Total at 31 August 2022	<u>1,634,839</u>	<u>1,745,910</u>
Historical cost of investments	1,322,953	1,257,752

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16. Fixed assets investments (continued)

Investments which comprise more than 5% of Investments which comprise more than 5% of the market value of investments are: market value of investments are:

	Market value £	Cost £
Aberdeen Standard Fund Managers Ltd	<u>86,620</u>	<u>77,741</u>

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

The financial results of the subsidiary for the year were:

17. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	49,997	41,691	46,941	39,775
Amounts due from own subsidiary	-	-	19,000	19,000
Other debtors	39,392	4,500	39,392	4,500
Prepayments	427,471	329,148	427,471	329,148
	<u>516,860</u>	<u>375,339</u>	<u>532,804</u>	<u>392,423</u>

Amounts due from owned subsidiary are interest free and repayable on demand.

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18. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank overdrafts	-	622,282	-	622,282
Bank loan	200,000	200,000	200,000	200,000
Trade creditors	396,240	486,399	396,240	486,399
Deposits held	663,155	658,551	663,155	658,551
Other taxation and social security costs	250,243	229,485	248,442	224,870
Other creditors	458,595	221,152	458,597	221,151
Accruals	110,153	346,251	106,753	340,604
Advance fee scheme payments	16,530	16,530	16,530	16,530
Fees received in advance	456,045	402,648	456,045	402,648
	<u>2,550,961</u>	<u>3,183,298</u>	<u>2,545,762</u>	<u>3,173,035</u>

At the end of 2022, as at the end of 2021 there was a bank overdraft with HSBC, which was secured by legal charges over two freehold properties.

Fees received in advance relates to fees for the next academic year which some parents pay in advance.

Deposits held relate to acceptance deposits which are considered as owed within one year given that only one terms notice is required to be given by pupils.

19. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans	1,555,438	1,726,367	1,555,438	1,726,367
Fees received in advance	-	4,533	-	4,533
Advance fee scheme payments	-	16,530	-	16,530
	<u>1,555,438</u>	<u>1,747,430</u>	<u>1,555,438</u>	<u>1,747,430</u>

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The loan is repayable as follows:

Within 2 to 5 years				
Bank loans	800,000	800,000	800,000	800,000
	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>
More than 5 years				
Bank loans	755,438	926,367	755,438	926,367
	<u>755,438</u>	<u>926,367</u>	<u>755,438</u>	<u>926,367</u>

Bank loan with HSBC is secured by a charge over the School's property.

20. Advance fee scheme

Group and School

Parents historically have deposited a lump sum with the School as an advance on future fees. This option is no longer available to parents. Each arrangement is in respect of an agreed amount to be credited against future fee bills for an agreed number of terms. The unused balance of the advance is repayable on request. It is intended that the advance fees will be applied as follows

	2022 £	2021 £
Within 1 year	16,530	16,530
Within 2 to 5 years	-	16,530
	<u>16,530</u>	<u>33,060</u>

The figures for advanced fee payments are included within the balance sheet for school fees paid in advance (notes 18 and 19). The balance represents the accrued liability under these arrangements. Movements during the year were:

	£	£
Balance at 1 September 2021	33,060	79,770
Amounts utilised in the payment of fees	(16,530)	(46,710)
Balance at 31 August 2022	<u>16,530</u>	<u>33,060</u>

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21. Financial instruments

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Financial assets				
Financial assets measured at fair value	<u>1,634,839</u>	<u>1,745,910</u>	<u>1,634,841</u>	<u>1,745,912</u>

Included within financial instruments held at fair value is investments.

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22. Statement of funds

Statement of funds - current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Designated funds						
Designated - The Bursary Fund	1,000,000	36,398	(573,632)	666,860	(129,626)	1,000,000
Designated donation	-	80,000	-	-	-	80,000
	<u>1,000,000</u>	<u>116,398</u>	<u>(573,632)</u>	<u>666,860</u>	<u>(129,626)</u>	<u>1,080,000</u>
General funds						
General unrestricted	15,473,242	18,967,976	(17,840,803)	(666,860)	-	15,933,555
Total Unrestricted funds	<u>16,473,242</u>	<u>19,084,374</u>	<u>(18,414,435)</u>	<u>-</u>	<u>(129,626)</u>	<u>17,013,555</u>
Restricted funds						
Restricted Fund	38,206	13,126	(7,126)	-	-	44,206
Total of funds	<u><u>16,511,448</u></u>	<u><u>19,097,500</u></u>	<u><u>(18,421,561)</u></u>	<u><u>-</u></u>	<u><u>(129,626)</u></u>	<u><u>17,057,761</u></u>

Income from The Bursary Fund is used to offer financial assistance to individual pupils when necessary.

The Governors have decided to make an annual transfer from the unrestricted funds so that a balance of £1 million remains earmarked for use on bursaries within this fund.

Restricted funds are those received for specific purposes including donations received for building appeals, various teaching departments and fixed assets. Once the restriction has been fulfilled than a transfer from restricted to unrestricted funds is made.

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22. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Designated funds						
Designated - The Bursary Fund	1,000,000	31,843	(481,067)	182,050	267,174	1,000,000
General funds						
General unrestricted	14,850,697	17,333,272	(16,528,677)	(182,050)	-	15,473,242
Total Unrestricted funds	<u>15,850,697</u>	<u>17,365,115</u>	<u>(17,009,744)</u>	<u>-</u>	<u>267,174</u>	<u>16,473,242</u>
Restricted funds						
Restricted Fund	28,706	17,044	(7,544)	-	-	38,206
Total of funds	<u><u>15,879,403</u></u>	<u><u>17,382,159</u></u>	<u><u>(17,017,288)</u></u>	<u><u>-</u></u>	<u><u>267,174</u></u>	<u><u>16,511,448</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	18,163,792	18,163,792
Fixed asset investments	-	1,634,839	1,634,839
Current assets	44,206	1,321,323	1,365,529
Creditors due within one year	-	(2,550,961)	(2,550,961)
Creditors due in more than one year	-	(1,555,438)	(1,555,438)
Total	<u>44,206</u>	<u>17,013,555</u>	<u>17,057,761</u>

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	18,630,363	18,630,363
Fixed asset investments	-	1,745,910	1,745,910
Current assets	38,206	1,027,697	1,065,903
Creditors due within one year	-	(3,183,298)	(3,183,298)
Creditors due in more than one year	-	(1,747,430)	(1,747,430)
Total	<u>38,206</u>	<u>16,473,242</u>	<u>16,511,448</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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24. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	546,313	632,045
Adjustments for:		
Depreciation	1,302,018	1,438,859
(Losses)/gains on investments	129,626	(267,174)
Dividends and interest	(36,398)	(31,843)
Interest payable	56,043	56,338
(Increase)/ decrease in debtors	(141,521)	25,732
Increase in creditors	17,612	330,717
(Decrease)/increase of cash at investment manager	(24,365)	88,336
Net cash provided by operating activities	1,849,328	2,273,010

25. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Bank balances included in cash at bank and in hand	848,669	690,564
Bank overdraft	-	(622,282)
Total cash and cash equivalents	848,669	68,282

26. Analysis of net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash balances	690,564	158,105	848,669
Overdraft	(622,282)	622,282	-
Bank loans due in under one year	(200,000)	-	(200,000)
Bank loans due in more than one year	(1,726,367)	170,929	(1,555,438)
	(1,858,085)	951,316	(906,769)

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27. Capital commitments

	Company 2022	Company 2021
	£	£
At 31 August 2022 the School had the following capital commitments:		
Contracts for future capital expenditure not provided in the financial statements	300,000	11,583
	<u><u>300,000</u></u>	<u><u>11,583</u></u>

28. Pension commitments

a) Teachers' Pension Scheme

The school withdrew from the Teachers' Pension ("TPS") Scheme at 31 August 2020.

b) Other schemes

The Company makes contributions for teaching and non-teaching staff. £1,021,859 (2021: £ 968,353) was payable for the year. Contributions totalling £143,945 (2021: £142,452) were unpaid at the year end and are included within creditors.

29. Operating lease commitments

At 31 August 2022 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Company 2022	Company 2021
	£	£
Due within one year	35,153	35,153
Due between two and five years	8,798	43,941
	<u><u>43,951</u></u>	<u><u>79,094</u></u>

30. Related party transactions

Transactions with Governors

Owing to the nature of the school's operations and the composition of its governing body being drawn from local public and private sector organizations, it is inevitable that transactions will take place with organizations with which a Governor may have an interest. All transactions involving these organizations are in accordance with the school's normal procedures.

Mr M Emmanuel is a director at French Horn Hotel Limited. During the year, the School was invoiced £666 (2021: £899) by French Horn Hotel Limited for a function in the year. At the year end, a balance of £Nil (2021: £Nil) was owed to French Horn Hotel Limited.