

COMPANY REGISTERED NUMBER: 612809
REGISTERED CHARITY NUMBER: 309651



SHIPLAKE COLLEGE
HENLEY-ON-THAMES

SHIPLAKE COURT LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

SHIPLAKE COURT LIMITED
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FOR THE YEAR ENDED 31 AUGUST 2021

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SHIPLAKE COURT LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2021

DIRECTORS AND THEIR INTERESTS

The directors of the charitable company, who served during the year, unless otherwise stated, were as follows:-

Sir David Tanner CBE ^(1,2) (Chairman)
The Right Honourable T J C Eggar, LLB ^(1,2) (Chairman, Resigned 11 December 2020)
A Ashton ⁽¹⁾
J Bartlett ⁽²⁾ (Resigned 25 June 2021)
P Blewett ^(1,2,3)
S Blomfield ⁽²⁾
M Carey-Elms ⁽²⁾
C Eve ⁽¹⁾
J Gordon, LLB ^(2,3)
R Grimond ⁽¹⁾
I Howell ⁽²⁾
R Lester ⁽¹⁾
M MacKenzie-Charrington ^(1,3)
S Ryan, BSc ⁽²⁾

⁽¹⁾ Members of the Finance and General Purposes Committee

⁽²⁾ Members of the Education and Welfare Committee

⁽³⁾ Members of the Health and Safety Committee

The directors are also the charity trustees and governors of Shiplake College.

OFFICERS (Key Management Personnel)

Headmaster: T G Howe, MA (St Andrews), MSt MBA (Oxford)

Bursar and Clerk to the Governors: J Ralfs, BSc (Bristol), FCA

Locum Bursar: C Hurlley, ASCA, FAIA (Resigned 22 October 2020)

Deputy Head (Academic): P S Jones, BA (Durham), GTP (London), AST

Deputy Head (Pastoral): N J Brown, BA, PGCE (East Anglia)

Director of External Relations: K Green, BA (Exeter)

Registered Company Number: 612809 (Registered in England and Wales)

Registered Charity Number: 309651

**SHIPLAKE COURT LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2021**

REGISTERED OFFICE: Shiplake College
Henley on Thames
Oxon
RG9 4BW

BANKERS: Barclays Business Banking, Reading & Basingstoke Team
4th Floor Apex Plaza
Forbury Road
Reading
BX3 2BB

SOLICITORS: Stone King LLP
Boundary House
91 Charterhouse Street
London
EC1M 6HR

AUDITORS: Crowe U.K. LLP
Aquis House
49-51 Blagrove Street
Reading
Berkshire
RG1 1PL

INSURANCE BROKERS: Marsh Brokers Limited
1 Tower Place West
Tower Place
London
EC3R 5BU

ARCHITECTS: Nichols Brown Webber
Pond House
Northend
Henley on Thames
Oxon
RG9 6LG

SHIPLAKE COURT LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2021

The Governors of Shiplake College, being also the directors of the charitable company, present their annual report together with the financial statements of the charitable company for the year ended 31 August 2021 and confirm that they comply with the requirements of the Companies Act 2006 thus including the Directors' Report and Strategic Report, the Charities Act 2011, the governing document and the Statement of Recommended Practice – 'Accounting and Reporting by Charities' (SORP 2015).

DIRECTORS' REPORT

REFERENCE AND ADMINISTRATIVE INFORMATION

Shiplake Court Limited is a charitable company having share capital, incorporated on 10 December 1958 and registered under number 612809. The College was registered with the Charity Commission on 13 April 1965 under number 309651. The College Governors, executive officers and principal address of the charitable company are as listed on page 1 and 2. Particulars of the charitable company's professional advisers are given on page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charitable company was established under a Memorandum of Association last amended on 13th March 1998, which determines the objects and powers of the charitable company and is governed under its Articles of Association.

OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

CHARITABLE OBJECTIVES

The objects of the Charitable Company, in accordance with the Memorandum of Association, are to promote the cause of education for the public benefit.

PRINCIPAL ACTIVITIES OF THE YEAR

Shiplake College's principal activity continues to be the provision of an independent school with facilities for boarding and day boys aged 11 to 18 and for girls aged 16 to 18.

Due to strong parental demand the College has announced that it will become fully co-educational. The first entry of Year 7 girls will be in September 2023.

GOVERNING BODY

The structure of the charitable company consists of a governing body for Shiplake College, the details of which are explained on page 1.

RECRUITMENT AND TRAINING OF GOVERNORS

The charitable company's elected Governors are appointed at a meeting of the Shiplake College Board on the basis of nominations received from existing Board members. Key criteria for eligibility include personal competence, professional and specialist skills. New Governors are inducted into the workings of the charitable company and its school, including Board Policy and Procedures. Governor and trustee training is offered to all new members and is provided by a number of professional sources such as AGBIS. Governors are appointed initially for a five year term of office. At the expiry of this period Governors can offer themselves for re-election to the Board.

SHIPLAKE COURT LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2021

ORGANISATIONAL MANAGEMENT

The Governors of Shiplake College, as the charity trustees of the charity and directors of the company are legally responsible for the overall management and control of Shiplake College, and meet as a Board three times a year. The work of governance and financial supervision is carried out by members of the Finance and General Purposes Committee (F&GP), who meet before each meeting of the College Governing Board and on extra occasions when necessary such as to approve the budgets and finalise the audited accounts and annual report for approval by the Board. The other principal permanent committees are the Education and Welfare Committee and the Health and Safety Committee which also meet on a termly basis and more often should the need arise. Each committee works under the chairmanship of a member of the College Governors. Other committees are formed on an ad hoc basis for specific purposes such as an appeal. Members of all Board committees are listed on page 1.

The day to day running of the school is delegated to the College's headmaster, supported by the senior leadership team. The headmaster, deputy headmasters, bursar and the director of external relations attend meetings of the various committees.

The Governors provide a framework for the remuneration of the senior leadership team within which the headmaster awards salary. The objective is to provide appropriate incentives to encourage enhanced performance and to reward them fairly and responsibly for their individual contributions to the Company's success.

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

We aim to recruit excellent staff. Delivery of the College's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

GROUP STRUCTURE AND RELATIONSHIPS

The Charity has a wholly owned non-charitable subsidiary, Shiplake Court Enterprises Limited, whose activities in the year under review were those of catering facilities, entertainment and recreational activities. Shiplake College actively supports the attainment of the highest standards in the Independent Schools sector, partly through networking with other major Schools and partly through peer group studies for the evaluation of quality and performance improvement methods. We also co-operate with many local charities in our ongoing endeavours to widen public access to the schooling we can provide, to optimise the educational use of our cultural and sporting facilities and to awaken in our pupils, in the public interest, an awareness of the social context of the all-round education they receive at the College. The College also benefits from the generosity of a thriving network of Old Vikings whose close support we greatly appreciate and gladly acknowledge.

AIMS AND INTENDED IMPACT

The College's strategic aim is to provide a friendly, supportive and structured environment to permit pupils to learn to lead a full and responsible life. Within the ethos of a boarding school, the aim is not to concentrate solely on academic achievement, but also to develop the skills and abilities to prepare pupils for their life after Shiplake. We support the headmaster's vision that Shiplake should be: a dynamic, purposeful, happy and caring place which produces open-minded young men and women who have a sense of humour yet are responsible and articulate with the knowledge and skills to play an informed and useful part in their society.

OBJECTIVES FOR THE YEAR

The focus remained on the provision of a rounded education that allowed each of the College's pupils to reach their individual potential, combined with advancement in academic performance and a further widening of access to the education that Shiplake provides. We continued to seek ways of providing access for other UK and foreign pupils which also puts the school's facilities to good educational use when not otherwise needed. The Governors are determined to ensure that the headmaster has the appropriate resources to allow the College to develop and to provide facilities to enable all pupils to prepare themselves for their future careers.

**SHIPLAKE COURT LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2021**

STRATEGIC REPORT

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

Academic

The College has again enjoyed excellent academic success at both GCSE and A Level; a reflection of a continued focus on academic rigour. The improvement in results for both 2020 and 2021 must be viewed in the national context of centre-assessed grades (2020) and teacher-assessed grades (2021). However, the College is confident that the evidence-based process leading to these grades is a true reflection of the pupils' and teachers' hard work.

GCSE and iGCSE	2021	2020	2019	2018
9-8 (A*)	27%	16%	11%	11%
9-7 (A*-A)	47%	33%	24%	26%
9-6 (A*-B)	69%	56%	42%	47%
9-4 (A*-C)	97%	94%	88%	89%
9-4 (A*-C) 5 or more	99%	95%	94%	86%
9-1 (A*-G) (Pass)	100%	100%	100%	100%

A Level and BTEC	2021	2020	2019	2018
A*-A (or equivalent)	70%	55%	37%	42%
A*-B	85%	77%	64%	60%
A*-C	98%	93%	86%	83%
A*-E (Pass)	100%	100%	99%	100%

Many of our pupils achieve far higher grades than they were predicted to when they joined the College, with academic value-added a considerable strength of the school. Value Added at GCSE level averaged (+0.67) with particular highlights of Drama (+1.85), DET (+1.81), Computer Science (+1.38) and Physical Education (+1.21).

Value Added then increased further to an average of (+1.02) in the Sixth Form. Travel and Tourism BTEC (+2.29), Drama (+2), French (+2), Biology (+1.78), Sport BTEC (+1.78) and Art (+1.57) all excelled. These results facilitated the pupils accessing their desired universities with 97% of pupils being offered places at their first or second choice university. Many of these pupils accepted places at Russell Group universities, further reflecting the academic progress made.

The Governors remain resolute that the College will continue to select pupils on character and aptitude for an education at Shiplake, rather than purely on academic ability. These results demonstrate the intent of the headmaster and his senior leadership team to increase the College's academic rigour and of the distinctive partnership between the pupils and staff.

The College continues to promote the Shiplake Seven, our set of academic characteristics and dispositions that pupils and staff at Shiplake believe are essential skills required to be a successful learner in the 21st Century. The Shiplake Seven provides the basis for our academic character education, giving focus to lessons and activities so that the skills can be inculcated in our pupil body. The seven qualities – Determined; Open Minded; Creative; Independent; Reflective; Curious; Motivated - provide a solid foundation for pupils to achieve success throughout their education, but also equip the leavers with the skills they need to enter the next stage of their lives as confident, personable and talented young adults. This year, resources for Tutor Time explore each of the Shiplake Seven and these same academic characteristics now give structure to the staff appraisal process.

SHIPLAKE COURT LIMITED
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FOR THE YEAR ENDED 31 AUGUST 2021

The Year 12 PULSE (Personal Understanding, Learning Skills and Enrichment) programme continues to provide academic enrichment to our Sixth Form pupils. This is normally in the form of an Extended Project Qualification (EPQ) or Sports Leadership that leads to UCAS points and can aid university applications. They also allow pupils to study a topic that they are passionate about whilst learning a range of skills that will help in both higher education and the workplace. The programme continues to benefit from a wide range of visiting speakers and PSHE sessions providing a wide range of enrichment opportunities to our Sixth Form pupils.

The College received an ISI Compliance Inspection in March 2018. This evaluated whether the school met each of the standards in the schedule of independent school standards and national minimum standards for boarding schools. These standards are arranged into eight parts including: the quality of education provided; the welfare, health and safety of pupils; the suitability of staff and those in contact with pupils; the premises and accommodation; the spiritual, moral, social and cultural development of pupils; and the provision of information to parents, inspectors and the Department of Education. The report confirms that Shiplake meets all the standards and that no further action is required as a result of the inspection. The report also showed that recent GCSE performance has been above the national average for maintained schools and results in IGCSE examinations are higher than worldwide norms. The report, which disappointingly does not take into account the College's exceptional BTEC results, states that A Level performance is in line with the national average.

Further national lockdowns due to the COVID-19 pandemic during the Autumn and Spring Terms required the College to transition between in person and online teaching. The processes in place allowed the College to do this seamlessly and ensure that pupils received an excellent standard of teaching throughout. Having reflected on the extremely successful programme of distance learning, the College has carefully considered a range of 'COVID Keeps'; essential developments when working remotely which may benefit the learning of our pupils back in the classroom. These include the provision of remote parents' conferences and a refinement in our use of Google Classroom.

Pupil Numbers

At the end of 2020-2021 there were 476 pupils. This represented an increase of 3.5% from the figure of 460 pupils at the end of the previous year. Interest in entry to the College at all levels has remained strong and October 2021 pupil numbers had increased further 2% to 487.

Maintenance and Developments

The two major construction projects were completed over the summer and brought into use on the 1 September 2020. The Davies Centre houses the College's impressive fleet of rowing boats and provides a state of the art training facility for the College's athletes. It is also a hub for the CCF, DofE and all other outdoor and water sport activities. The climbing wall and indoor shooting range are excellent new additions to the College, supporting the broad range of activities available for the pupils. Heated and cooled by a ground source heat pump it also improves the College's energy credentials. The Sixth Form Centre provides a café style informal study space for the older pupils, helping to prepare them for university and the working world. Classrooms and breakout spaces above add to the College's classroom provision.

The College purchased 5.3 acres of adjacent land and buildings. This will provide development opportunities in the future to assist with the College's long term development plan.

The College continues to invest in its campus to both to prepare it for the transition to being a fully co-educational school in 2023 and to ensure the longevity and quality of its buildings and boarding provision. The largest expenditure continues to be on the maintenance and refurbishment of the boarding houses. This includes targeted redecoration and refurbishment and also the costs associated with meeting the health and safety requirements.

SHIPLAKE COURT LIMITED
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FOR THE YEAR ENDED 31 AUGUST 2021

GRANT MAKING POLICY

As trustees of the Charity, the Governors are determined to provide as wide an access to the College as possible. Means-tested bursaries are awarded to pupils for whom access to Shiplake College would not normally be possible and also to relieve hardship where the education and future prospects of current pupils would otherwise be at risk. In addition, the Governors' policy is to award scholarships on the basis of an individual's academic, artistic or sporting potential. The availability of all such awards for fee-assistance, together with the terms and conditions for each kind of award, is advertised on our website at www.shiplake.org.uk.

PUBLIC BENEFIT

The College's public benefit aim is to provide a first-class independent education, both through strong academic tuition, and through developing wider sporting, artistic and social skills in all its pupils. This is intended to provide an environment where each pupil can develop and fulfil his or her potential, thus to help build self-confidence and instil a desire to contribute to the wider community.

Shiplake College Governors, as charity trustees, have complied with their duty in s17(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. They are determined to widen access to our education resources, by bringing independent and state school communities together.

Governance

Members of the College staff serve as governors at local primary schools.

Sport

This year, due to the restrictions in place due to COVID-19, we haven't been able to allow our facilities to be used by external bodies as much as we would have liked but we have made the following facilities and coaching available at no charge to benefit pupils attending local state schools:

- use of the artificial pitch to local clubs and community groups;
- use of the College facilities for Henley Junior Triathlon Club;

In addition, pupils from a variety of schools have used our cricket facilities for Berkshire County matches. We also host Shiplake Vikings Rowing Club where children from the local area are able to make use of the College's significant rowing facilities, both during the week and at weekends. Local junior football and rugby clubs have used the College's pitches for training and matches during the year.

Music

Pupils from Henley Youth Orchestra use the Music Department for rehearsals and performances on a monthly basis, free of charge. Unfortunately, this has had to be put on pause due to restrictions in place due to COVID-19.

Community Access

The Governors see Shiplake College as a part of a wider community and where we can assist the community without detriment to advancing the education of our pupils we are delighted to do so. The College would usually provide equipment and pupils to help with the Shiplake 'picnic' for the local community. The Shiplake and Dunsden Branch of the British Legion Branch use our facilities on a regular basis and we host a monthly lunch for a group of local pensioners. Local cubs and beavers packs also visit on a regular basis and we loan vehicles to them and other local primary schools. The music department sponsors the Community Choir for local residents. The Shiplake Parish Council use our facilities for their planning meetings. We were also delighted to host the Shiplake Primary School PTA annual bingo night. We have had to curtail some of these activities due to COVID-19 but continue to offer support where possible and look forward to being able to return to fulfilling these arrangements when conditions allow us to do so.

SHIPLAKE COURT LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2021

In addition, the catering team have prepared hundreds of freshly cooked meals to support the homeless during the pandemic via the Reading Drop in Centre.

VOLUNTEERS

Former pupils ("Old Vikings") play a major role in marketing the College and take part in a wide range of events and activities. The Parent Teacher Association run a number of events to provide opportunities for parents to meet in a social environment. The Board would like to take this opportunity to say how much we appreciate both groups for their continuing and valuable support for our work along with the many parents that support and assist in a myriad of ways.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

As with all similar schools, the College remains reliant on fee income for the majority of its funding. The Governors are aware of the impact of any increases and will only authorise fee rises in response to unavoidable increases in costs. Due to the restrictions in place on pupils being in school during the Summer Term as a result of COVID-19, the College offered a fee reduction to all parents. Fee income before bursaries and allowances decreased to £11,779,421 (2020: £10,589,644).

The College also takes every opportunity to raise additional funds and improve the quality of the education on offer. As the COVID-19 restrictions were lifted during the year, the College's fund raising activities started to return towards more usual levels. Weddings and other functions restarted and although Ardmore Language Schools have yet to return, some small lets, along with the College's internal rowing and residential camps have resumed. Due to a combination of these factors, total income increased to £11,764,766 (2020: £10,850,850).

To mitigate the impact of the reduced fee income as a result of COVID-19, the College were grateful to be able to benefit of the Coronavirus Job Retention Scheme to furlough certain members of staff.

Wider access to an education at Shiplake College was provided this year and the value of means-tested bursaries made to the College's pupils out of unrestricted funds was £377,159 which represents 3.2% of gross fee income. In addition, the value of scholarships, grants and other awards made to the College's pupils out of unrestricted funds was £668,780 which represents 5.7% of gross fee income. 26 pupils received a means-tested bursary with 9 receiving total discounts of 85% of fees or more.

The surplus before taking account of depreciation was £1,730,322 which represents 14.7% of total income. This level is judged necessary to allow the Governors to invest in new facilities, whilst maintain the existing buildings. The College is privileged to have access to such a magnificent campus, but equally faces a significant and ongoing cost in maintaining the infrastructure, particularly of the older buildings.

During the year Shiplake Court Enterprises generated a surplus of £9,715 (2020: £3,947) and made a donation to the College of £3,450 (2020: £12,465). The trading results are set out in note 5.

Reserves Policy

The Governors have reviewed the reserves of the College. This review encompassed the nature of income and expenditure streams, the need to match them with commitments and the nature of reserves. The Governors are mindful of the affordability of fees in the future and increasing costs, combined with the College's requirements to maintain the fabric of its buildings and to enable new projects to be undertaken. The College continues to prepare for these eventualities and over the longer term intends to build its reserve base. The College's reserves policy is to maintain sufficient funds to sustain the College as a provider of education. The cash policy is to maintain a reserve of approximately 3 months' expenditure of £2,500,000.

As part of the budgeting process, the Governors reviewed the appropriate level of reserves to be retained from income received during the year ended 31 August 2021 to allow the College to continue operations in future periods.

SHIPLAKE COURT LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2021

At the 31 August 2021 total funds comprise:

	£
Unrestricted	
Fixed asset funds	15,575,441
Non-charitable trading funds	14,371
General unrestricted funds	1,438,963
Restricted	
Other restricted funds	2,885
Total	17,031,660

Investment Policy

The College's aims to manage its cash balances to provide for the day to day working capital requirements of its operations, whilst protecting the real long term value of any surplus balances against inflation. In addition the College aims to invest surplus cash funds to optimise return, whilst ensuring the investment instruments are such that there is minimal risk to the loss of these cash balances. The College's free reserves were £1,453,334 at August 2021 (2020: £1,807,343).

Going Concern

At the time of approval of the Annual Report, although the COVID-19 pandemic continues, the national picture has improved. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff. The charity currently holds significant cash balances supplemented, if needed, by an overdraft facility. Demand for school places at October 2021 remains strong, with historically high numbers enrolled for the academic year 2021/22. Conservative cash flow modelling with sensitivity analysis indicates that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis.

Fundraising

During the 2020/21 academic year the Shiplake College community raised £7,899 through a wide range of fundraising events, from home-clothes days and cake sales to park runs. Money raised was donated to local and overseas charities supported by the College. The College, helped by its Parent Teacher Association and alumni (The Old Vikings), raised £16,193 towards facilities and equipment via a number of small level fundraising activities throughout the year. All fundraising activities focus on the current parents and other individuals or organisations connected with the school and the local community. During the financial year, the College did not receive any fundraising complaints requiring action by the Fundraising Regulator.

FUTURE PLANS

The Governors' intention is to maintain Shiplake College as a boarding and day school, with the ethos focused on the provision of outstanding pastoral care. They are also determined to maintain the College's small class sizes and its emphasis on the needs of individual pupils. They intend to continue to provide funds to improve the quality of the existing teaching accommodation and also to update the boarding houses as and when required. The Governors are examining a number of possible options for the future development of the College. These include refurbishment of the science laboratories as well as new playing fields and an amphitheatre for open air performances. Future development plans will be financed primarily from fee income and from our reserves. The Governors need to maintain an equitable balance so that our current pupils benefit whilst, at the same time, ensuring a sound infrastructure and financial base are preserved for the next generation of pupils in the same way as our current pupils benefit today from the investment made in the past.

SHIPLAKE COURT LIMITED
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FOR THE YEAR ENDED 31 AUGUST 2021

FUTURE PLANS (CONTINUED)

The Governors view our bursary and scholarship awards as important in widening access to the education our school provides and are building on and establishing new links with local secondary schools to create mutually beneficial opportunities.

RISK MANAGEMENT

Shiplake College Board of Governors is responsible for the management of the risks faced by the College. Detailed considerations of risk are delegated to the Finance and General Purposes Committee, who are assisted by the senior leadership team. Risks are identified, assessed and controls established throughout the year. A formal review of the charitable company's risk management processes is undertaken on an annual basis.

The key controls used by the charitable company include:-

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

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

Principal risks and uncertainties

The principal and uncertainties to the continued success of the school are assessed as:

- Reputational risk – the principal risk is a current or historic safeguarding failure leading to a loss or reputation. This risk is managed by a balanced approach of controls and training. A culture of safeguarding is embedded throughout the College. Detailed safeguarding and child protection policies are in place. There is regular training and the College has the required and trained designated safeguarding lead. An annual review of safeguarding is undertaken by the Board.
- Financial risk – the principal risk is economic change reducing the affordability of fees and a reduction in pupil numbers and therefore the ability for the College to cover significant capital repairs and replacements. The College mitigates this risk by regular review of its forecasts and reserve levels. To mitigate the uncertainty and risk of a reduction in numbers, the College allocates sufficient funds to provide a resourced marketing department. Pupil recruitment and retention is reported at every meeting of the Finance and General Purposes Committee and also forms part of the headmaster's report to the main board. The provision of appropriate staff and facilities is key to attracting and retaining pupils. The Governors review termly the levels of staffing and through the headmaster ensure that the College offers competitive salary and support packages.
- Performance risk – the principal risk is a worsening of exam results. To mitigate this, performance is regularly monitored by the Education and Welfare Committee and reported directly to the Board.

SHIPLAKE COURT LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2021

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors are responsible for preparing the Annual Report and the statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROVISION OF INFORMATION TO AUDITOR

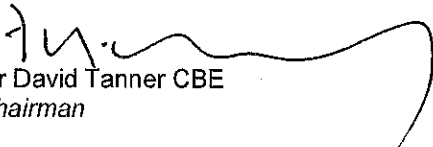
Each of the persons who are Governors at the time when the Governors' Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that 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 auditor is aware of that information.

AUDITORS

A resolution to re-appoint Crowe Clarke Whitehill LLP as the charitable company's auditor will be proposed at the Annual General Meeting.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of Shiplake Court Limited on 3 December 2021, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:


Sir David Tanner CBE
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHIPLAKE COURT LIMITED

Opinion

We have audited the financial statements of Shiplake Court Limited for the year ended 31 August 2021 which comprise the consolidated Statement of Financial Activities, the consolidated Summary Income and Expenditure Account, the Group and Company Balance Sheets, the consolidated 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 group's and the charitable company's affairs as at 31 August 2021 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 Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHIPLAKE COURT LIMITED (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the [strategic report or the] directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHIPLAKE COURT LIMITED (CONTINUED)

In preparing the financial statements, the trustees are responsible for assessing the group's or 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context were The Education (Independent School Standards) Regulations 2014, Health and Safety, General Data Protection Regulations, Safeguarding and Food Standards. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors and other management and inspection of regulatory and legal correspondence, if any

The greatest risk of material impact on the financial statements is from irregularities, including fraud, to be within the timing of recognition of non fee income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, sample testing on non-fee income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

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. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SHIPLAKE COURT LIMITED (CONTINUED)**

these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in blue ink, appearing to read "J. Joyce".

Janette Joyce

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Reading

6 December 2021

SHIPLAKE COURT LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds £	Restricted funds £	Total 31 August 2021 £	Total 31 August 2020 £
INCOME FROM:					
Voluntary income					
Donations and grant income	4	117,325	8,466	125,791	272,399
Charitable activities:					
College fees	5	10,737,689	-	10,737,689	9,762,641
Ancillary trading income	7	730,407	-	730,407	641,752
Income from generated funds:					
Investment income		1,768	-	1,768	23,917
Non-ancillary trading income	8	160,481	-	160,481	150,141
Other income		<u>8,630</u>	-	<u>8,630</u>	-
Total		<u>11,756,300</u>	<u>8,466</u>	<u>11,764,766</u>	<u>10,850,850</u>
EXPENDITURE ON:					
Charitable activities:					
School operating costs		10,660,099	8,466	10,668,565	9,877,130
Raising funds:					
Trading expenses		45,750	-	45,750	37,030
Finance and other costs		<u>91,926</u>	-	<u>91,926</u>	<u>85,654</u>
Total	9	<u>10,797,775</u>	<u>8,466</u>	<u>10,806,241</u>	<u>9,999,814</u>
Net income		958,525	-	958,525	851,036
Other recognised gains					
Fair value movement on derivative contracts		<u>41,936</u>	-	<u>41,936</u>	<u>22,500</u>
Net movement in funds		1,000,461	-	1,000,461	873,536
Fund balances at 1 September 2020		<u>16,028,314</u>	<u>2,885</u>	<u>16,031,199</u>	<u>15,157,663</u>
Total funds at 31 August 2021		<u>17,028,775</u>	<u>2,885</u>	<u>17,031,660</u>	<u>16,031,199</u>

All activities are continuing.

All gains and losses recognised in the year are included in the statement of financial activities.

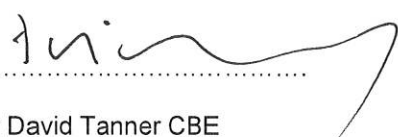
The notes on pages 20 to 38 form part of these financial statements

COMPANY NO: 612809
SHIPLAKE COURT LIMITED
CONSOLIDATED BALANCE SHEET
31 AUGUST 2021


	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible fixed assets	11	16,181,695	14,904,257
CURRENT ASSETS			
Stock	13	15,984	17,819
Debtors	14	3,917,717	3,618,243
Cash at bank and in hand		<u>3,691,802</u>	<u>4,030,299</u>
		7,625,503	7,666,361
CREDITORS: Amounts falling due within one year	15	<u>(6,105,004)</u>	<u>(5,756,465)</u>
NET CURRENT ASSETS		<u>1,520,499</u>	<u>1,909,896</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		17,702,194	16,814,153
CREDITORS: Amounts falling due after more than one year	16	<u>(638,270)</u>	<u>(741,908)</u>
NET ASSETS EXCLUDING PENSION LIABILITY		17,063,924	16,072,245
Pension scheme funding deficit		<u>(32,248)</u>	<u>(41,030)</u>
TOTAL NET ASSETS		<u>17,031,676</u>	<u>16,031,215</u>
CAPITAL AND RESERVES			
Share Capital	18	16	16
Restricted Funds	20	2,885	2,885
Designated Fixed Asset Fund	20	15,575,441	14,220,971
Unrestricted Funds – General funds (School and Trading)	20	<u>1,453,334</u>	<u>1,807,343</u>
		<u>17,031,676</u>	<u>16,031,215</u>

The profit for the financial year dealt within the financial statements of the parent company was £994,196 (2020: £882,054).

Approved and authorised for issue by the Board of Governors on 3 DECEMBER 2021 and signed on its behalf by:-



 Sir David Tanner CBE



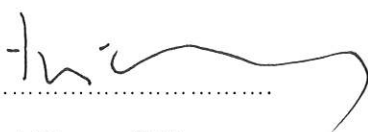
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The notes on pages 20 to 38 form part of these financial statements

COMPANY NO: 612809
SHIPLAKE COURT LIMITED
CHARITY BALANCE SHEET
31 AUGUST 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	11	16,181,695	14,904,257
Investments	12	<u>8</u>	<u>8</u>
		16,181,703	14,904,265
CURRENT ASSETS			
Stock	13	15,984	17,814
Debtors	14	3,922,485	3,657,231
Cash at bank and in hand		<u>3,637,549</u>	<u>3,973,421</u>
		7,576,018	7,648,466
CREDITORS: Amounts falling due within one year	15	<u>(6,069,898)</u>	<u>(5,746,684)</u>
NET CURRENT ASSETS		<u>1,506,120</u>	<u>1,901,782</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		17,687,823	16,806,047
CREDITORS: Amounts falling due after more than one year	16	<u>(638,270)</u>	<u>(741,908)</u>
NET ASSETS EXCLUDING PENSION LIABILITY		17,049,552	16,064,139
Pension scheme funding deficit		<u>(32,248)</u>	<u>(41,030)</u>
TOTAL NET ASSETS		<u>17,017,305</u>	<u>16,023,109</u>
CAPITAL AND RESERVES			
Share Capital	18	16	16
Restricted Funds	20	2,885	2,885
Designated Fixed asset Fund	20	15,575,441	14,220,971
Unrestricted Funds	20	<u>1,438,963</u>	<u>1,799,237</u>
		<u>17,017,305</u>	<u>16,023,109</u>

Approved and authorised for issue by the Board of Governors on **3 DECEMBER 2021**
and signed on its behalf by:-



Sir David Tanner CBE



C Eve

The notes on pages 20 to 38 form part of these financial statements

SHIPLAKE COURT LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	2020 £
Net movement in funds		1,000,461	873,536
Depreciation		729,861	582,535
Profit on disposal of fixed assets		(8,630)	-
Investment income		(1,768)	(23,917)
Bank interest paid		41,572	44,785
(Increase)/Decrease in stock		1,835	(4,139)
Increase in debtors		(299,474)	(57,909)
(Decrease)/increase in creditors		321,933	(133,185)
Movement in pension deficit		(8,782)	(7,873)
Net cash provided by operating activities		<u>£ 1,777,008</u>	<u>£ 1,273,833</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,007,299)	(2,617,928)
Proceeds from the disposal of fixed assets		8,630	-
Investment income		1,768	23,917
Net cash used in investing activities		<u>£ (1,996,901)</u>	<u>£ (2,594,011)</u>
Cash flows from financing activities			
Interest paid		(41,572)	(44,785)
Repayment of loan		(77,032)	(62,587)
Advanced Fee Scheme: Amounts utilised and repaid		-	(68,120)
Net cash used in financing activities		<u>£ (118,604)</u>	<u>£ (175,492)</u>
Change in cash and cash equivalents in the year		(338,497)	(1,495,670)
Cash and cash equivalents at the beginning of the year		<u>4,030,299</u>	<u>5,525,969</u>
Total cash and cash equivalents at the end of the year 26/27		<u>£ 3,691,802</u>	<u>£ 4,030,299</u>

The notes on pages 20 to 38 form part of these financial statements

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. CHARITY INFORMATION

Shiplake College's principal activity continues to be the provision of an independent school with facilities for boarding and day boys aged 11 to 18 and for girls aged 16 to 18. The charity, incorporated by share capital (charity number 309651, company number 612809), is registered in England and Wales. The address of the registered office is Shiplake College, Henley on Thames, Oxon, RG9 4BW.

2. STATEMENT OF ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charitable company and its subsidiary company's financial statements.

a) Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Shiplake Court Limited 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 note(s).

The results of the subsidiary are presented in the consolidated SOFA by disclosing the income and expenditure derived from its activities separately from those of the Charity. An Income and Expenditure account for the subsidiary is included in note 6. The company's assets and liabilities are included in the balance sheet on a line-by-line basis, in accordance with the SORP. No separate SOFA has been presented for the Charity as permitted the Charities SORP and section 408 of the Companies Act 2006.

At the time of approval of the Annual Report, although the COVID-19 pandemic continues, the national picture has improved. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff. The charity currently holds significant cash balances supplemented, if needed, by an overdraft facility. Demand for school places at October 2021 remains strong, with historically high numbers enrolled for the academic year 2021/22. Conservative cash flow modelling with sensitivity analysis indicates that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis

b) Unrestricted general funds

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

c) Designated funds

These are funds set aside by the directors out of unrestricted general funds for specific future purposes or projects.

d) Restricted funds

These are funds that can only be used for specific restricted purposes within the objects of the charitable company as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of relevant overheads.

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

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

2. ACCOUNTING POLICIES (CONTINUED)

e) Income

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

During the year the Charity received £117,325 from the UK Government under the Coronavirus Job Retention Scheme. This income has been recognised under the performance model as permitted by the Charity SORP and therefore recognised on a straight line basis over the furlough period for each relevant employee.

f) Fees and similar income

Fees receivable and 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, scholarships and other remissions granted by the college.

g) Income from pupil extras

Charges are made to pupils to cover the cost of 'Extras'. In some cases the costs slightly exceed the charges made and in others there is a small surplus remaining. The intention is for pupils to pay for these costs but not to achieve a profit on recharging.

h) Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities.

It is summarised under functional headings on a direct cost basis. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the yearly reference to staff time. The irrecoverable element of VAT is included with the item of expense to which it relates.

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

i) Pension schemes

The charitable company contributes to the Teachers Superannuation Scheme at rates set by the scheme actuary and advised to the board by the scheme administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the college. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme.

The charity contributes to the Pensions Trust Growth Plan for certain of its employees. This is in most respects a money purchase arrangement, but does include certain guaranteed benefit elements. The Plan is a multi-employer scheme as it is not possible in the normal course of events to identify the share of the underlying assets belonging to the individual participating employers and accordingly, in accordance with FRS102, is accounted for as a defined contribution scheme with contributions being recorded as they become payable. However, the School also makes deficit contributions to the scheme, in accordance with FRS 102 these payments have been measured at fair value and included as a liability on the balance sheet.

The charity also contributed to a Personal Pension Plan until March 2020. The contributions were charged to the Statement of Financial Activities in the previous financial year.

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

2. ACCOUNTING POLICIES (CONTINUED)

j) Financing costs

Financing costs include amounts accrued in accordance with the terms of the Advance Fee contracts.

k) Tangible fixed assets and depreciation

Depreciation is provided on all tangible assets in order to write off their cost less residual value over their estimated useful lives at the following rates:-

Freehold property	2% on cost
Vehicles, mowers and furniture	25% on cost
Sports equipment and boats	20-25% on cost
Plant and machinery	10% on cost
IT equipment	33% on cost

Items are capitalised on an individual assessment basis.

l) Stocks

Stocks are valued at the lower of cost and net realisable value.

m) Taxation

The company is a registered charity. It has no liability to Corporation Tax on any of its sources of income or any chargeable gains realised to date.

n) Financial instruments

Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost. Note 25 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to fixed asset investments, cash, debtor balances excluding prepayments, and financial liabilities referring to all creditor balances excluding deferred income and social security and other taxes.

Derivatives, including interest rate swaps, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the Statement of Financial Activities. The charity does not currently apply hedge accounting for interest rate derivatives.

o) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

p) 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 2021 have been included within current liabilities. The prior year Pupil fee deposits balance has been similarly represented.

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, which are described in note 2 Governors are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The Governors consider that there are no material judgements in applying accounting policies on key sources of estimation uncertainty.

4. GRANTS AND DONATIONS

	2021 £	2020 £
Donations	8,466	4,035
Coronavirus Job Retention Scheme Grant	<u>117,325</u>	<u>268,364</u>
	<u>125,791</u>	<u>272,399</u>

5. COLLEGE FEES

	2021 £	2020 £
The college's fee income comprised:		
Gross fees	11,779,421	10,589,644
Less: Total bursaries and allowances	<u>(1,041,732)</u>	<u>(827,003)</u>
	<u>10,737,689</u>	<u>9,762,641</u>

6. TRADING INCOME AND EXPENDITURE

Shiplake Court Limited owns 100% of Shiplake Court Enterprises Limited. This company provides catering facilities, entertainment, and recreational activities and donates its annual taxable profits to the college under the Gift Aid Scheme. Trading results extracted from its audited financial statements are shown below:-

	2021 £	2020 £
Turnover	60,537	46,049
Cost of sales	<u>(24,701)</u>	<u>(20,499)</u>
Gross Profit	35,836	25,550
Administrative expenses	<u>(26,121)</u>	<u>(21,603)</u>
Net Profit	9,715	3,947
Retained earnings at the beginning of the year	8,106	16,624
Profit for the year	9,715	3,947
Gift aid donation	<u>(3,450)</u>	<u>(12,465)</u>
Retained earnings at the end of the year	<u>14,371</u>	<u>8,106</u>
Net Assets	<u>14,379</u>	<u>8,114</u>

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

6. TRADING INCOME AND EXPENDITURE (continued)

Included above is £14,355 (2020: £12,217) of income, a management charge of £5,072 (2020: £5,072) and gift aid of £3,450 (2020: £12,465) which are eliminated on consolidation.

The registered office of Shiplake Court Enterprises Limited is: Shiplake College, Henley on Thames, Oxon, RG9 4BW

7. ANCILLARY TRADING INCOME

	2021 £	2020 £
Insurance commission	-	10,819
Registration fees	37,550	34,600
Learning support income	245,810	232,776
Fees in lieu of notice and forfeited deposits	54,470	81,078
Overnight stay income	3,456	16,008
School trips, events and travel	385,259	243,370
Other income	<u>3,862</u>	<u>23,101</u>
	<u>730,407</u>	<u>641,752</u>

8. NON ANCILLARY TRADING INCOME

	2021 £	2020 £
Late payment surcharges	22,591	34,071
Miscellaneous income	9,520	5,729
Trading - turnover	46,182	33,832
Rental income	<u>82,188</u>	<u>76,509</u>
	<u>160,481</u>	<u>150,141</u>

9. TOTAL RESOURCES EXPENDED

	Staff costs £	Depreciation £	Other £	2021 £	2020 £
Charitable expenditure					
Teaching costs	4,420,203	40,680	335,490	4,796,373	4,538,501
Welfare costs	298,384	-	1,029,725	1,328,109	1,136,560
Premises costs	419,315	646,951	1,191,375	2,257,641	2,129,034
Support costs	<u>1,326,016</u>	<u>42,230</u>	<u>918,196</u>	<u>2,286,442</u>	<u>2,073,035</u>
	6,463,918	729,861	3,474,786	10,668,565	9,877,130
Cost of generated funds					
Finance and other costs	-	-	76,616	76,616	65,242
Governance	-	-	15,310	<u>15,310</u>	<u>20,412</u>
CHARITY	6,463,918	729,861	3,566,712	10,760,491	9,962,784
Trading expenditure	-	-	<u>45,750</u>	<u>45,750</u>	<u>37,030</u>
GROUP	<u>6,463,918</u>	<u>729,861</u>	<u>3,612,462</u>	<u>10,806,241</u>	<u>9,999,814</u>

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

9. TOTAL RESOURCES EXPENDED - CONTINUED

	Staff costs £	Depreciation £	Other £	2020 £	2019 £
Charitable expenditure					
Teaching costs	4,159,604	40,680	338,217	4,538,501	4,763,091
Welfare costs	300,984	-	835,576	1,136,560	1,577,371
Premises costs	456,062	499,625	1,173,347	2,129,034	2,133,967
Support costs	<u>1,296,284</u>	<u>42,230</u>	<u>734,521</u>	<u>2,073,035</u>	<u>2,229,588</u>
	6,212,934	582,535	3,081,661	9,877,130	10,704,017
Cost of generated funds					
Finance and other costs	-	-	65,242	65,242	65,449
Governance	-	-	20,412	20,412	14,845
External courses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,079</u>
CHARITY	6,212,934	582,535	3,167,315	9,962,784	10,875,390
Trading expenditure	<u>-</u>	<u>-</u>	<u>37,030</u>	<u>37,030</u>	<u>65,207</u>
GROUP	<u>6,212,934</u>	<u>582,535</u>	<u>3,204,345</u>	<u>9,999,814</u>	<u>10,940,597</u>

Expenditure – Other disclosures		2021 £	2020 £
a)	Charitable expenditure includes: Welfare costs include wages and employment charges paid to outside caterers Minor building and refurbishment costs expensed	<u>438,155</u> <u>268,734</u>	<u>334,571</u> <u>329,626</u>
b)	Charity management and administration includes: Audit fees - Consolidated	<u>15,205</u>	<u>14,775</u>
c)	Finance costs: Fee interest payable to parents Bank charges and interest	- <u>41,572</u>	1,122 <u>44,785</u>
		<u>41,572</u>	<u>45,907</u>
d)	Insurance costs	<u>64,466</u>	<u>55,629</u>
e)	Profit on sale of tangible fixed assets	<u>8,630</u>	<u>-</u>
f)	The directors have trustee's indemnity insurance which is included in the employer's liability insurance of the charitable company.		

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

10. WAGES AND SALARIES

	2021 £	2020 £
Wages and salaries	5,098,967	4,908,838
Social security costs	508,582	498,834
Pension contributions	<u>856,368</u>	<u>805,262</u>
	<u>6,463,917</u>	<u>6,212,934</u>

	No.	No.
The average number of employees in the period was:		
Teaching	86	86
Welfare	14	14
Premises	25	28
Support	<u>50</u>	<u>46</u>
	<u>175</u>	<u>174</u>

The number of employees whose emoluments exceeded £60,000:

£60,001 - £70,000	7	4
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
£120,001 - £130,000	<u>1</u>	<u>1</u>

Number of higher paid employees contributing to a pension scheme 9 6

Total cost of employer's contributions in relation to the above £ 117,524 £ 129,503

The directors received no remuneration or other benefits for the year. During the year no directors (2020: one) were reimbursed expenses of in relation to attendance at trustee training (2020: £97).

Key management personnel include the directors and officers listed on page 1. Key management personnel received aggregate remuneration (including Employers Pension, Employers NI and BIKS) of £550,752 (2020: £548,731).

Included within staff costs are termination payments totalling £9,088 (2020: £Nil).

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

11. TANGIBLE FIXED ASSETS

GROUP	Freehold Property £	Assets in the course of construction £	Fixtures & Fittings £	Boats & Sports Equipment £	Vehicles & Mowers £	Total £
COST:						
At 1 September 2020	16,400,626	4,125,109	1,598,068	763,695	382,105	23,269,603
Additions	-	1,911,882	56,354	39,063	-	2,007,299
Transfers	5,665,131	(5,974,695)	196,598	112,966	-	-
Disposals	-	-	(10,857)	-	(24,190)	(35,047)
At 31 August 2021	<u>22,065,757</u>	<u>62,296</u>	<u>1,840,163</u>	<u>915,724</u>	<u>357,915</u>	<u>25,241,855</u>
ACCUMULATED DEPRECIATION:						
At 1 September 2020	6,347,761	-	1,107,516	650,175	259,894	8,365,346
Charge for the year	412,771	-	220,490	54,191	42,409	729,861
Disposals	-	-	(10,857)	-	(24,190)	(35,047)
At 31 August 2021	<u>6,760,532</u>	<u>-</u>	<u>1,317,149</u>	<u>704,366</u>	<u>278,113</u>	<u>9,060,160</u>
NET BOOK VALUE:						
At 31 August 2021	<u>15,305,225</u>	<u>62,296</u>	<u>523,014</u>	<u>211,358</u>	<u>79,802</u>	<u>16,181,695</u>
At 1 September 2020	<u>10,052,865</u>	<u>4,125,109</u>	<u>490,552</u>	<u>113,520</u>	<u>122,211</u>	<u>14,904,257</u>
CHARITY	Freehold Property £	Assets in the course of construction £	Fixtures & Fittings £	Boats & Sports Equipment £	Vehicles & Mowers £	Total £
COST:						
At 1 September 2020	16,400,626	4,125,109	1,583,708	763,695	382,105	23,255,243
Additions	-	1,911,882	56,354	39,063	-	2,007,299
Transfers	5,665,131	(5,974,695)	196,598	112,966	-	-
Disposals	-	-	(10,857)	-	(24,190)	(35,047)
At 31 August 2021	<u>22,065,757</u>	<u>62,296</u>	<u>1,825,803</u>	<u>915,724</u>	<u>357,915</u>	<u>25,241,855</u>
ACCUMULATED DEPRECIATION:						
At 1 September 2020	6,347,761	-	1,093,156	650,175	259,894	8,350,986
Charge for the year	412,771	-	220,490	54,191	42,409	729,861
Disposals	-	-	(10,857)	-	(24,190)	(35,047)
At 31 August 2021	<u>6,760,532</u>	<u>-</u>	<u>1,302,789</u>	<u>704,366</u>	<u>278,113</u>	<u>9,060,160</u>
NET BOOK VALUE:						
At 31 August 2021	<u>15,305,225</u>	<u>62,296</u>	<u>523,014</u>	<u>211,358</u>	<u>79,802</u>	<u>16,181,695</u>
At 1 September 2020	<u>10,052,865</u>	<u>4,125,109</u>	<u>490,552</u>	<u>113,520</u>	<u>122,211</u>	<u>14,904,257</u>

All assets are used in furtherance of the charity's objects.

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

12. INVESTMENTS – Charity only

	2021 £	2020 £
Charity		
Investment in subsidiary company – 8 ordinary shares of £1 each	<u>8</u>	<u>8</u>

13. STOCKS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Stocks	<u>15,984</u>	<u>17,819</u>	<u>15,984</u>	<u>17,814</u>

14. DEBTORS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Fees ledger	3,608,129	3,384,669	3,608,129	3,384,188
Other debtors	52,505	23,563	52,505	21,076
Shiplake Court Enterprises Limited	-	-	5,118	42,525
Prepayments and accrued income	<u>257,083</u>	<u>210,011</u>	<u>256,733</u>	<u>209,442</u>
	<u>3,917,717</u>	<u>3,618,243</u>	<u>3,922,485</u>	<u>3,657,231</u>

15. CREDITORS: due within one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Bank loans (see note 17)	70,133	85,463	70,133	85,463
Trade creditors	659,858	490,440	638,961	490,379
Social Security and other taxes	5,359	4,885	-	2,965
Other creditors	34,874	43,291	34,874	43,291
Deposits	762,526	711,556	762,526	711,556
Accruals and deferred income	<u>4,572,254</u>	<u>4,420,830</u>	<u>4,563,404</u>	<u>4,413,030</u>
	<u>6,105,004</u>	<u>5,756,465</u>	<u>6,069,898</u>	<u>5,746,684</u>

Deferred income relates to Michaelmas term fees for the 2021/22 financial year that were raised before the end of the current financial year.

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

16. CREDITORS – GROUP AND COMPANY: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans (see note 17)	536,121	597,823
Derivative contract	<u>102,149</u>	<u>144,085</u>
	<u>638,270</u>	<u>741,908</u>

The Group has loan facilities available totalling £606,254 (2020: £683,286). There is a hedging instrument in place to protect the School against increases in interest rates in line with the group's interest rate management policy. The hedging instruments, which have been measured at fair value are recognised in the financial statements in accordance with FRS102.

17. BANK LOANS (GROUP AND COMPANY)

The aggregate amount repayable by instalments

	Group	
	2021 £	2020 £
In less than 1 year	70,133	85,463
Between 1 and 2 years	70,741	79,387
Between 2 and 5 years	216,807	238,161
Greater than 5 years	<u>248,573</u>	<u>280,275</u>
	<u>606,254</u>	<u>683,286</u>

The bank loan is secured by a series of fixed charges over the charitable company's freehold property. Interest on the loan is variable.

As the bank loan is included in the College's consolidated agreement it is technically repayable on demand. However, as the loan has a specific repayment schedule the balances have been disclosed in accordance with these terms.

18. SHARE CAPITAL

	2021 £	2020 £
Allotted, called up and fully paid 16 Ordinary shares of £1 each	<u>16</u>	<u>16</u>

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS - Group

2021	Fixed Assets £	Net Current Assets £	Long Term Liabilities £	Total 2021 £
Restricted Funds	-	2,885	-	2,885
Unrestricted Funds	16,181,695	1,517,598	(670,518)	17,028,775
Share capital	<u>-</u>	<u>16</u>	<u>-</u>	<u>16</u>
	<u>16,181,695</u>	<u>1,520,499</u>	<u>(670,518)</u>	<u>17,031,676</u>
2020	<i>Fixed</i> <i>Assets</i> £	<i>Net Current</i> <i>Assets</i> £	<i>Long Term</i> <i>Liabilities</i> £	<i>Total</i> 2020 £
<i>Restricted Funds</i>	-	2,885	-	2,885
<i>Unrestricted Funds</i>	14,904,257	1,906,995	(782,938)	16,028,314
<i>Share capital</i>	<u>-</u>	<u>16</u>	<u>-</u>	<u>16</u>
	<u>14,904,257</u>	<u>1,909,896</u>	<u>(782,938)</u>	<u>16,031,215</u>

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

20. FUNDS

Restricted Funds 2021	Balance 1 September 2020 £	Incoming Resources £	Resources Expended £	Transfers £	Balance 31 August 2021 £
Sports tour fund	2,885	-	-	-	2,885
Bursaries	-	4,213	(4,213)	-	-
Other restricted funds	-	4,253	(4,253)	-	-
	<u>2,885</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,885</u>

Other restricted funds include donations towards Rugby and a memorial for a former pupil.

Unrestricted Funds 2021	Balance 1 September 2020 £	Incoming Resources £	Resources Expended £	Gains/ (losses) £	Transfers £	Balance 31 August 2021 £
Fixed Asset fund	14,220,971	-	(729,861)	-	2,084,331	15,575,441
General fund	<u>1,799,237</u>	<u>11,710,118</u>	<u>(10,022,164)</u>	<u>41,936</u>	<u>(2,090,164)</u>	<u>1,438,963</u>
CHARITY	16,020,208	11,710,118	(10,752,025)	41,936	(5,833)	17,014,404
Non-charitable trading funds	<u>8,106</u>	<u>46,182</u>	<u>(45,750)</u>	<u>-</u>	<u>5,833</u>	<u>14,371</u>
GROUP	<u>16,028,314</u>	<u>11,756,300</u>	<u>(10,797,775)</u>	<u>41,936</u>	<u>-</u>	<u>17,028,775</u>

Fixed asset fund – This is the value of the College fixed assets less the bank loan.

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

20. FUNDS (continued)

<i>Restricted Funds</i> 2020	<i>Balance</i> 1 September 2019 £	<i>Incoming</i> <i>Resources</i> £	<i>Resources</i> <i>Expended</i> £	<i>Transfers</i> £	<i>Balance</i> 31 August 2020 £	
<i>Other restricted funds</i>	<u>81,893</u>	<u>885</u>	<u>(425)</u>	<u>(79,468)</u>	<u>2,885</u>	
	<u>81,893</u>	<u>885</u>	<u>(425)</u>	<u>(79,468)</u>	<u>2,885</u>	
 <i>Unrestricted Funds</i> 2020	 <i>Balance</i> 1 September 2019 £	 <i>Incoming</i> <i>Resources</i> £	 <i>Resources</i> <i>Expended</i> £	 <i>Gains/</i> <i>(losses)</i> £	 <i>Transfers</i> £	 <i>Balance</i> 31 August 2020 £
<i>Designated fund -</i> <i>Legacy fund</i>	493,094	-	-	-	(493,094)	-
<i>Designated fund -</i> <i>Rowing</i>	154,585	7,548	(9,545)	-	(152,588)	-
<i>Designated fund -</i> <i>Bursary</i>	-	500	(500)	-	-	-
<i>Fixed Asset fund</i>	12,122,991	-	(582,535)	-	2,680,515	14,220,971
<i>General fund</i>	<u>2,288,476</u>	<u>10,808,085</u>	<u>(9,369,779)</u>	<u>22,500</u>	<u>(1,950,045)</u>	<u>1,799,237</u>
 <i>CHARITY</i>	 15,059,146	 10,816,133	 (9,962,359)	 22,500	 84,788	 16,020,208
 <i>Non-charitable</i> <i>trading funds</i>	 <u>16,624</u>	 <u>33,832</u>	 <u>(37,030)</u>	 <u>-</u>	 <u>(5,320)</u>	 <u>8,106</u>
 <i>GROUP</i>	 <u>15,075,770</u>	 <u>10,849,965</u>	 <u>(9,999,389)</u>	 <u>22,500</u>	 <u>79,468</u>	 <u>16,028,314</u>

21. CAPITAL COMMITMENTS

At the year end the school has £22,417 (2020: £Nil) contracted capital commitments.

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

22. PENSIONS

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 £731,067 (2020: £690,524) and at the year-end £nil (2020: £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

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

Until the cost cap mechanism review 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.

Support Staff - Defined Benefit Scheme

Certain employees of Shiplake College Ltd are entitled to membership of the Pension Trust Growth Plan ("the Plan"). This is a multi-employer pension plan. It is not possible for the company to obtain sufficient information to enable it to account for the Scheme as a defined benefit Scheme therefore it is accounted for as a defined contribution scheme.

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

22. PENSIONS (continued)

Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from normal retirement dates. From October 2001, contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefits payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.

If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The latest formal valuation of the Plan at 30 September 2017 was performed by a professionally qualified Actuary using the Projected Unit Method. The market value of the Plan's assets at the valuation date was £794.9 million and the Plan's Technical Provisions (i.e. past service liabilities) were £926.4 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £131.5 million, equivalent to a funding level of 83%.

The School paid deficit contributions of £8,937 (2020: £8,677) during the year as required by the Trustees of the Scheme. The unwinding of the discount factor, and the impact of changes to assumptions has resulted in a £155 charge (2020: £804 charge) to the SOFA, and has been included in pension costs for the year.

Shiplake College Ltd has been advised by the Plan trustee that, in the event that it was to withdraw its membership of the Plan, it had an estimated contingent liability of £176,139 at 30 September 2018. This debt will not crystallise while Shiplake College Ltd continues to have one or more active members in the scheme.

The amount of the above potential debt depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of Shiplake College Ltd, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of the debt can therefore be volatile over time.

Shiplake College Ltd also paid contributions into a defined contribution scheme with The Pensions Trust at rates of between 7-10% totalling £125,301 (2020: £93,440) during the accounting period. Members paid contributions were paid at the rate of 5% during the accounting period.

Finally, there were contributions payable to personal pension schemes of £nil (2020: £20,494), there were no outstanding contributions at either year end.

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

23. RELATED PARTY TRANSACTIONS

The subsidiary, Shiplake Court Enterprises Limited, provides catering facilities, entertainment and recreational activities at Shiplake College. The subsidiary donates its annual taxable profits to the Trust under Gift Aid. The gift aid donation for this year was £3,450 (2020: £12,465). During the year Shiplake Court Limited received a management charge of £5,072 (2020: £5,072). During the year Shiplake Court Limited was invoiced for Pupil Agency fees of £14,355 (2020: £12,217). At the year end the balance outstanding was a debtor of £5,118 (2020: £42,525). Gift aid relating to the 2020/2021 year end will be paid in 2021/2022.

During the year the school instructed The Boarding School Association, of which A Ashton is honorary Treasurer, for services. Total fees charged in the year were £3,845 (2020: £1,894). At the end of the year no balance (2020: £nil) was outstanding.

24. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2021 the School had future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Land and buildings:		
Amounts due in 1 year	22,245	32,864
Amounts due in 2 - 5 years	60,990	71,490
Amounts due in 5 years	<u>-</u>	<u>998</u>
	83,235	105,352
Office equipment:		
Amounts due in 1 year	18,431	19,348
Amounts due in 2 – 5 years	<u>47,782</u>	<u>66,214</u>
	<u>149,449</u>	<u>190,914</u>

During the year lease payments of £43,169 (2020: £49,910) were recognised as an expense within the SOFA.

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

25. FINANCIAL INSTRUMENTS

Financial assets held at amortised cost are fees receivable, other debtors, amounts due from group companies and cash at bank.

Financial liabilities held at amortised cost are bank loans, trade creditors, other creditors and accruals.

Included within financial instruments held at fair value is the pension deficit and derivative contract.

	2021	2020
	£	£
GROUP		
Financial assets measured at amortised cost	7,352,436	7,438,531
Financial liabilities measured at amortised cost	1,591,525	1,437,544
Financial liabilities measured at fair value	134,397	185,115

The group's income, expense, gains and losses in respect of financial instruments are summarised below:

	2021	2020
	£	£
Interest income and expense:		
Total interest income for financial assets held at amortised cost	1,768	23,917
Total interest expense for financial liabilities held at amortised cost	41,572	44,785
Impairment gain/ (loss) (movement in bad debt provision)	31,385	15,278

	2021	2020
	£	£
COLLEGE		
Financial assets measured at amortised cost	7,298,191	7,378,693
Financial liabilities measured at amortised cost	1,561,778	5,629,986
Financial liabilities measured at fair value	134,397	185,115

The group's income, expense, gains and losses in respect of financial instruments are summarised below:

	2021	2020
	£	£
Interest income and expense:		
Total interest income for financial assets held at amortised cost	1,768	23,917
Total interest expense for financial liabilities held at amortised cost	41,572	44,785
Impairment gain/ (loss) (movement in bad debt provision)	31,385	15,278

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

26. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2021 £	2020 £
(Decrease)/increase in cash in the year	(338,497)	(1,495,670)
Loan repayments	<u>77,032</u>	<u>62,587</u>
Change in net debt	(261,465)	(1,433,083)
Net funds at 1 September	<u>3,347,013</u>	<u>4,780,096</u>
NET FUNDS AT 31 August	£ <u>3,085,548</u>	£ <u>3,347,013</u>

27. ANALYSIS OF CHANGE IN NET FUNDS

	<i>Net debt as at 1 August 2020</i>	Cash Change £	Net funds as at 31 August 2021 £
Cash at bank and in hand	4,030,299	(338,497)	3,691,802
Loans	<u>(683,286)</u>	<u>77,032</u>	<u>(606,254)</u>
	<u>3,347,013</u>	<u>(261,465)</u>	<u>3,085,548</u>

SHIPLAKE COURT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

28. COMPARATIVE 2020 STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 31 August 2020 £
<i>INCOME FROM:</i>			
<i>Voluntary income</i>			
<i>Donations and grant income</i>	271,514	885	272,399
<i>Charitable activities:</i>			
<i>College fees</i>	9,762,641	-	9,762,641
<i>Ancillary trading income</i>	641,752	-	641,752
<i>Income from generated funds:</i>			
<i>Investment income</i>	23,917	-	23,917
<i>Non-ancillary trading income</i>	150,141	-	150,141
<i>Other income</i>	-	-	-
<i>Total</i>	<u>10,849,965</u>	<u>885</u>	<u>10,850,850</u>
<i>EXPENDITURE ON:</i>			
<i>Charitable activities:</i>			
<i>School operating costs</i>	9,876,705	425	9,877,130
<i>Raising funds:</i>			
<i>Trading expenses</i>	37,030	-	37,030
<i>Finance and other costs</i>	<u>85,654</u>	<u>-</u>	<u>85,654</u>
<i>Total</i>	<u>9,999,389</u>	<u>425</u>	<u>9,999,814</u>
<i>Net income</i>	850,576	460	851,036
<i>Transfers between funds</i>	79,468	(79,468)	-
<i>Other recognised gains</i>			
<i>Fair value movement on derivative contracts</i>	<u>22,500</u>	<u>-</u>	<u>22,500</u>
<i>Net movement in funds</i>	952,544	(79,008)	873,536
<i>Fund balances at 1 September 2019</i>	<u>15,075,770</u>	<u>81,893</u>	<u>15,157,663</u>
<i>Total funds at 31 August 2020</i>	<u>16,028,314</u>	<u>2,885</u>	<u>16,031,199</u>