

Registered number: 1013863
Charity number: 309925

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS
for the year ended 31 August 2021

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS
for the year ended 31 August 2021

Governors

W J Coley, Chairman
R G F Green, Vice Chairman
J Belbin
A Gough
T J Blades
Mrs P Long
R Outwin-Flinders
R V Peel (resigned 8 June 2021)
Mrs N Pert
Mrs C Asif

Company registered number

1013863

Charity registered number

309925

Registered office

Spratton Hall School, Smith Street, Northampton, NN6 8HP

Company secretary

W J Coley

The Head

S J S Clarke

Independent auditor

Crowe U.K. LLP, Black Country House, Rounds Green Road, Oldbury, West Midlands, B69 2DG

Bankers

Lloyds TSB Bank Plc, George Row, Northampton, NN1 1DJ

Solicitors

Scott Fowler, 23-24 Sandhill Road, Northampton, NN5 5LH

The Bursar

C Cull

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GOVERNORS' REPORT
for the year ended 31 August 2021

The Governors present their annual report for the year ended 31 August 2021 under the Companies Act 2006 and Charities Act 2011, together with the audited financial statements for the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

Spratton Hall School Trust Limited is a charitable company limited by guarantee and governed by its memorandum and articles of association. The members of the charitable company are the Governors whose guarantee is limited to an amount not exceeding £1. The registered charity number is 309925 and the registered company number is 1013863.

METHOD OF APPOINTMENT OR ELECTION OF GOVERNORS

The Governors who are also the Charity Trustees and the Directors of the Company, who served during the year are detailed below.

W J Coley * (Chairman)
R G F Green~ ** (Vice Chairman)
J Belbin ~
T J Blades * +
A Gough +
P Long N *
R Outwin Flinders ^
R V Peel (resigned 8/6/21)
N Pert ~ **
C Asif ~ **

- * Member of Bursary Committee
- ** Member of Fund Raising Committee
- ^ Member of Education Committee
- ~ Member of Governance & Nominations Committee
- + Member of Audit Committee

New Governors are elected at a full Governors' meeting by the agreement of all current serving Governors. Selection is based on eligibility, personal competence and specialist skills whilst recognising the value of diversity on the Board. Nominations are widely sought and are considered by the Nominations Committee (chaired by Mr R Green) which recommends new appointments for consideration by the Governing body as a whole.

The Bursaries Committee (chaired by Mr W Coley) reviews grant applications, means testing and proposes bursary policy to the Governing Body.

The Audit Committee (chaired by Mr T Blades) reviews the financial management and financial reporting of the School. It meets the external auditors at least twice per year and reviews other financial information as required.

The Development Committee is instrumental in proposing capital development within the school, reviews development plans and monitors structural work reporting to the full Governing body at least three times per year.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

The School is a member of the Association of Governing Bodies in Independent Schools (AGBIS). The Association produces a detailed set of guidelines for Governors and all Governors have a copy and are familiar with the guidelines. Governors are encouraged to attend courses run by AGBIS and other relevant training.

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GOVERNORS' REPORT (CONTINUED)
for the year ended 31 August 2021

Governors receive the AGBIS newsletter with topical information.

A formal induction programme for newly appointed Governors is provided through a briefing by the Chairman of Governors and Head Master, the provision of AGBIS guidelines and encouragement to attend relevant courses. Further information is provided about the School by specific staff presentations at the start of each Governors' Meeting. All Governors are encouraged to attend regular seminars and training to maintain their understanding of best practice and relevant legislation.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The full body of Governors meets at least 3 times a year to determine the general policy of the charitable company and review its overall management and control for which it is legally responsible. Decisions are made through discussion and consultation, both internally and externally where necessary. Additional meetings and sub committees are scheduled as required.

The daily running of the School is delegated to the Headmaster and the Bursar, as key management personnel, supported by other teaching members of the senior management team.

The School development plan is reviewed annually by the Governors and Senior Strategy Team, which comprises the Head, the Deputy Head, the Director of Studies and the Bursar. Targets are highlighted by staff through discussion and annual departmental development plans.

The Headmaster and Bursar prepare the annual budget, identifying expenditure levels for the next academic year for the consideration, discussion and approval by the Governors.

PAY POLICY FOR SENIOR STAFF

Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel. Staff costs are the largest single element of charitable expenditure. The Governors recognise that the exceptional teacher to pupil ratio and quality of staff is at the heart of the school's philosophy and its achievements. Independent reviews and staff costs reflect this.

Remuneration is set by the Board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success. The appropriateness and relevance of the remuneration policy is reviewed annually, including references to comparisons with other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere.

GOVERNORS' INDEMNITIES

In accordance with normal commercial practice the School has purchased insurance to protect Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on School business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2021 was £3,819 (2020 - £3,819).

OBJECTIVES AND ACTIVITIES

POLICIES AND OBJECTIVES

The objects of the charitable company are the advancement of education and the provision of high quality day schooling for children of both sexes between the ages of 4 and 13. In furthering this objective the Governors, as the charity trustees, have complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the Public Benefit requirement under that Act.

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GOVERNORS' REPORT (CONTINUED)
for the year ended 31 August 2021

The School's Mission statement is:

"To educate girls and boys in an inspirational and dynamic, yet caring and supportive coeducational environment. We aim to provide the best experiences, developing the talents of individuals and supporting them so that they can meet the challenges of later years".

STRATEGIES FOR ACHIEVING OBJECTIVES

School aims:

- to provide a challenging, yet caring and supportive, environment for learning in which each pupil is able to develop their personality, talents, mental and physical capability to achieve the highest standards of which they are capable;
- to meet the personal and social needs of each individual in a healthy, safe and secure school environment which is dedicated to their care and welfare;
- to seek partnership and develop a culture of trust, openness and self evaluation so that everyone can benefit from good relationships between the school, the home, the local community and the wider world; and
- to maintain a high level and quality of service in a cost effective manner.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Objectives and significant activities are clearly identified in the School development plan and through the annual self-evaluation. All targets identified have designated success criteria. Each is assessed against these criteria to establish the level of success achieved. A final review highlights any targets to be carried forward to the next phase of development.

BURSARIES, GRANT MAKING POLICIES AND INVOLVEMENT IN THE WIDER COMMUNITY

The Governors recognise that widening access and schooling pupils from a range of backgrounds enhances the school community and contributes to a vibrant School community. The School does not have significant reserves to enable the establishment of a formal bursary reserve but the Governors are proud that funds are made available annually to allow a number of subsidised places to assist parents that could otherwise not afford the full fees. Such places are limited but these bursaries have been life-changing for some of those that the school has been able to help. The Bursaries committee considers all circumstances involved in a grant application, including where appropriate means testing and interviews, with a view to making grants as fairly and as effectively as possible. All grants are subject to annual review. Applications are encouraged on an annual basis. These are reviewed by a bursary committee before financial assistance is offered where it is considered to be appropriate. Additionally, funds exist which enable the Headmaster to make a short term award to support any parent facing temporary financial difficulties. In the academic year bursaries covering a proportion of the full fees, were awarded to parents to enable their children to attend the School.

Educational opportunities are also extended to a wider population of children through the organisation of regular, stimulating sporting, musical and other educational events for children from local primary schools. The Governors believe that sharing facilities and creating opportunities for local schools strengthens relationships and enhances the educational experience that the school can offer enriching the lives of its pupils and staff as well as helping the community. The Governors recognise the value of integrating with the village of Spratton and the importance of working with the local community. The school gives assistance to a variety of local charities, societies and community groups through the provision of facilities including meeting rooms, other accommodation, sports facilities and car parking. The pupils are encouraged to engage in fund-raising events for charities both near and far. There were numerous events held in the year 2020/21 which raised £7,300 for good causes.

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GOVERNORS' REPORT (CONTINUED)
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DEVELOPMENT PLANS

In continued support of our ongoing objectives of providing a safe and secure environment for pupils, of maintaining and enhancing the school premises and buildings and the quality of the learning environment, long term plans have been drawn up for major building developments within the school. The first phase of the project, which included building a new changing room block and new hard courts for tennis and netball, was completed in 2019. In addition a number of outbuildings belonging to a neighbouring property were purchased. These additions provide safe access between the new changing room building and sports courts and the existing school buildings, and will in due course, enhance the scope of the future developments planned within the school. It is intended that subsequent phases, to include a new dining room, toilet facilities, medical facility and two new classrooms together with modernisation of the art block will follow when funding allows. A new detailed master plan is currently being prepared by architects working closely with the Senior Management team within the school. The master plan was delayed due to the uncertainties arising from the outbreak of Coronavirus but will be reviewed again in 2022.

SAFEGUARDING

The Governors recognise that safeguarding of the children at Spratton Hall is of paramount importance. The Governors review and monitor safeguarding procedures regularly and a designated Governor has lead responsibility for child protection issues, liaising regularly with the Designated Safeguarding Lead and Head of Pastoral Care. Reviews are regularly reported and discussed at each full meeting of the Governors. All members of staff are well informed and receive regular training about Safeguarding incorporating all specific forms of abuse, including peer on peer abuse, sexual harassment and violence between children and CSE. All school staff are trained in the new 'Keeping Children Safe in Education (2020) legislation, and all changes within this new legislation have been implemented. All pastoral staff, the Senior Management team, Designated Safeguarding Lead, Matron and Heads of Year, continue to meet at least on a weekly basis. All staff recruitment continues to adhere to and comply with "Safeguarding Children and Safer Recruitment in Education" and the Safeguarding Children Training register is regularly maintained.

COMMUNICATION

The School operates an effective management information system which provides feedback to both pupils and parents. This includes electronic reporting to parents via the Parent Portal, Tapestry a learning journal for Reception pupils, and face to face feedback through parent/teacher and parent/tutor meetings. These meetings discuss targets, CAT and MidYIS scores, exam results and general progress. Written reports on each child are also sent home at the end of each academic year. This information is also relayed through a tracking system. Weekly information about School events and changes to the calendar are communicated through the weekly Newsletter which is sent electronically via email. Additionally, Facebook and Instagram posts and Twitter feeds are regularly updated with information about events and School successes. Important information for parents is also included in a separate section on the School website where key policies and other useful information is always available. This year has seen the introduction of new software which gives parents access to all the relevant information about sporting fixtures and teams in which their children are participating. The existing software that already allows regular updates for parents to be sent via text messaging and emails has also been updated to allow parents to reply to letters sent home regarding their children's participation in a large variety of extra school activities.

The School periodically uses online surveys to garner feedback from parents on current activities and future developments.

CORONAVIRUS

The global pandemic which first posed a massive challenge to the world in 2020 continued to impact many aspects of school life throughout the 2020/21 academic year. Pupils, staff, parents and the school as a whole rose to the challenge, adapting to new working practices and adjusting, ensuring that Spratton Hall School

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continues to thrive.

While it is recognised that the virus has not been defeated, the Governors consider that the school has weathered the storm as well as any independent school and a good deal better than most. Fee reductions were offered for the spring term 2021. Parents responded positively both to the lower fees and the quality of the online teaching offered. The academic staff led by an energetic and inspirational senior leadership team worked extremely hard to develop and deliver an exceptional virtual learning programme that was very well received by parents and all efforts were made to bring the children back to school as soon as the guidance allowed. It has been demonstrated that all the staff are now experienced in the delivery of an exceptional virtual learning programme.

The Governors would like to place on record their thanks to all the staff and in particular the Headmaster and the senior leadership team for their extraordinary efforts to ensure all Spratton Hall pupils continue to receive an excellent educational experience, despite the pandemic.

GOING CONCERN

Given the uncertainty that the coronavirus has created the Governors have looked especially carefully at the financial implications for Spratton Hall. The School is in the fortunate position of having cash reserves and no borrowings. Capital spending plans were put on hold and fees for the 2020-21 academic year were held at the prior year levels. Pupil numbers for 2020-21 remained strong with a healthy number of new registrations on the back of recommendations from parents of existing pupils who in many cases have witnessed the quality of the education and the dedication of the staff at closer quarters than ever before. The finances of the school are, of course, monitored closely and the Governors consider that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

KEY FINANCIAL PERFORMANCE INDICATORS

The Governors assess the financial performance of the Charitable Company, carefully recognising the importance of generating funds to maintain its objectives of high quality education. Pupil numbers, fee levels and cash generation are important financial indicators and parental satisfaction and independent feedback are crucial to the longer term financial strength. Our financial performance indicators remain good. We continue to be pleased with pupil recruitment, particularly when compared to that of our competitor preparatory schools. Annual budgets are realistically set, monitored, and compared to actual expenditure on a termly basis. Any variations are investigated and detailed to Governors at the regular meetings. The cash generated throughout the year ensures that funds are available for the future capital developments planned by the Governors.

Key financial performance indicators include:

	2021	2020
Average Pupil Numbers	350	361
Net Income	£87k	£77k
Cash (outflow)/generation	£466k	£246k

KEY NONFINANCIAL PERFORMANCE INDICATORS

These include:

	2021	2020
Year 8 pupils transferring to school of choice	100%	100%
Scholarships won by Year 8 pupils	21	9
Average Teacher: Pupil ratio	1:8.4	1:8.3

In addition, less easily measured factors in both academic and non-academic areas are evaluated by the

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Governing body. Parental satisfaction, independent feedback, the achievements of former pupils and awards in all areas are considered to be essential measures of the School's performance in developing talented individuals who are proud to be schooled at Spratton Hall and take their place in the local community and the wider world.

FUNDRAISING ACTIVITIES/INCOME GENERATION

The Charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

CHARITY GOVERNANCE CODE

The Governors continue to observe and be guided by the latest iteration of the Charity Governance Code. As guardians of the Charity the Governors recognize the importance of ensuring they continue to address the key areas addressed by the Code. Meetings both formal and informal are guided by observing the key issues raised in the Code namely Organisational Purpose, Leadership, Integrity, Decision making, Board Effectiveness, Diversity and Openness and Accountability. The Trustees view the adoption of matters addressed in the Code as a continuous process and while the majority of the points are already integrated into the way the School is governed the matters raised in the Code will continue to underpin future Trustee activity in governing the School.

FINANCIAL REVIEW

The charitable company generated a surplus for the year of £87,334 (2020: £77,079). Unrestricted funds amounted to £5,614,665 at 31 August 2021 (2020: £5,525,088) and restricted funds amounted to £Nil (2020: £2,243). Cash surpluses are earmarked for the further development of the school but due to the uncertainty created by the Coronavirus this spending has been delayed.

PRINCIPAL RISKS AND UNCERTAINTIES

The Governors examine the major risks that the School faces throughout the year. The charitable company has developed systems to manage, control and mitigate these risks so as to manage any future impact they may have on the School. The School's risk report is a permanent agenda item for meetings of Governors. Action points identified at the time of review are addressed as appropriate. The Governors consider that the risk with the greatest potential effect for the School continues to be a fall in pupil numbers. This might arise through a loss of reputation, fees becoming unaffordable or future Government action penalising independent schools. Mitigating against the risk of reduction in revenue, through maintaining strong pupil numbers across all sections of the school, is key to the long-term viability of the School. The School therefore places strong emphasis on academic excellence, supporting affordability and preserving its reputation as an outstanding school. The Coronavirus pandemic has tested the School's ability to withstand external challenges, but the Governors believe that appropriate measures ensure the long term viability and success of the School.

Constant monitoring, reviews and surveys of parents and pupils coupled with high standards in everything that we do, aim to minimise the controllable primary risks identified by the Governors' review process, ensuring that our offering is the best it can be and that we continue to be the pre-eminent school of our type in the area.

RESERVES POLICY

The school senior management team recognise the importance of balancing the current success with long term prosperity to sustain outstanding education at the school over both the long and short term. The level of reserves is monitored and reviewed on a termly basis and forecasts updated as required.

Reserves are subjected to sound active financial management and are maintained at a level considered by Governors to be appropriate for the school at any particular time, thus enabling effective management of any unforeseen financial difficulties or uncertainty, ensuring the sustainability of the activities of the school and assisting in the strategic and forward financial planning of the Governors. This approach has been vindicated by the Coronavirus pandemic.

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for the year ended 31 August 2021

Reserves are held in the form of unrestricted funds, derived from annual surpluses, which are freely available to ensure the ongoing effective operation of the school, thus ensuring overall financial resilience and security for the pupils and staff. Based on projected pupil numbers and anticipated running costs, the Trustees consider that it is prudent to aim to maintain a minimum unrestricted cash reserve of £500,000. This is designed to cope with unforeseen circumstances and allow time for any necessary operational changes to be implemented. The reserves, which for added security are held across 3 separate banking organisations, are accumulated in order to provide for future funding requirements and to facilitate reinvestment in the development of the facilities of the school by way of capital projects. It is important that the school budgets to make regular annual surpluses which, over time can be invested in buildings, equipment and infrastructure as well as allowing for unforeseen circumstances such as Covid 19.

The Governors have a long term building plan which necessitates cash resources but the time span for this plan is dependent upon increasing reserves whilst maintaining the current quality of education and infrastructure. The current reserves current policy is to progressively increase reserves to finance the next stage of the school's building plan.

The Governors consider that the current level of reserves is adequate to ensure the future financial resilience of the school.

During the year ended 31 August 2021 the charitable company's total reserves amounted to £5,614,665 (2020: £5,527,331) and free reserves available for development of the school amounted to £988,211 (2020: £637,977). This is above the policy to maintain a minimum unrestricted cash reserve at any time of £500,000 but is currently considered appropriate given the uncertainties stemming from Covid 19 and the development plans that are being formulated.

INVESTMENTS POLICY

Cash reserves at the beginning of each term are held for current use by the charitable company. Treasury management ensures maximum returns for short term deposits without taking inappropriate risks.

PLANS FOR FUTURE PERIODS

The strategic targets for the next five years are outlined in the School development plan. Each target is reviewed annually through discussion with staff, the Senior Management Team and Director Governors. The overriding aims are:

- To continue to provide an all-round excellent education in an inspirational and dynamic environment
- To continue the support of our pupils to enable them to reach their full potential
- To continue to set high standards for life and provide our pupils with the quality of character required for them to flourish in their chosen senior school and beyond

The Governors' development plans for the school estate are:

- To create a new dining room
- To build 2 new classrooms, a new medical room and an improved Art department

Environmentally the School has appointed a Head of Sustainability. Under this leadership the School will continue

- To further develop the school's sustainability building on the current policy of banning all single use plastics
- To ensure that the new development meets best practice for fuel and water consumption and 'environmental footprint'
- To plant more trees to 'capture carbon and enhance the school estate'

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GOVERNORS' REPORT (CONTINUED)
for the year ended 31 August 2021

- To identify more opportunities to integrate solar panels into school buildings such as those on the roof of the Bickley Building

GOVERNORS' RESPONSIBILITIES STATEMENT

The Governors (who are also directors of Spratton Hall School Trust Limited for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the 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 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 Governors are required to:

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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Governors

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

AUDITOR

The auditor, Crowe U.K. LLP, has indicated its willingness to continue in office. The Designated Governors will propose a motion reappointing the auditor at a meeting of the Governors.

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


W J Coley
Chairman

22 February 2022

SPRATTON HALL SCHOOL TRUST LIMITED
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRATTON HALL SCHOOL TRUST LIMITED

Opinion

We have audited the financial statements of Spratton Hall School Trust Limited (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of financial activities, the balance sheet, the 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 charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis 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 charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRATTON HALL SCHOOL TRUST LIMITED (CONTINUED)

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:

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRATTON HALL SCHOOL TRUST LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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, taxation legislation, 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 for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of fee income (other than school fees), donations and ancillary income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, 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 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.

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.

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRATTON HALL SCHOOL TRUST
LIMITED (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 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kerry Brown

Kerry Brown (senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 7 March 2022

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
for the year ended 31 August 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	4	7,444	-	7,444	68,774
Charitable activities:					
School fees receivable		4,288,112	-	4,288,112	4,167,778
Ancillary trading income		140,341	-	140,341	205,097
Investments	7	2,551	-	2,551	4,898
Other income	8	82,923	-	82,923	179,355
		<u>4,521,371</u>	<u>-</u>	<u>4,521,371</u>	<u>4,625,902</u>
Total income					
Expenditure on:					
Financing costs	9	1,503	-	1,503	1,750
Charitable activities	10	4,432,534	-	4,432,534	4,547,073
		<u>4,434,037</u>	<u>-</u>	<u>4,434,037</u>	<u>4,548,823</u>
Total expenditure					
Net income					
Transfers between funds	20	87,334 2,243	- (2,243)	87,334 -	77,079 -
		<u>89,577</u>	<u>(2,243)</u>	<u>87,334</u>	<u>77,079</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		5,525,088	2,243	5,527,331	5,450,252
Net movement in funds		89,577	(2,243)	87,334	77,079
		<u>5,614,665</u>	<u>-</u>	<u>5,614,665</u>	<u>5,527,331</u>
Total funds carried forward					

The notes on pages 17 to 37 form part of these financial statements.

SPRATTON HALL SCHOOL TRUST LIMITED
 (A company limited by guarantee)
 Registered number: 1013863

BALANCE SHEET
 as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	4,626,454	4,889,354
Current assets			
Stocks	15	53,700	48,730
Debtors	16	114,909	142,905
Cash at bank and in hand		1,567,774	1,101,970
		1,736,383	1,293,605
Creditors: amounts falling due within one year	17	(658,321)	(572,784)
Net current assets		1,078,062	720,821
Total assets less current liabilities		5,704,516	5,610,175
Creditors: amounts falling due after more than one year	18	(89,851)	(82,844)
Total net assets		5,614,665	5,527,331
Charity funds			
Restricted funds	20	-	2,243
Unrestricted funds	20	5,614,665	5,525,088
Total funds		5,614,665	5,527,331

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

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



22 February 2022

W J Coley
Chairman

The notes on pages 17 to 37 form part of these financial statements.

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
for the year ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	22	520,538	445,259
		<hr/>	<hr/>
Cash flows from investing activities			
Dividends, interests and rents from investments		2,551	4,898
Purchase of tangible fixed assets		(57,285)	(204,357)
		<hr/>	<hr/>
Net cash used in investing activities		(54,734)	(199,459)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		465,804	245,800
Cash and cash equivalents at the beginning of the year		1,101,970	856,170
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	23	1,567,774	1,101,970
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 17 to 37 form part of these financial statements

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

1. General information

Spratton Hall School Trust is a Company Limited by Guarantee (registered number 1013863), incorporated and registered in England. It's charity registration number is 309925. The registered office and principal place of business is Spratton Hall School, Smith Street, Northampton, NN6 8HP. The members of the company are the Governors named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

Its principal activities are the advancement of education and the provision of day schooling for children of both sexes between the ages of 4 and 13.

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.

Spratton Hall School Trust 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.

2.2 Going concern

Given the uncertainty that the coronavirus has created the Governors have looked especially carefully at the financial implications for Spratton Hall. The School is in the fortunate position of having cash reserves and no borrowings. Capital spending plans were put on hold and fees for the 2020-21 academic year were held at the prior year levels. Pupil numbers for 2020-21 remained strong with a healthy number of new registrations on the back of recommendations from parents of existing pupils who in many cases have witnessed the quality of the education and the dedication of the staff at closer quarters than ever before. The finances of the school are, of course, monitored closely.

After making appropriate enquiries, the Governors therefore consider that the Company has adequate resources to continue in operational existence for the foreseeable future and it is therefore appropriate to continue to adopt the going concern basis in preparing the financial statements.

2.3 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 Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

2. Accounting policies (continued)

2.4 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised.

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.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

Depreciation 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 not charged on freehold land.

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Property improvements	- 10% straight line
Plant and machinery	- 20-33.3% straight line
Motor vehicles	- 25% straight line
Fixtures and fittings	- 20-33.3% straight line

As permitted by the transitional provisions of FRS 102, the company has elected not to adopt a policy of revaluation of tangible fixed assets. The company will retain the book value of land and buildings, previously revalued at 12 December 1998, as deemed cost and will not update that valuation.

2.5 Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

2.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.7 Debtors

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

2.8 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.

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

2. Accounting policies (continued)

2.9 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. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.10 Financial instruments

The Company 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.

2.11 Fees

Fees receivable consist of charges billed for the School Year ending 31 August, less bursaries and allowances. Fees received for education to be provided in future years are carried forward as deferred income.

2.12 Investment income

Investment income, including associated income tax recoveries, is recognised when receivable.

2.13 Donations

Donations subject to specific wishes of donors are carried to the relevant restricted fund. Any donations received for general purposes are credited to the unrestricted fund. Donations are accounted for when received.

2.14 Government grants

Government grants are credited to the statement of financial activities as the related expenditure is incurred.

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

2. Accounting policies (continued)

2.15 Expenditure

Expenditure is incurred when there is a legal or constructive obligation committing the school to the expenditure.

Expenditure is summarised under functional headings either on a direct cost basis or, for overhead costs, apportioned according to management estimates of staff time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

Charitable expenditure represents the direct costs, accommodation costs and depreciation incurred in the pursuance of the charitable objectives as stated in the Governors' report.

Governance costs comprise the costs of running the school, including strategic planning for its future development, also internal and external audit, any legal advice and the costs of complying with constitutional and statutory requirements.

2.16 Pensions

The School contributes to the Teachers' Pension Defined Benefits Scheme and to The Independent Schools' Pension Scheme at rates set by the Scheme Actuaries and advised to the Board by the Scheme Administrators. The Schemes are multi-employer pension schemes and it is not possible to identify the assets and liabilities of each Scheme which are attributable to the Charity. In accordance with FRS 102 the schemes are accounted for as defined contribution schemes and contributions are accounted for when advised as due by the Scheme Administrators.

The School also pays pension contributions into defined contribution personal pension plans of certain employees.

Pension costs are recognised in the statement of financial activities in the accounting period in which contributions are payable.

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. There are no 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.

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

4. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Donations	7,444	-	7,444
<i>Unrestricted funds 2020</i>			
	<i>£</i>	<i>£</i>	<i>£</i>
Donations	27,874	40,900	68,774

5. School fees receivable

	2021 £	2020 £
Gross fees	4,435,546	4,318,492
Less: Total scholarships, bursaries and awards	(147,434)	(150,714)
	4,288,112	4,167,778

In 2021 and 2020 all of the total income from school fees was to unrestricted funds.

Scholarships, bursaries and awards were paid for a total of 50 pupils (2020: 48). Within this bursaries totalling £35,456 were paid to 10 pupils (2020: £62,971 to 18 pupils).

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

6. Ancillary trading income

	2021	<i>2020</i>
	£	£
Entrance and registration fees	3,900	6,369
Music tuition fees	45,873	27,550
School fee protection	9,457	11,473
School shop sales	60,590	40,637
Excursions	5,748	104,728
Facilities hire	675	1,330
Other income	14,098	13,010
	140,341	<i>205,097</i>
	140,341	<i>205,097</i>

In 2021 and 2020 all of the total income from ancillary trading was to unrestricted funds.

7. Investment income

	Unrestricted funds	Total funds
	2021	2021
	£	£
Bank interest received	2,551	2,551
	2,551	2,551
	<i>Unrestricted funds</i>	<i>Total funds</i>
	<i>2020</i>	<i>2020</i>
	£	£
Bank interest received	4,898	4,898
	4,898	4,898

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

8. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £
Trip insurance claim	13,248	13,248
Government grant	69,675	69,675
Total 2021	82,923	82,923

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Government grant	179,355	179,355
<i>Total 2020</i>	<i>179,355</i>	<i>179,355</i>

The government grant received related to the Coronavirus Job Retention Scheme.

9. Financing costs

	Unrestricted funds 2021 £	Total funds 2021 £
Bank charges	1,503	1,503

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Bank charges	1,750	1,750

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Total funds 2021 £
Teaching costs	2,888,735	2,888,735
Welfare costs	287,615	287,615
Premises	586,673	586,673
Support costs and governance	669,511	669,511
	<hr/> 4,432,534 <hr/>	<hr/> 4,432,534 <hr/>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Teaching costs	3,031,997	3,031,997
Welfare costs	286,364	286,364
Premises	616,063	616,063
Support costs and governance	612,649	612,649
	<hr/> 4,547,073 <hr/>	<hr/> 4,547,073 <hr/>

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

10. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2021 £	Depreciation 2021 £	Other costs 2021 £	Total funds 2021 £
Teaching costs	2,686,366	82,245	120,124	2,888,735
Welfare costs	180,546	-	107,069	287,615
Premises	74,979	237,940	273,754	586,673
Support costs and governance	443,819	-	225,692	669,511
	<u>3,385,710</u>	<u>320,185</u>	<u>726,639</u>	<u>4,432,534</u>

Support costs include finance and marketing costs, general expenses and governance costs of £14,165 (2020: £13,311) which relate to auditors fees.

	Staff costs 2020 £	Depreciation 2020 £	Other costs 2020 £	Total funds 2020 £
Teaching costs	2,718,651	110,585	202,761	3,031,997
Welfare costs	177,855	-	108,509	286,364
Premises	64,627	339,104	212,332	616,063
Support costs and governance	444,840	-	167,809	612,649
	<u>3,405,973</u>	<u>449,689</u>	<u>691,411</u>	<u>4,547,073</u>

11. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	11,425	11,200

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

12. Staff costs

	2021 £	2020 £
Wages and salaries	2,700,222	2,710,151
Social security costs	253,836	255,674
Pension costs	431,652	440,148
	<u>3,385,710</u>	<u>3,405,973</u>

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

	2021 No.	2020 No.
Teaching	62	66
Welfare and premises	18	18
Support, management and administration	17	19
	<u>97</u>	<u>103</u>

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-

The total employee remuneration and benefits of the senior management team was £690,124 (2020: £635,229).

13. Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, expenses totalling £NIL were reimbursed or paid directly to Governor (2020 - £484 to 3 Governors). The Governors reimbursement of expenses related to travel.

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

14. Tangible fixed assets	Freehold land and property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Property improvements £	Assets under construction £	Total £
Cost or valuation							
At 1 September 2020	5,503,663	707,747	64,293	224,160	3,228,319	17,601	9,745,783
Additions	-	33,381	-	-	23,904	-	57,285
Disposals	-	(57,714)	-	(2,434)	(62,996)	-	(123,144)
At 31 August 2021	<u>5,503,663</u>	<u>683,414</u>	<u>64,293</u>	<u>221,726</u>	<u>3,189,227</u>	<u>17,601</u>	<u>9,679,924</u>
Depreciation							
At 1 September 2020	1,138,693	558,394	61,993	221,847	2,875,502	-	4,856,429
Charge for the year	98,930	80,270	1,150	825	139,010	-	320,185
On disposals	-	(57,714)	-	(2,434)	(62,996)	-	(123,144)
At 31 August 2021	<u>1,237,623</u>	<u>580,950</u>	<u>63,143</u>	<u>220,238</u>	<u>2,951,516</u>	<u>-</u>	<u>5,053,470</u>
Net book value							
At 31 August 2021	<u>4,266,040</u>	<u>102,464</u>	<u>1,150</u>	<u>1,488</u>	<u>237,711</u>	<u>17,601</u>	<u>4,626,454</u>
At 31 August 2020	<u>4,364,970</u>	<u>149,353</u>	<u>2,300</u>	<u>2,313</u>	<u>352,817</u>	<u>17,601</u>	<u>4,889,354</u>

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

14. Tangible fixed assets (continued)

Included in land and buildings is freehold land at a cost of £556,834 (2020: £556,834) which is not depreciated.

The net book amount of tangible fixed assets at 31 August 2021 and August 2020 represents fixed assets used solely for direct charitable purposes.

The freehold property was valued by external valuers, Barnes Noble Edwards, Chartered Surveyors as at 12 December 1998 on the basis of depreciated replacement cost in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors.

Cost or valuation at 31 August 2021 is as follows:

	2021 £	2020 £
At cost	1,676,460	1,676,460
At valuation (1998)	1,355,000	1,355,000
	3,031,460	3,031,460

15. Stocks

	2021 £	2020 £
Finished goods and goods for resale	53,700	48,730
	53,700	48,730

Stock recognised as an expense in the Statement of Financial activities during the year was £35,674 (2020: £12,193).

16. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	30,658	22,648
Other debtors	976	1,286
Prepayments and accrued income	83,275	118,971
	114,909	142,905

SPRATTON HALL SCHOOL TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

17. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	103,334	55,483
Other taxation and social security	62,759	62,937
Other creditors	-	25,457
Pension scheme deficit funding liability	3,660	3,597
Advance fees	404,611	311,482
Fee deposits - see note 19	23,500	17,625
Accruals and deferred income	60,457	96,203
	<u>658,321</u>	<u>572,784</u>

Included in accruals are amounts owing to the Teachers Pension Scheme of £Nil (2020: £Nil) and other pension creditor of £Nil (2020: £Nil).

Included within other creditors last year was a loan from an employee of £20,000 drawn in August 2002 plus interest incurred to date of £5,457. Interest was payable on a six monthly basis and linked to the bank base rate. The loan was repaid including interest during the year.

Creditors: Amounts falling due within one year (continued)

Deferred income relates mainly to income received in advance for future trips. The movement in the year is as follows:

	£
Deferred income	
Deferred income at 1 September 2020	6,075
Resources deferred during the year	7,087
Amounts released from previous years	(4,650)
Deferred income at 31 August 2021	<u>8,512</u>

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

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

	2021 £	2020 £
Pension scheme deficit funding liability	31,851	34,344
Other creditors	58,000	48,500
	<u>89,851</u>	<u>82,844</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2021 £	2020 £
Payable or repayable by instalments	16,078	18,843
	<u>16,078</u>	<u>18,843</u>

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

19. Fee deposits

Fee deposits are returned via the offset of final disbursement charges on leaving and are therefore expected to be applied as follows:

	2021 £	2020 £
In one year or less	23,500	17,625
Between one and two years	5,625	6,500
Between two and five years	30,500	26,375
Over five years	21,875	15,625
	<u>81,500</u>	<u>66,125</u>

Movements of fee deposits

	2021 £	2020 £
Balance at 1 September	66,125	52,875
New deposits received	33,000	25,750
Deposits utilised	(17,625)	(12,500)
Balance at 31 August	<u>81,500</u>	<u>66,125</u>

SPRATTON HALL SCHOOL TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

20. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2021 £
Unrestricted funds					
General Funds - all funds	5,525,088	4,521,371	(4,436,467)	2,243	5,612,235
Unallocated amounts	-	-	2,430	-	2,430
	<u>5,525,088</u>	<u>4,521,371</u>	<u>(4,434,037)</u>	<u>2,243</u>	<u>5,614,665</u>
Restricted funds					
Forest school gazebo donation	2,243	-	-	(2,243)	-
	<u>5,527,331</u>	<u>4,521,371</u>	<u>(4,434,037)</u>	<u>-</u>	<u>5,614,665</u>

Statement of funds - prior year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 £
Unrestricted funds					
General Funds - all funds	5,450,252	4,585,002	(4,548,823)	38,657	5,525,088
Spratton Hall Parents Association donation	-	1,900	-	(1,900)	-
Forest school gazebo donation	-	5,000	-	(2,757)	2,243
Wilson Foundation donation	-	34,000	-	(34,000)	-
	<u>-</u>	<u>40,900</u>	<u>-</u>	<u>(38,657)</u>	<u>2,243</u>
	<u>5,450,252</u>	<u>40,900</u>	<u>(4,548,823)</u>	<u>-</u>	<u>5,527,331</u>

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20. Statement of funds (continued)

Spratton Hall Parents Association donation was a donation to fund pitch dividers.

The forest school gazebo donation was a donation from a parent to fund the new gazebo.

The Wilson Foundation provided a donation towards new cricket nets.

The transfers in the year represent the expenditure of these donations which are classed within the balance sheet as fixed assets.

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	4,626,454	4,626,454
Current assets	1,736,383	1,736,383
Creditors due within one year	(658,321)	(658,321)
Creditors due in more than one year	(89,851)	(89,851)
Total	5,614,665	5,614,665

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	4,889,354	-	4,889,354
Current assets	1,291,362	2,243	1,293,605
Creditors due within one year	(572,784)	-	(572,784)
Creditors due in more than one year	(82,844)	-	(82,844)
Total	5,525,088	2,243	5,527,331

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22. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	87,334	77,079
Depreciation charges	320,185	449,689
Dividends, interests and rents from investments	(2,551)	(4,898)
Increase in stocks	(4,970)	(12,579)
Decrease/(increase) in debtors	27,996	(16,894)
Increase/(decrease) in creditors	94,974	(44,441)
Increase/(Decrease) in pension deficit funding liability	(2,430)	(2,697)
Net cash provided by operating activities	520,538	445,259

23. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	1,567,774	1,101,970
Total cash and cash equivalents	1,567,774	1,101,970

24. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	1,101,970	465,804	1,567,774
	1,101,970	465,804	1,567,774

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25. Pension commitments

The School's employees belong to four pension schemes: The Teachers' Pension Scheme (England and Wales) for academic and related staff, the Incorporated Association of Preparatory Schools Group Personal Pension Plan for support staff and the Independent Schools Pension Scheme for a member of administration staff. In addition a defined contribution scheme has been implemented to comply with auto enrolment requirements.

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £392,409 (2020: £399,698) 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.

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25. Pension commitments (continued)

Other Schemes

The School is a member of The Independent Schools' Pension Scheme ("the Scheme") which is a defined benefit pension scheme provided by The Pensions Trust. Because the Charity is one of several contributors to this scheme, and is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis, as required by FRS 17 'Retirement benefits', the scheme has been accounted for in these financial statements as if the scheme were a defined contribution scheme. As a result, the amount charged to the SOFA represents the contributions payable to the scheme in respect of the accounting period.

A formal valuation of the scheme was performed at 30 September 2017 by a professionally qualified actuary using the "projected unit" method. The market value of the Scheme's assets at the valuation date was £149.4 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £38.2 million, equivalent to a past service funding level of 80%.

The School has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2020. As of this date the estimated employer debt for Spratton Hall School Trust Limited was £213,185.

It was agreed that from 1 September 2013, additional annual contributions towards the scheme's deficit of £1,448 for the next 13 years, would be payable by Spratton Hall School. This plan has, however, been superseded by a revised deficit repayment plan commencing 1 September 2016 covering the period to 31 August 2029. A total of £2,341,000 per annum, increasing each year by 3% is required. Spratton Hall School's share of these deficit contributions from September 2016 was £2,644 per annum, increasing each year by 3% as required. The total of deficit payments paid in the year was £3,995 (2020: £3,492).

The contributions payable to the Scheme during the year were £7,921 (2020: £7,921).

The contributions payable to other schemes during the year were £28,233 (2020: £29,759).

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26. Operating lease commitments

At 31 August 2021 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	<i>2020</i>
	£	£
Not later than 1 year	1,302	<i>1,196</i>
Later than 1 year and not later than 5 years	1,573	<i>777</i>
	<u>2,875</u>	<u><i>1,973</i></u>

The following lease payments have been recognised as an expense in the statement of financial activities:

	2021	<i>2020</i>
	£	£
Operating lease rentals	<u>1,721</u>	<u><i>1,701</i></u>

27. Related party transactions

Excluding the reimbursement of trustee expenses as reported in Note 13, there have been no related party transactions during the period.