

Registered number: 01072074  
Charity number: 310279

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

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**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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<b>Governors</b>	Mr N. Pursall (appointed 1 September 2022) Mr C.R.G. Biggin Mr J.M. Collard, (appointed as Chair 9 October 2023) Mr D.J. Ferris (resigned 31 August 2023) Mr J.A. Isaacs, (stepped down as Chair 9 October 2023) Mr T.P. Lloyd-Jones Mrs H. Mack Mr T.P. Matthews Mr B.J. Northover Mr T. O'Sullivan Mr T. Tainton (resigned 14 August 2023) Ms J. Oliver (appointed 1 September 2022) Dr R.S. Thomson Mrs R.E. Thornton Mr C.N.I. Tuttiett
<b>Company registered number</b>	01072074
<b>Charity registered number</b>	310279
<b>Registered office</b>	The Downs School Charlton House Wraxall Bristol BS48 1PF
<b>Company secretary</b>	Mr. J. Barclay
<b>Headteacher</b>	Mrs D. J. Isaachsen
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants 10 Temple Back Bristol BS1 6FL
<b>Bankers</b>	Barclays Bank plc 4th Floor, Bridgewater House Counterslip Finzels Reach Bristol BS1 6BX
<b>Solicitors</b>	Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2023**

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The Governors present their annual report together with the audited financial statements of the Company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Governors' report and a Directors' report under company law. The Governors confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 01 January 2019).

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

The Company is governed by its Memorandum and Articles of Association, last amended on 11 October 2013.

**Governing Body**

Governors are elected in accordance with the Company's Articles of Association and generally serve for a term of three years whereupon they become eligible for re-election. The Chair is appointed by the Board of Governors and serves for five years.

The Board acknowledges the need to recruit new members from time to time who can bring a broad range of professional knowledge and skill appropriate for effective governance. The Governors' Development Committee advises the Board on these needs, and identifies potential future members. Governors are recruited from the local business community, the School's own community and the region's educational establishments. Their membership is proposed and considered at Board meetings. Once appointed, they attend a formal induction at the School.

All Governors give freely of their time and no remuneration or expenses were paid in this year.

**STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)**

**Organisational Management**

The Board of Governors meet formally at least three times per annum, that is at least once in each academic term. A number of Committees are formed from the Governing Body and key management personnel. These Committees support the aim of monitoring the School's performance and activities against its objectives and determining its policies as set out in its Scheme of Governance. The majority of Committees met at least once in each academic term and provided a full Committee report to the Board.

**Finance Committee**

Mr T. P. Lloyd-Jones (Chair)  
Mr J. Barclay  
Mr C.R.G. Biggin  
Mr J. M. Collard  
Mrs D. Isaachsen  
Mrs H. Mack  
Mr T. Tainton (resigned 31 August 2023)  
Mrs R.E. Thornton  
Mr C.N.I. Tuttiett

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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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Bursary Committee	Mr T.P. Lloyd-Jones (Chair) Mr J. Barclay Mrs D. Isaachsen Mrs H. Mack Mrs R.E. Thornton
Strategy Committee	Mr D.J. Ferris (Chair) (resigned 31 August 2023) Mr J. Barclay Mr J.M. Collard Mrs D. Isaachsen Mr J.A. Isaacs Mr B.J. Northover Ms J. Oliver (appointed 01 September 2022) Mr T. Tainton (resigned 31 August 2023) Mr C.N.I. Tuttiett
Nursery Committee	Mr J. M. Collard (Chair) Mr J. Barclay Mrs D. Isaachsen Mr M.A. Newman [Independent Director] Dr R.S. Thomson Mrs R. E. Thornton
Remuneration Committee	Mrs R.E. Thornton (Chair) Mr J. Barclay Mrs D. Isaachsen Mr J.A. Isaacs
Education Committee	Mr T. O'Sullivan (Chair) Mrs D. Isaachsen Mr N. Pursall (appointed 01 September 2022)
Risk and Regulatory Committee	Mr B.J. Northover (Chair) Mr J. Barclay Mrs D. Isaachsen Ms J. Oliver (appointed 01 September 2022) Mr N. Pursall (appointed 01 September 2022) Dr. R.S. Thomson
Governors' Development Committee	Mr J.A. Isaacs (Chair) Mr D.J. Ferris (resigned 31 August 2023) Mrs D. Isaachsen Mr B.J. Northover
Health and Safety Committee	Mr J. Barclay (Chair) Mr J. M. Collard Mrs D. Isaachsen Mrs R.E. Thornton Mr C.N.I. Tuttiett
Downs School Association Committee	Mrs. F. Collins (Chair) (appointed 05 October 2022) Mrs E. Ellis (Secretary) (appointed 05 October 2022) Mrs C. Johnson (Treasurer) (appointed 05 October 2022)

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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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The day-to-day running of the School is delegated to the Headteacher and the Bursar, as key management personnel, via the Scheme of Governance. They are supported by other teaching members of the Senior Leadership Team being the Deputy Head Pastoral and Deputy Head Academic.

The remuneration of key management personnel is set by the Board, with the policy objective of ensuring that they are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the Company's success. Delivery of the Company's charitable vision and purpose is primarily dependent on the key management personnel and staff costs are the largest single element of our charitable expenditure.

**Principal Risks and Uncertainties**

The Board, supported by the Strategy and Finance Committees, reviews the School's current and planned future strategic activities in light of any major risks arising from time to time.

The School has a Risk Register where significant risks are monitored and updated by the full Board and lower risks are delegated to appropriate Committees for consideration. Selected Committees also monitor, update and evaluate key policies and their implementation in order to effectively manage risk. These Committees report their findings to the Risk and Regulatory Committee which reports to the Board.

Risks are also mitigated by maintaining effective internal controls in all compliance and legislative matters, through the regular monitoring of these controls and insurance cover where appropriate.

The Board considers that the following factors present the most significant risks to the School.

**LOSS OF TAX BENEFITS OF CHARITABLE STATUS**

The Board is considering the impact of the risk of increased costs outside the School's control including the threat of the loss of business rates relief to some registered charities and the Labour Party's aspiration to impose VAT on independent school fees (in the event they become the next UK Government).

**CUSTOMER AFFORDABILITY**

Noting the prevailing economic situation, the Board anticipates that some existing parents may struggle to continue to afford School fees. This may also increase caution in prospective parents considering an independent education and demand for places and therefore pupil numbers may be affected in the short to medium term. Applications for means-tested bursary support may increase, both for existing and prospective parents, not all of which can be supported by existing funds.

**COST PRESSURES**

Continuing cost increases create material risks to the cost base for staff and non-staff costs for the School. The School manages these input cost risks by entering into longer term contracts for some elements. In particular the pressures associated with staffing costs, energy costs, and estate maintenance costs are particularly prevalent.

**OTHER RISKS**

- The possible impact on pupil numbers from competition from other schools, particularly for Year 7 & Year 8 pupils, and from wider demographic trends.
- Loss of key personnel could affect the efficient operation of the School and its financial controls.
- Continuing strong competition to recruit high quality teaching staff could impact on reputation and perceived quality of teaching.

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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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- An incident involving harm to a pupil could lead to severe reputational damage.

The Governors and Senior Leadership Team have recognized these risks and continue to take the following action:

- Ensure that the School's reserves have been protected.
- Consider changes to the School's existing Fees in Advance Scheme as a way of supporting parents in future financial planning and to support cashflow planning for the School.
- Make available short term fee support to existing families where possible and maintain close communication with parents in financial hardship.
- Carefully scrutinize non-essential expenditure to ensure it remains appropriate and value for money.
- Manage carefully the extent of bank-funded debt whilst ensuring on-going investment in the School's facilities.
- Consider future strategies to mitigate the potential vulnerabilities for the School as a small stand-alone independent school, particularly in light of potential government-driven tax and charity law changes.
- Maintain open and clear communication with the parent body.
- Engage actively with Headteachers and Admissions' Teams at Bristol senior schools to build constructive dialogue on available spaces for Year 9 entry.
- Monitor DfE and NHS pandemic-related communications and respond accordingly for further pandemic impacts.

In the view of the Board, the School has established resources which should ensure that these risks are managed to an acceptable level in its day-to-day operations. In the longer term, strategic planning and management aim to reduce the potential impact of risk factors.

**OBJECTS, PUBLIC BENEFIT AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES**

**Objects**

The object of the charitable company, in accordance with its Memorandum and Articles of Association, is to promote and provide for the advancement of education for boys and girls.

The main strategic priorities for the School are as follows:

1. Maintain and develop the high teaching and learning standards whilst having the confidence to innovate and the wisdom and foresight to know where we stand in relation to the market and what risks and opportunities the future might hold.
2. Embrace and deliver on our purpose; to prepare young students for their life ahead in all its facets; including academia, the arts & sport and also across the much more fundamental core behavioural characteristics such as resilience, communication, confidence and team work.
3. Continue to provide a sense of community, familiarity and understanding, across all of our students, parents and stakeholders.
4. Safeguard every pupil and member of the School community and ensure that a safe and nurturing environment is always provided.
5. Ensure that our all-round offering from Nursery level through to Year 8 is developmental to the students and compelling to the parent body.

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6. Maintain a stable financial model whilst continuing to develop new income streams to support financial stability.
7. Maintain existing and continually improve upon the quality of the estate whilst fully leveraging our assets for the benefit of our students and community at large.
8. Employ a highly motivated and inspirational body of staff to take all pupils to the limits of their potential.
9. Have continuity of talented leadership and a clear succession plan.

**Principal activity and income sources**

The Company's principal activity continues to be the provision of a Day School for 4 – 13 year old boys and girls. The principal source of income is therefore from tuition fees and from related educational and extra-curricular activities. Other revenue is derived from the letting of facilities for sport, recreation, private parties and functions.

The Company's subsidiary, Downs School Enterprises Limited (DSEL), was established in June 2017 and opened its Nursery, 'Bertie's', in January 2018 providing year round day care and Pre-School facilities for children aged 6 months to 4 years. The Nursery continues to trade at a surplus, although cost and income pressures have reduced the overall profitability through the year. However, the Nursery continues to be near capacity with waiting lists in some rooms.

Recruitment of pupils from the Nursery to the School's Reception Year remains strong. The DSEL directors continue to review and revise the staffing structure and remuneration through the year, including a clearer career progression strategy, to support staff retention and further staff recruitment. The directors recognise the need to be highly selective in staff recruitment and the business will only grow as excellent staff can be selected to join the team.

**Grant-making and access-widening**

The School provided means-tested bursaries totalling £195,421 and was able to support 27 (2022: 37) pupils over the course of the year through its bursary scheme. Of these pupils, 10 received at least 50% support by way of fee remission. Fee assistance by way of bursaries accounted for 4.6% (2022: 6.0%) of gross tuition fee income. This recent reduction is partially attributable to a continuing reduction in short term support for families in financial difficulty due to the pandemic.

The bursary policy contributes to a widening of access to the education on offer and the facilities enjoyed. It is important to the School that access is not restricted to those who can afford the fees. Bursaries are made on a means-tested assessment and reviewed annually. Application is available to potential and existing pupils at the School. Financial support up to 100% can be considered and, by exception, beyond this level up to 110% of fees for transformational bursaries.

The School continues to support various organisations to use its sports facilities, grounds and other resources at little or no cost. The charity, Children's Hospice South West (CHSW), is located close to the School. CHSW from time to time uses the School's premises for fundraising events and meetings without charge. The School is actively looking to re-build further community links going forward, in particular for use of the newly-renovated swimming pool.

The house system within the School facilitates charity fund raising days in order for each of the four houses to choose a charity and organise a themed day where the whole School participates. Guest speakers have attended to explain the objects of their charity and the impact on recipients of the funds raised. During the 2022-23 year, pupils and staff raised £6,239 in the year, including for South West Children's Hospice (the School's neighbour) and Macmillan Cancer Support.

GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023

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## REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

The School aims to provide an excellent academic experience with the highest standards of teaching and assessment. This is balanced with a broad curriculum and that embraces equally sport and the Performing Arts.

### Academic

Pupils joined us in September 2022 in Reception from a variety of different settings. They quickly settled into the school routines and followed the Early Years Foundation Stage (EYFS) framework. Regular Forest School sessions and specialist lessons such as French and dance further enhanced their curriculum.

In the Pre-Prep, children continue to follow an exciting timetable of lessons. Classroom based teaching is complemented by increasing numbers of specialist lessons as they move through to Year 3. From Year 1 children participate in termly assessments in Maths and English, and a new tracking system is now fully embedded, enabling staff to identify trends and areas which can be developed further.

In the Junior section (Years 4 – 6), the children move around the school to an increasing number of different locations. A highlight for Year 4 is science lessons in the labs. Year 5 and beyond continue to be taught all of their lessons by subject specialists and move around the school for all of their lessons. Year 6 sit 11+ style exams in the spring term before commencing the Common Entrance syllabus.

Pupils are prepared for the Common Entrance examinations at the end of Year 8. Many pupils will sit external examinations for their chosen senior school. This year our pupils achieved strong results and gained access to a range of senior schools, including Eton. Many pupils were awarded scholarships in a variety of areas. This year's leavers achieved the following scholarships:

Academic	6 scholarships
Sport	8 scholarships & 1 Exhibition
Music	1 scholarship
Drama	1 scholarship
Art	1 scholarship
All Rounder	1 scholarship

### Performing Arts

As well as the provision of Music, Drama and Dance, all pupils at the School also receive a weekly 40 minutes' session in the Performing Arts. In the Prep School, the academic year was divided into three term-long projects:

- Term 1. Local artists' research project and a performance. The children worked with artists, Shanty band 'The Longest Johns', 'The Dark Angels' dance group, comedian and children's entertainer, Nutty Noah, and performance poet, Spikey Tim. The term ended with a whole School performance of 'Scrambled Scrooge'. Each group project included virtual visits from the actors as well as in person visits to the School.

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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- Term 2. This was devoted to the technical side of performance. Children worked with resident experts on set design, sound and lighting, PR and Marketing and Green Screens.
- Term 3. This was devoted to working towards our Celebration Day performances of 'Shackleton', a piece devised by Heads of Drama, Dance and Performing Arts (PA) Coordinator.

The weekly sessions were also used as a rehearsal time for the Year Group plays and the senior play.

In the Pre Prep, the sessions were led by class teachers in Terms 1 and 2 and then by the PA Coordinator and Heads of Music, Drama and Dance for Term 3 for Celebration Day performances of 'Giraffes Can't Dance'.

### **Music**

Our aim in the Music Department is to offer all pupils the opportunity to gain enjoyment from this broad subject at as many different levels as possible. Music is very much valued at the School. It plays an important part in our School life. In fact, the sound of singing and instrumental playing echoes across the School every day in one form or another.

The learning of an instrument and the fun of making music with other children can become a joy for life. It is therefore encouraging that a large number of our pupils take advantage of the expert tuition offered by our experienced team of ten instrumental and singing teachers who give individual or joint lessons on a wide range of instruments.

For the academic year 2022 - 2023, approximately 54% of Year 1 – 3 pupils had musical tuition on either an instrument or voice and approximately 78% of pupils in Years 4 – 8. Lessons usually take place during the normal School day. These figures obviously fluctuate throughout the year as new pupils sign up or unfortunately cease tuition.

We are proud of our 100% pass rates for our ABRSM and Trinity Music Examinations. During the last academic year, we achieved the following results:

- Prep Test examinations - 11 pupils successful.
- Lower Grades 1 -3 as follows:
  - Pass – 22 pupils
  - Merit – 19 pupils
  - Distinction – 9 pupils

These results have also included several higher-grade successes.

- Grade 4 – 6 pupils
- Grade 5 – 7 pupils
- Grade 6 – 2 pupils
- Grade 7 – 1 pupil

In addition, we have one Year 8 pupil who has achieved their Grade 5 music theory with a Merit pass.

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**GOVERNORS' REPORT (CONTINUED)  
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The most advanced musicians receive every opportunity to develop their playing and singing. Pupils who show great musical potential and ability are directed to apply for music scholarships. These pupils must show exceptional ability on their first study instrument and also acquire reasonable performance skills on a second or possibly third instrument. We currently have one pupil working towards a music scholarship to Marlborough for September 2024 entry.

We have spacious teaching facilities, which include three music pods and the Coachman's Cottage. In addition, we also have a theatre and the Charlton Room that both provide excellent venues for our regular concerts, recitals and performances.

Every child sings in a choir, enjoying the experience of singing and performing. Our main choir – The Downs Singers - is an auditioned choir and performs at many prestigious events throughout the School diary, most notably the Cathedral Carol Service and a Remembrance Concert.

Throughout each term, all children have many performing opportunities. All children taking instrumental lessons are encouraged (where appropriate) to join at least one music ensemble. Currently these are The Downs Singers, Year Group Choirs, School Orchestra, Soul Band, Music Theory Groups, and Rock Bands.

We also hold an annual Music Festival in collaboration with Badminton School with classes for pianists and singers.

The Director of Music teaches music to every child from Reception to Year 8. Our syllabus follows the requirements of the National Curriculum: listening and appraising, composing and performing.

### **Speech and Drama**

The Drama department enjoyed another successful year with every child in the School participating in at least one production, not to mention concerts and Festivals. The teachers in Pre Prep relish directing their own classes and with the magnificent help from parents with costume and props they produce colourful, imaginative and high quality productions. The School is lucky to have our own theatre with excellent sound and lighting and now we have new staging, which we can move and position without the need of the maintenance team, we have an enviable facility to showcase our talented pupils. In the Prep School the Year 4 and 5 teachers direct their plays using their English lessons to add cross curriculum work to their productions, Years 6 and 7 productions are produced by the Head of Drama and another Prep Teacher, both of whom have a wealth of experience. In addition, the Year 8's revue is always well-received, including adaptations of the words to well-known songs.

#### **9 Performances:**

- Reception & Year 1 – “Barmey Bethlehem”
- Year 2 – “The Bee Musical”
- Year 3 – “Pirates v. Mermaids”
- Year 4 - “Ye-Ha”
- Year 5 – “Treasure Island”
- Year 6 – “The Tempest”
- Year 7 – “The Silver Sword”
- Year 8 – End of School review
- Senior Production – “The Importance of Being Earnest”

Total number of Speech and Drama students from Reception to Year 8 was 102.

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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The pupils attend lessons in groups of 2, 4, up to 8 for 30 minutes' lessons each week in the drama studio. The timetable for the Head of Speech & Drama has been adjusted to offer classes after School to avoid taking children from academic lessons. Two pupils have been offered Drama Scholarships – one at Downside School and the other at Clifton College and Sidcot.

We encourage our pupils to enter local Festivals through the year. The School was represented at both Nailsea Festival (November 2022) and the Bristol Festival (March 2023). Pupils from Year 2 to Year 8 competed in acting, mime, poetry and sight reading classes. The School won or were placed in all the classes entered.

60 children from Year 2 to Year 8 took their Vanguard Speech and Drama exams in the Summer Term 2023 and again we had 100% pass with 31 gaining honours (over 90%), with one Downs pupil being awarded 99% (the highest mark a pupil has ever received at the School).

**Theatre Trips and professional performances in School:**

- Bristol Old Vic Theatre School performed for the Pre Prep in the School theatre – "Nativity"
- The Senior Production cast attended a performance of "Cabaret" at Wells Cathedral School
- Year 4 went to The Redgrave Theatre to watch BOVTS's performance of "Robin and Marian"

**Dance**

The Dance Department continues to thrive and has seen another year of record numbers. There are 6 more lessons on offer than last year, and 25 more sign-ups. There are now a record number of boys signed up for dance lessons, this year there are 33 and in 2017 there were 8. We had 51 new sign-ups in September 2022, which is another all-time high. Finally, we had 16 extra exam entries, bringing the number to 97, another record.

The Dance Show had to be divided into two shows for the first time, as we had so many dances to perform. These filled two hour slots and without doubt was the highest standard we have ever achieved.

Figures and performance opportunities are shown below:

- 30 private lessons take place every week. These include Ballet, Tap, Jazz, Boys' Dance and Girls' Hip Hop.
- 117 individual pupils are signed up for private dance lessons.
- 167 sign-ups for private lessons (some pupils do more than one class per week) and 98 curriculum dance = 265 per week total.
- 33 boys now attend a weekly private dance lesson - record number.
- 6 half-hour curriculum dance lessons for YR, Y1 and Y2 are taught each week.

Dance Exams – Record number of exam entries at 97

- Honours Star 25
- Honours 49
- Highly Commended 21
- Commended 2
- Pass 0
- Fail 0

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Performance Opportunities include:

- Parent Observation Week - Parents are invited to watch a whole dance lesson.
- House Dance - All pupils in Prep School take part in this event.
- Christmas Concert and Summer Concert
- Grandparents' Day
- School Fete
- Dance Show - All pupils who attend private lessons are involved in this event.
- Celebration Day

**Sport**

The Sports Department has shown growing strength in Girls cricket, cross-country and Boys hockey. Eight children achieved Sports Scholarships to seven different schools, plus one further Sports Exhibition was awarded. The U11 Boys hockey team qualified for the National IAPS hockey finals and won the county event, the U11 Girls cricket team were runners up in the IAPS regional competition. Four girls represented the School in the IAPS regional swimming event and one girl qualified for the National IAPS Swimming Finals. Four pupils qualified for the National Athletics Finals. With just over 50 teams competing in the National Cross-Country competition the U11 Boys team finished a commendable 13<sup>th</sup> position with one boy finishing 8<sup>th</sup> overall.

Representational honours were achieved in hockey, rugby and cricket. In addition to a full fixture calendar, the children have particularly enjoyed competing in the School's triathlon event with our pupils entering 18 teams. One U10 Boys team won their age group competition. Our 50<sup>th</sup> Rugby Sevens competition was a highlight of the year. It was particularly good to see old boys returning to make it a memorable day.

**Representational Honours**

**Hockey**

- U14 Avon Junior Development Centre (Local District) – 5 pupils
- U14 Avon Junior Academy Centre (County) – 3 pupils

**Rugby**

- Bristol Bears DDP (Academy) – 1 pupil

**Cricket**

- Somerset U11 Girls Development squad - 3 pupils
- Cricket Wales U12 Girls Development squad - 1 pupil
- Cricket Wales East U11 Girls - 1 pupil
- Cricket Wales East U13 Girls - 1 pupil

**Sports Scholarships & Exhibitions**

- Sidcot - 2 Sports scholarships
- Millfield - 1 Sports scholarship
- Downside - 1 Sports scholarship
- Blundell's - 1 Sports scholarship
- Clifton - 1 Sports scholarship
- Cheltenham - 1 Sports Exhibition
- BGS - 1 Sports scholarship
- Wycliffe - 1 Sports scholarship

GOVERNORS' REPORT (CONTINUED)  
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**National Competitions**

- IAPS U11 National Hockey Finalists
- IAPS National Swimming Finals – 1 pupil
- National Cross-Country Finals ~ 4 pupils
- National Athletics Finals – 4 pupils

**Regional Competitions**

- IAPS U11 Girls Hard Ball cricket ~ Runners up
- Senior Girls finalists in the Malvern Sixes Cricket Competition

**Pastoral**

The School offers proactive support to all Year Groups and staff with pastoral matters and wellbeing by providing a safe and happy place in which to work and learn. We offer wellbeing experiences and opportunities through initiatives such as 'Wellbeing Day' as well as promoting the narrative around wellbeing and mental health through assemblies, guest speakers and PSHE curriculum. Our values of Explore, Express, Excel, remain central to our ethos, enabling pupils and staff to be the very best version of themselves.

This academic year we continue to focus on wellbeing across the School for both staff and pupils.

**Staffing:**

We actively support staff CPD training and consider staff wellbeing in the following ways:

- With two-form entry across the School, we have introduced a third tutor per year group to provide consistent support and assistance.
- A Wellbeing Coordinator available to provide vital 1-2-1 and group work, for pupils and staff.
- Enhanced welfare and engagement opportunity for staff through the offer of breakfast on a Monday & Friday.
- Providing in-house teacher training for two staff and actively promotion CPD

**Addressing pastoral matters:**

- Pastoral matters were addressed in PSHE sessions; assemblies and through visiting speakers.

**Fundraising performance**

Donations and gifts in the year amounted to £10,669 (2022: £9,715).

Parents' regular termly donations to the Downs School Association ("DSA") amounted to £8,969, where the distribution of these funds is determined by an elected Committee that comprises parents and some staff and who report to the School's main Board of Governors. Other donations amounted to £1,700 for specific areas.

**Downs School Association (DSA)**

The DSA raise funds through events in which parents, pupils and staff participate. The team ran multiple successful fundraisers, with the annual Fireworks Night and Summer Fete firmly in everyone's diaries. We have introduced a Halloween Party to Pre Prep children, we have reinvigorated our Quiz Night, and also held a Pre-Loved Shopping Evening with donations from the parent community. The end of the year was celebrated with a Summer Social for the parents. The second hand uniform shop is inundated with donations, and well received by grateful parents. Our funds raised this year have continued to contribute towards the recently installed cricket nets, and we have also provided the School with some additional bell tents (£3,500), some swimming pool equipment items (£2,000) and supported Arts Week (£5,500).

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**FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The operating surplus for the year amounted to £93,853 (2022: £163,895) for the School against an average number of pupils of 269 (2022: 258). The ongoing working capital requirements of the Nursery, operated by the subsidiary, Downs School Enterprises Limited, generated a profit for the subsidiary of £16,178 (2022: £117,024).

Consolidated funds of the School and its subsidiary have therefore increased by £110,031 to £4,213,263 (2022: £4,103,232).

**RESERVES POLICY**

Total reserves are £4,213,263 (2022: £4,103,232), of which £4,722,897 (2022: £3,863,190) comprises fixed assets. This leaves £723,504 (2022: £954,793) as free reserves after taking into account loans secured on the fixed assets of the charity of £1,233,138 (2022: £714,751). This follows an additional loan of £650,000 in April 2023 to partially fund the redevelopment of the School's swimming pool. Restricted funds amount to £1,498.

The level of reserves is considered sufficient for the immediate needs of the Group. The policy remains to maintain free reserves to continue the high standard of educational services currently provided including a regular programme of renewal of resources including IT, and to balance this with future capital expenditure requirements and the demands of maintaining the Group's extensive grounds and historic buildings.

**GOING CONCERN**

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 14.

**Future Plans and Reserves**

The Board maintains its intent to continually reinvest in the infrastructure of the School to secure its future. The retention of good operating surpluses in recent years has provided cash reserves that have enabled the Board to invest and diversify and yet still hold significant, contingent funds for any unforeseen requirements including changes in demand for working capital.

Focus in the forthcoming year is to continue to maintain the school community and invest in the children's needs. The Board is also preparing a longer-term development plan for the School and the wider estate to support the School's objectives and ambitions.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES**

The Governors (who are also the directors of the Company 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 Group and the Company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DISCLOSURE OF INFORMATION TO AUDITORS**

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

- so far as that Governor is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

**AUDITORS**

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Governors will propose a motion reappointing the auditors at a meeting of the Governors.

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



**Mr J.M. Collard**

Chair of Governors

Date: 15/03/2024

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**

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**OPINION**

We have audited the financial statements of The Downs School (Charlton House) Limited (the 'School') and its subsidiary (the 'group') for the year ended 31 August 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the School's affairs as at 31 August 2023 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 and the Charities Act 2011.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

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

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

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

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED (CONTINUED)**

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**OTHER INFORMATION**

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

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

- the information given in the Governors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

- the School has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the School's 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 GOVERNORS**

As explained more fully in the Governors' responsibilities statement, the Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the Group's and the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Group or the School or to cease operations, or have no realistic alternative but to do so.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED (CONTINUED)**

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**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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 have considered the nature of the sector, control environment and financial performance of the School;
- We have considered the results of enquiries with management and Governors, including the committees charged with governance over the School's finance and control, in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have considered any matters we identified having obtained and reviewed the School's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks or fraud or non-compliance with laws and regulations;
- We have considered the matters discussed among the audit engagement team and involving relevant internal independent schools specialists regarding how and where fraud might occur in the financial statements and any potential indications for fraud;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation;

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the School operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019 and FRS 102. In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the School's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing committee meeting minutes;
- Enquiring of Governors and management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of revenue with a particular focus around year-end cut off; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED (CONTINUED)**

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indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

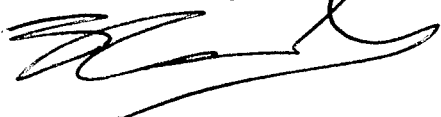
We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**USE OF OUR REPORT**

This report is made solely to the School'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 School's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the School and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Joseph Scaife FCA DChA (Senior statutory auditor)**

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date: 22/3/2024

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Donations and legacies	4	1,700	8,969	10,669	9,715
Charitable activities		-	4,339,808	4,339,808	3,909,062
Other trading activities	6	-	877,138	877,138	856,058
Investments	7	-	11,863	11,863	559
Other income	8	-	-	-	1,831
<b>Total income</b>		<b>1,700</b>	<b>5,237,778</b>	<b>5,239,478</b>	<b>4,777,225</b>
<b>Expenditure on:</b>					
Raising funds	9	-	728,173	728,173	635,539
Charitable activities		437	4,400,837	4,401,274	3,860,767
<b>Total expenditure</b>		<b>437</b>	<b>5,129,010</b>	<b>5,129,447</b>	<b>4,496,306</b>
<b>Net movement in funds</b>		<b>1,263</b>	<b>108,768</b>	<b>110,031</b>	<b>280,919</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		235	4,102,997	4,103,232	3,822,313
Net movement in funds		1,263	108,768	110,031	280,919
<b>Total funds carried forward</b>		<b>1,498</b>	<b>4,211,765</b>	<b>4,213,263</b>	<b>4,103,232</b>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 44 form part of these financial statements.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:01072074**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	4,722,897	3,863,190
		<u>4,722,897</u>	<u>3,863,190</u>
<b>Current assets</b>			
Stocks	15	30,449	30,163
Debtors	16	199,177	236,012
Cash at bank and in hand		1,579,105	1,649,356
		<u>1,808,731</u>	<u>1,915,531</u>
Creditors: amounts falling due within one year	17	(1,274,021)	(1,090,952)
<b>Net current assets</b>		<u>534,710</u>	<u>824,579</u>
<b>Total assets less current liabilities</b>		<u>5,257,607</u>	<u>4,687,769</u>
Creditors: amounts falling due after more than one year	18	(1,044,344)	(584,537)
<b>Total net assets</b>		<u><u>4,213,263</u></u>	<u><u>4,103,232</u></u>
<b>Charity funds</b>			
Restricted funds	20	1,498	235
Unrestricted funds	20	4,211,765	4,102,997
<b>Total funds</b>		<u><u>4,213,263</u></u>	<u><u>4,103,232</u></u>

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 and signed on their behalf by:



**Mr J.M. Collard**  
 Chair of Governors  
 Date:

15/03/2024

The notes on pages 23 to 44 form part of these financial statements.

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:01072074

COMPANY STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	4,694,516	3,834,803
Investments	14	1	1
		<u>4,694,517</u>	<u>3,834,804</u>
<b>Current assets</b>			
Stocks	15	26,327	24,419
Debtors	16	332,898	450,594
Cash at bank and in hand		1,469,002	1,502,657
		<u>1,828,227</u>	<u>1,977,670</u>
Creditors: amounts falling due within one year	17	(1,206,761)	(1,050,151)
<b>Net current assets</b>		<u>621,466</u>	<u>927,519</u>
<b>Total assets less current liabilities</b>		<u>5,315,983</u>	<u>4,762,323</u>
Creditors: amounts falling due after more than one year	18	(1,044,344)	(584,537)
<b>Net assets excluding pension asset</b>		<u>4,271,639</u>	<u>4,177,786</u>
<b>Total net assets</b>		<u><u>4,271,639</u></u>	<u><u>4,177,786</u></u>
<b>Charity funds</b>			
Restricted funds	20	1,498	235
Unrestricted funds	20	4,270,141	4,177,551
<b>Total funds</b>		<u><u>4,271,639</u></u>	<u><u>4,177,786</u></u>

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 and signed on their behalf by:



Mr J.M. Collard  
Chair of Governors  
Date:

15/08/2024

The notes on pages 23 to 44 form part of these financial statements.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2023**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>523,811</b>	581,991
<b>Cash flows from investing activities</b>		
Investment income	<b>11,196</b>	559
Purchase of tangible fixed assets	<b>(1,070,443)</b>	(272,083)
<b>Net cash used in investing activities</b>	<b>(1,059,247)</b>	<b>(271,524)</b>
<b>Cash flows from financing activities</b>		
Repayments of borrowing	<b>(131,613)</b>	(383,802)
Repayments of hire purchase loans	<b>(10,440)</b>	(10,013)
Interest paid on borrowings	<b>(42,762)</b>	(19,141)
Cash proceeds from new loan	<b>650,000</b>	-
<b>Net cash provided by/(used in) financing activities</b>	<b>465,185</b>	<b>(412,956)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(70,251)</b>	<b>(102,489)</b>
Cash and cash equivalents at the beginning of the year	<b>1,649,356</b>	1,751,845
<b>Cash and cash equivalents at the end of the year</b>	<b>1,579,105</b>	1,649,356

The notes on pages 23 to 44 form part of these financial statements

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**1. GENERAL INFORMATION**

The Downs School (Charlton House) Limited is a company limited by guarantee, incorporated in the United Kingdom and registered in England and Wales. The registered office is The Downs School, Charlton House, Wraxall, Bristol, BS48 1PF.

**2. ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Downs School (Charlton House) 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.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

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

**2.2 COMPANY STATUS**

The Company is a company limited by guarantee. 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.

**2.3 GOING CONCERN**

Having reviewed the cash balances and funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability.

The challenging economic conditions indicate that our parents and prospective parents may be facing lower earnings or disposable income after tax from their businesses and employment income. The uncertainty arising in particular from political uncertainty may impact further the local economy. This is likely to lead to reduced demand on grounds of affordability in the medium-term. Pupil recruitment and numbers are strong for the 2023-24 academic year, and fee collections are good.

The School's management have prepared a detailed budget, including cash flow forecasts, for the 2023-24 and 2024-25 academic years, reflecting actual pupil numbers at September 2023. The Governors have reviewed these forecasts and noted the cash flow projections, including the School's ability to manage its costs in the light of any reduction in income. Stress tests have been run on income projections to determine the point at which the School would cease to have unrestricted cash reserves sufficient to maintain its activities.

Having considered these matters, the Governors do not believe there to be any material uncertainty, and they continue to adopt the going concern basis in preparing the financial statements.

**2. ACCOUNTING POLICIES (continued)**

**2.4 INCOME**

All income is recognised once the Group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Fees receivable and similar income represent fees from ordinary activities and 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 School.

**2.5 EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities and Governance costs are costs incurred on the Company's operations, including support costs and costs relating to the governance of the Company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**2.6 INTEREST RECEIVABLE**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.7 TAXATION**

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**2. ACCOUNTING POLICIES (continued)**

**2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION (CONTINUED)**

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 provided on the following bases:

Freehold property	- Over 75 years
Freehold improvements	- Over 50 or 25 years
Motor vehicles	- Over 4 years
Furniture and equipment	- Over 10 years
Computer equipment	- Over 4 to 6 years
Grounds maintenance machinery	- Over 10 years

**2.9 INVESTMENTS**

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

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

**2.10 STOCKS**

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

**2.11 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.

**2.12 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.

**2.13 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 Group 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 Consolidated statement of financial activities as a finance cost.

**2. ACCOUNTING POLICIES (continued)**

**2.14 FINANCIAL INSTRUMENTS**

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

**2.15 FINANCE LEASES AND HIRE PURCHASE**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**2.16 PENSIONS**

The School operates three pension schemes.

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The School also operates two defined contribution pension schemes and the pension charge represents the amounts payable by the School to the schemes in respect of the year.

**2.17 FUND ACCOUNTING**

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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.

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

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

Estimates and judgements 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:

Operating lease commitments

The School has entered into leases for motor vehicles and equipment as a lessor and as a lessee it obtains use of the related assets. The classification of such leases as operating or finance lease requires the School to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

There are no critical accounting estimates.

**4. INCOME FROM DONATIONS AND LEGACIES**

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
General Donations	1,700	-	<b>1,700</b>	942
The Downs School Association	-	8,969	<b>8,969</b>	8,773
	<u>1,700</u>	<u>8,969</u>	<u><b>10,669</b></u>	<u>9,715</u>
<b>TOTAL 2022</b>	<u>942</u>	<u>8,773</u>	<u>9,715</u>	

**5. INCOME FROM CHARITABLE ACTIVITIES**

	<b>2023 £</b>	<b>2022 £</b>
Gross fees receivable	<b>4,292,468</b>	4,021,129
Bursaries and scholarships	<b>(468,849)</b>	(514,182)
Income from rechargeable expenditure	<b>507,740</b>	394,815
Registration fees	<b>8,449</b>	7,300
	<u><b>4,339,808</b></u>	<u>3,909,062</u>

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6. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lettings	27,340	<b>27,340</b>	23,892
Other income	17,142	<b>17,142</b>	6,189
Fundraising income	30,262	<b>30,262</b>	59,772
	<u>74,744</u>	<u><b>74,744</b></u>	<u>89,853</u>
TOTAL 2022	<u>89,853</u>	<u>89,853</u>	

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Nursery income	802,394	<b>802,394</b>	766,205
TOTAL 2022	<u>766,205</u>	<u>766,205</u>	

7. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Rental income	667	<b>667</b>	466
Bank interest	11,196	<b>11,196</b>	93
	<u>11,863</u>	<u><b>11,863</b></u>	<u>559</u>
TOTAL 2022	<u>559</u>	<u>559</u>	

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NOTES TO THE FINANCIAL STATEMENTS  
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8. OTHER INCOMING RESOURCES

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
CJRS income	-	-	1,831
	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL 2022	<u>1,831</u>	<u>1,831</u>	

9. EXPENDITURE ON RAISING FUNDS

Expenditure on fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Fundraising expenditure	18,368	18,368	36,066
	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL 2022	<u>36,066</u>	<u>36,066</u>	

Expenditure from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Nursery cost of sales	87,619	87,619	74,362
Nursery administration expenses	86,354	86,354	72,540
Nursery cost of sales staff costs	450,160	450,160	356,672
Nursery administration staff costs	81,486	81,486	78,621
Nursery depreciation	4,186	4,186	17,278
	<u>709,805</u>	<u>709,805</u>	<u>599,473</u>
TOTAL 2022	<u>599,473</u>	<u>599,473</u>	

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS  
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10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Education	3,090,635	1,310,639	<b>4,401,274</b>	3,860,767
TOTAL 2022	<u>2,760,188</u>	<u>1,100,579</u>	<u>3,860,767</u>	

ANALYSIS OF DIRECT COSTS

	Education 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	2,201,487	<b>2,201,487</b>	1,990,472
Depreciation	83,269	<b>83,269</b>	89,441
Educational supplies	357,328	<b>357,328</b>	253,993
Household and welfare	16,253	<b>16,253</b>	14,053
Catering	367,770	<b>367,770</b>	356,382
Transport	64,528	<b>64,528</b>	55,847
	<u>3,090,635</u>	<u><b>3,090,635</b></u>	<u>2,760,188</u>

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FOR THE YEAR ENDED 31 AUGUST 2023**

**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF SUPPORT COSTS**

	<b>Education 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Staff costs	470,495	<b>470,495</b>	428,747
Depreciation	122,951	<b>122,951</b>	114,322
Educational supplies	54,306	<b>54,306</b>	39,926
Other costs	144,147	<b>144,147</b>	77,188
Premises costs	256,633	<b>256,633</b>	246,087
Grounds maintenance	37,072	<b>37,072</b>	44,687
Management expenses	98,845	<b>98,845</b>	88,663
Financing expenses	52,732	<b>52,732</b>	19,141
Legal and professional Governance	56,232 17,226	<b>56,232 17,226</b>	25,032 16,786
	<u>1,310,639</u>	<u><b>1,310,639</b></u>	<u>1,100,579</u>

**11. NET INCOME/EXPENDITURE**

	<b>2023 £</b>	<b>2022 £</b>
Depreciation of tangible fixed assets: - owned by the charitable group	<b>208,183</b>	221,041
Fees payable to the Company's auditor in respect of:		
Auditors' remuneration - audit	<b>13,750</b>	12,850
Auditors' remuneration - other services	<b>9,750</b>	5,965
Operating lease rentals	<b>15,442</b>	20,892

During the year, no Governors received any remuneration (2022: £NIL).

During the year, no Governors received any benefits in kind (2022: £NIL).

During the year, no Governors received any reimbursement of expenses (2022: £NIL).

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**12. STAFF COSTS**

	<b>Group 2023 £</b>	Group 2022 £	<b>Company 2023 £</b>	Company 2022 £
Wages and salaries	<b>2,718,948</b>	2,398,808	<b>2,225,005</b>	1,993,428
Social security costs	<b>225,520</b>	203,953	<b>198,951</b>	183,551
Employer contribution to pension schemes	<b>259,160</b>	251,751	<b>248,026</b>	242,240
	<b><u>3,203,628</u></b>	<u>2,854,512</u>	<b><u>2,671,982</u></b>	<u>2,419,219</u>

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

	<b>Group 2023 No.</b>	Group 2022 No.	<b>Company 2023 No.</b>	Company 2022 No.
Teaching staff	<b>57</b>	50	<b>57</b>	50
Administrative staff	<b>55</b>	56	<b>28</b>	29
	<b><u>112</u></b>	<u>106</u>	<b><u>85</u></b>	<u>79</u>

The average headcount expressed as full-time equivalents was:

	<b>Group 2023 No.</b>	Group 2022 No.	<b>Company 2023 No.</b>	Company 2022 No.
Teaching staff	<b>41</b>	35	<b>41</b>	35
Administrative staff	<b>41</b>	40	<b>20</b>	22
	<b><u>82</u></b>	<u>75</u>	<b><u>61</u></b>	<u>57</u>

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

	<b>Group 2023 No.</b>	Group 2022 No.
In the band £70,001 - £80,000	<b>1</b>	1
In the band £100,001 - £110,000	<b>1</b>	1

The key management personnel of the School comprises the Governors (who do not receive remuneration for their role as Governors) and the Senior Management Team. The total amount of employee benefits (including employer pension contributions and employer's national insurance) received by key management personnel for their services to the School was £350,058 (2022: £326,840).

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS  
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13. TANGIBLE FIXED ASSETS

GROUP

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2022	5,380,259	11,500	1,125,591	326,847	153,897	6,998,094
Additions	921,923	30,900	44,026	62,069	11,525	1,070,443
Disposals	-	-	(190)	(16,692)	-	(16,882)
At 31 August 2023	<u>6,302,182</u>	<u>42,400</u>	<u>1,169,427</u>	<u>372,224</u>	<u>165,422</u>	<u>8,051,655</u>
<b>DEPRECIATION</b>						
At 1 September 2022	1,934,914	10,800	840,411	268,061	80,718	3,134,904
Charge for the year	101,803	8,425	54,839	32,616	12,723	210,406
On disposals	-	-	(190)	(16,362)	-	(16,552)
At 31 August 2023	<u>2,036,717</u>	<u>19,225</u>	<u>895,060</u>	<u>284,315</u>	<u>93,441</u>	<u>3,328,758</u>
<b>NET BOOK VALUE</b>						
At 31 August 2023	<u>4,265,465</u>	<u>23,175</u>	<u>274,367</u>	<u>87,909</u>	<u>71,981</u>	<u>4,722,897</u>
At 31 August 2022	<u>3,445,345</u>	<u>700</u>	<u>285,180</u>	<u>58,786</u>	<u>73,179</u>	<u>3,863,190</u>

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13. TANGIBLE FIXED ASSETS (CONTINUED)

COMPANY

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2022	5,380,259	11,500	1,024,050	322,335	153,897	6,892,041
Additions	921,923	30,900	42,475	59,110	11,525	1,065,933
Disposals	-	-	-	(15,715)	-	(15,715)
At 31 August 2023	<u>6,302,182</u>	<u>42,400</u>	<u>1,066,525</u>	<u>365,730</u>	<u>165,422</u>	<u>7,942,259</u>
<b>DEPRECIATION</b>						
At 1 September 2022	1,934,914	10,800	766,228	264,578	80,718	3,057,238
Charge for the year	101,803	8,425	51,490	31,779	12,723	206,220
On disposals	-	-	-	(15,715)	-	(15,715)
At 31 August 2023	<u>2,036,717</u>	<u>19,225</u>	<u>817,718</u>	<u>280,642</u>	<u>93,441</u>	<u>3,247,743</u>
<b>NET BOOK VALUE</b>						
At 31 August 2023	<u>4,265,465</u>	<u>23,175</u>	<u>248,807</u>	<u>85,088</u>	<u>71,981</u>	<u>4,694,516</u>
At 31 August 2022	<u>3,445,345</u>	<u>700</u>	<u>257,822</u>	<u>57,757</u>	<u>73,179</u>	<u>3,834,803</u>

The net book value of assets held under finance leases or hire purchase contracts, included above are as follows: Other fixed assets £29,400 (2022: £35,520).

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**14. FIXED ASSET INVESTMENTS**

<b>COMPANY</b>	<b>Investments in subsidiary companies £</b>
<b>COST OR VALUATION</b>	
At 1 September 2022	1
AT 31 AUGUST 2023	<u>1</u>
<b>NET BOOK VALUE</b>	
AT 31 AUGUST 2023	<u>1</u>
AT 31 AUGUST 2022	<u>1</u>

**15. STOCKS**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Consumables	<u>30,449</u>	<u>30,163</u>	<u>26,327</u>	<u>24,419</u>

**16. DEBTORS**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
<b>DUE WITHIN ONE YEAR</b>				
Trade debtors	123,052	106,703	116,424	102,279
Amounts owed by Group undertakings	-	-	155,353	231,388
Prepayments and accrued income	76,125	129,309	61,121	116,927
	<u>199,177</u>	<u>236,012</u>	<u>332,898</u>	<u>450,594</u>

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Bank loans	<b>188,794</b>	135,594	<b>188,794</b>	135,594
Payments received on account	<b>128,700</b>	130,868	<b>128,700</b>	130,868
Trade creditors	<b>147,598</b>	136,971	<b>131,794</b>	120,461
Other taxation and social security	<b>54,104</b>	51,198	<b>48,101</b>	46,306
Obligations under finance lease and hire purchase contracts	<b>5,380</b>	10,440	<b>5,380</b>	10,440
Other creditors	<b>68,825</b>	64,801	<b>51,909</b>	49,213
Accruals and deferred income	<b>680,620</b>	561,080	<b>652,083</b>	557,269
	<b>1,274,021</b>	1,090,952	<b>1,206,761</b>	1,050,151
	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Deferred income at 1 September 2022	<b>513,192</b>	459,051	<b>513,192</b>	459,051
Resources deferred during the year	<b>635,664</b>	513,192	<b>607,203</b>	513,192
Amounts released from previous periods	<b>(513,192)</b>	(459,051)	<b>(513,192)</b>	(459,051)
	<b>635,664</b>	513,192	<b>607,203</b>	513,192

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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Bank loans	<b>1,044,344</b>	579,157	<b>1,044,344</b>	579,157
Net obligations under finance lease and hire purchase contracts	-	5,380	-	5,380
	<u><b>1,044,344</b></u>	<u>584,537</u>	<u><b>1,044,344</b></u>	<u>584,537</u>

The School has three bank loans with Barclays Bank plc as at the year end, which are secured against freehold property.

The 2009 loan is repayable over 225 months and the balance outstanding at the year end was £529,135 (2022: £620,056).

The 2020 loan of £160,000 is repayable over 60 months with interest charged at a variable rate. The balance outstanding at the year end was £63,243 (2022: £94,695).

A new loan was taken out in 2023. The total borrowing was £650,000, repayable over 120 months on a five-year fixed interest rate. The balance outstanding at the year end was £640,760.

**19. FINANCIAL INSTRUMENTS**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
<b>FINANCIAL ASSETS</b>				
Financial assets measured at amortised cost	<u><b>1,716,496</b></u>	<u>1,770,124</u>	<u><b>1,748,824</b></u>	<u>1,850,389</u>
	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
<b>FINANCIAL LIABILITIES</b>				
Financial liabilities measured at amortised cost	<u><b>1,657,239</b></u>	<u>1,162,297</u>	<u><b>1,618,516</b></u>	<u>1,121,496</u>

Financial assets measured at amortised cost comprise trade debtors, other debtors, amounts owed by group undertakings, accrued income and cash at bank and in hand.

Financial liabilities measured at amortised cost comprise payments on account, trade creditors, accruals, bank loans, other tax and social security and obligations under finance lease and hire purchase contracts.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**20. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 September 2022 £	Income £	Expenditure £	Balance at 31 August 2023 £
<b>UNRESTRICTED FUNDS</b>				
General Funds	4,157,583	4,396,215	(4,314,107)	4,239,691
The Downs School Association	19,968	39,169	(28,687)	30,450
Downs School Enterprises Limited	(74,554)	802,394	(786,216)	(58,376)
	<u>4,102,997</u>	<u>5,237,778</u>	<u>(5,129,010)</u>	<u>4,211,765</u>
<b>RESTRICTED FUNDS</b>				
Donations	235	1,700	(437)	1,498
	<u>4,103,232</u>	<u>5,239,478</u>	<u>(5,129,447)</u>	<u>4,213,263</u>

**UNRESTRICTED FUNDS**

During the year, parent contributions made to the Downs School Association (DSA) and fundraising amounted to £39,231 (2022: £68,545). The DSA is a Committee appointed by the Board comprising elected parents and senior staff who organise social events for the School community and raise funds for the purchase of equipment to benefit the children.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
<b>UNRESTRICTED FUNDS</b>				
General Funds	3,972,917	3,941,533	(3,756,867)	4,157,583
The Downs School Association	38,474	68,545	(87,051)	19,968
Downs School Enterprises Limited	(191,578)	766,205	(649,181)	(74,554)
	<u>3,819,813</u>	<u>4,776,283</u>	<u>(4,493,099)</u>	<u>4,102,997</u>
<b>RESTRICTED FUNDS</b>				
Donations	<u>2,500</u>	<u>942</u>	<u>(3,207)</u>	<u>235</u>
<b>TOTAL OF FUNDS</b>	<u><u>3,822,313</u></u>	<u><u>4,777,225</u></u>	<u><u>(4,496,306)</u></u>	<u><u>4,103,232</u></u>

**21. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	4,722,897	<b>4,722,897</b>
Current assets	1,498	1,813,527	<b>1,815,025</b>
Creditors due within one year	-	(1,280,315)	<b>(1,280,315)</b>
Creditors due in more than one year	-	(1,044,344)	<b>(1,044,344)</b>
<b>TOTAL</b>	<u><u>1,498</u></u>	<u><u>4,211,765</u></u>	<u><u>4,213,263</u></u>

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21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	3,863,190	3,863,190
Current assets	235	1,915,296	1,915,531
Creditors due within one year	-	(1,090,952)	(1,090,952)
Creditors due in more than one year	-	(584,537)	(584,537)
<b>TOTAL</b>	<b>235</b>	<b>4,102,997</b>	<b>4,103,232</b>

22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING  
ACTIVITIES

	Group 2023 £	Group 2022 £
Net income for the year (as per Statement of Financial Activities)	<b>110,031</b>	280,919
<b>ADJUSTMENTS FOR:</b>		
Depreciation charges	<b>210,406</b>	221,041
Interest income	<b>(11,196)</b>	(559)
Loss on the sale of fixed assets	<b>330</b>	11,209
Increase in stocks	<b>(286)</b>	(11,470)
Decrease/(increase) in debtors	<b>36,835</b>	(37,995)
Increase in creditors	<b>134,929</b>	99,705
Interest paid	<b>42,762</b>	19,141
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>523,811</b>	581,991

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2023 £	Group 2022 £
Cash in hand	<b>1,579,105</b>	1,649,356
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>1,579,105</b>	1,649,356

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24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2022 £	Cash flows £	Cash inflows from net borrowings £	Repayment of borrowings £	Finance lease repayments £	At 31 August 2023 £
Cash at bank and in hand	1,649,356	(720,251)	650,000	-	-	1,579,105
Debt due within 1 year	(135,594)	-	-	(53,200)	-	(188,794)
Debt due after 1 year	(579,157)	-	-	(465,187)	-	(1,044,344)
Finance leases	(15,820)	-	-	-	10,440	(5,380)
	<u>918,785</u>	<u>(720,251)</u>	<u>650,000</u>	<u>(518,387)</u>	<u>10,440</u>	<u>340,587</u>

## **25. PENSION COMMITMENTS**

The Group's employees belong to three principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for teaching staff and two defined contribution schemes for teaching and non-teaching staff.

### **Defined Contribution Scheme**

The Group operates a defined contribution pension scheme (APTIS) for the majority of its teaching staff and a defined contribution scheme (The People's Pension) for its non-teaching staff and Nursery staff. The assets of these schemes are held separately from those of the Group in independently administered funds. The employer's pension costs paid to these defined contribution schemes in the period amounted to £210,292 (2022: £183,638) on a like-for-like basis, excluding APTIS 'salary sacrifice' element).

### **Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

### **Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury (HMT) every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the previous valuation as at 31 March 2016 which was effective for the year ended 31 August 2023 are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy).
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million.
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The 2020 valuation result is due to be implemented from 1 April 2024 and effective until 31 March 2027. The employer contribution rate for this period will be 28.68% of pensionable pay (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the year amounted to £37,735 (2022: £39,502).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>) for 2016 and [www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx](http://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx) for 2020.

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Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group has set out above the information available on the scheme.

**26. CAPITAL COMMITMENTS**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>
<b>CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS</b>		
Acquisition of tangible fixed assets	<b>26,102</b>	-

**27. OPERATING LEASE COMMITMENTS**

At 31 August 2023 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Not later than 1 year	<b>15,607</b>	5,518	<b>15,607</b>	5,518
Later than 1 year and not later than 5 years	<b>25,930</b>	-	<b>25,930</b>	-
	<b>41,537</b>	5,518	<b>41,537</b>	5,518

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**28. RELATED PARTY TRANSACTIONS**

A number of Governors have children who are pupils at the School; the appropriate level of fees is levied in respect of these pupils.

Governors' children are assessed for bursaries and scholarships on the same basis as all other pupils on an arm's length basis. During the year, Governors received bursaries totalling £Nil (2022: £Nil).

Mr B Northover and Ms J. Oliver are members of Veale Wasbrough Vizards LLP. Veale Wasbrough Vizards LLP was appointed as the School's solicitors prior to Mr B Northover and Ms J. Oliver becoming Governors and therefore they were not involved in the decision making process. During the year Veale Wasbrough Vizards LLP was paid £19,992 (2022: £1,954) for legal services provided to the School. These transactions were made on a commercial basis. There was a balance outstanding at the year end of £418 (2022: £Nil).

Mr J.M. Collard is a director of Studio Hive Limited. During the year the School purchased advice and support in relation to planning applications and the swimming pool development from the company for £23,578 (2022: £9,803). These transactions were made on a commercial basis. There was a balance outstanding at the year end of £Nil (2022: £4,848).

At the year end the School had a debtor balance of £156,350 (2022: £231,388) with its subsidiary Downs School Enterprises Limited. Movement in the year related to intercompany recharges and loan interest. The School also received rent from Downs School Enterprises Limited of £42,900 (2022: £39,300) and loan interest of £12,511 (2022: £10,408).

**29. PRINCIPAL SUBSIDIARIES**

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity
Downs School Enterprises Limited	10801425	The Downs School, Charlton Drive, Wraxall, Bristol, BS48 1PF	Nursery
<b>Class of shares</b>	<b>Holding</b>	<b>Included in consolidation</b>	
Ordinary	100%	Yes	

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets / (Liabilities) £
Downs School Enterprises Limited	802,394	(786,216)	16,178	(58,375)