

Abbot's Hill Limited

**Incorporated in England and Wales No. 00559674
Registered Charity No. 311053**

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

For the year ended

31 August 2021

Abbot's Hill Limited

CONTENTS

for the year ended 31 August 2021

	Page
Governors' Report	1 - 15
Auditors' Report	16 - 19
Statement of Financial Activities	20
Balance Sheet	21
Cash Flow Statement	22
Notes to the Financial Statements	23

Abbot's Hill Limited
Annual Report of the Governors
Year ended 31 August 2021

The Governors are the charity trustees and company directors of Abbot's Hill Limited (variously described in this report as "the Company", "the School" and "the Charity", as appropriate). The Governors have all served in office throughout the year. They are:

N Chadwick	J Mark BA (Hons) (Chairman) (F) (E) (S) (RC)
M Hart MA (Cantab), MBA (P) (F) (SC)	J Ross BA (Hons), PGCE, NPQH (EC) (S)
N James MA (Oxon) (Vice Chair)(F) (R) (S) (NC)	J Myers (E) (H&S)
J Gillespie MA (Cantab)	L Summerton MA, PhD (S) (F) (E)
S Thakur PhD (E)	G James MA (Oxon), PGCE (SG) (E)
D Walters BSc, FCA (FC) (R) (S)	C Edmundson B.Mus (Hons), PGCE (Cantab), MBA (Exeter) (E)
J McCaldin MA (Cantab) (F) (ICT) (M) – resigned 24 June 2021	

- (P) Parent of a pupil at the School
- (F) Member of the Finance & Audit Committee
- (E) Member of the Education Committee
- (S) Member of the Strategy Committee
- (R) Member of the Remuneration Committee
- (H&S) Governor with Health & Safety oversight
- (ICT) Governor with ICT oversight
- (M) Governor with Marketing oversight
- (SG) Governor with Safeguarding oversight
- (NC) Chair of Nominations Committee
- (RC) Chair of Remuneration Committee
- (FC) Chair of Finance and Audit Committee
- (SC) Chair of Strategy Committee
- (EC) Chair of Education Committee

The Board of Governors is a self-appointing body. Governors retire by rotation and can be re-elected in accordance with the Articles of Association.

Abbot's Hill Limited
Annual Report of the Governors
Year ended 31 August 2021

Head	Mrs K Gorman BA, Ed (Cantab)
Bursar	Mrs C Korniczky BA (Hons), ACA
Address	Abbot's Hill School Bunkers Lane Hemel Hempstead Herts HP3 8RP
Bankers	Allied Irish Bank (GB) 202 Finchley Road London NW3 6BX
Auditor	Moore Kingston Smith LLP 4 Victoria Square St Albans Herts AL1 3TF
Insurance Brokers	Marsh Insurance Brokers Perrymount Road Haywards Heath West Sussex RH16 1TA
Solicitors	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS

Abbot's Hill Limited

Annual Report of the Governors

Year ended 31 August 2021

The Governors are pleased to present their report for Abbot's Hill School with the financial statements for the year ended 31 August 2021 prepared in accordance with the Statement of Recommended Practice (SORP), Accounting and Reporting by Charities Act 2015.

A YEAR OF SUSTAINED PROGRESS

Against a background of continued disruption and challenges due to the Covid-19 pandemic, Abbot's Hill once again enjoyed a successful year. The school continued to navigate the pandemic with confidence, parent satisfaction in the school's provision continued to rise, and 100% of pupils gained a place at their first choice of 6th Form based on their GCSE results.

Education at Abbot's Hill is about more than exam results. The investment made by the school in the personal development of pupils is reflected in the range of sporting, creative and leadership opportunities on offer. The school's ethos, which nurtures not only academic achievement but also the development of character, ensures preparedness for the challenges and opportunities that the future has in store.

The experience gained during the Covid-19 pandemic strengthened the school and allowed a space for reflection on our purpose and values.

The school raised over £5,000 through imaginative fundraising activities supporting a diverse range of charities including the British Legion Poppy Appeal, Cancer Research UK, India Covid Appeal, Jeans 4 Genes, Save the Children and BBC Children in Need.

STATUS AND ADMINISTRATION

The Company carries on business as Abbot's Hill School, incorporating a Senior School and a Prep School for girls aged 4-16 with a co-educational Day Nursery and Pre-School.

The school was established in 1912. Abbot's Hill Limited was registered as a charity in February 1963 under charity number 311053. The governing documents of the Company are its Articles of Association, adopted on its incorporation on 6 January 1956 and subsequently amended on 20 March 2003 and most recently on 19 March 2020.

On 31 August 2012, all shares in Abbot's Hill Limited were transferred to a new holding company limited by guarantee called "Abbot's Hill School". The members of that holding company are the Governors of the school. The Articles of Association of Abbot's Hill School, the holding company, were amended by special resolution on 11 July 2020.

GOVERNANCE

The Governors, who are also the Charity's trustees and the Company's directors, are responsible for the overall management and control of the school. The Governors meet as a full Board three times a year, as well as for an annual strategy day.

Between these regular meetings, two committees (the Finance & Audit Committee and the Education Committee) meet each term to provide a detailed review of specific matters, to oversee performance of delegated policies and to ensure progress generally. The Strategy Committee meets annually, to review progress against our strategic plan and to set and agree future strategic targets

Dedicated working parties are set up from time to time to focus on projects requiring closer Governor scrutiny.

Abbot's Hill Limited Annual Report of the Governors Year ended 31 August 2021

The school's Health & Safety Committee meets termly and is chaired by the Bursar supported by the Domestic Bursar in her capacity as Health & Safety Co-ordinator. A Governor attends these meetings in a liaison and oversight role on behalf of the Board of Governors. Respective Heads of Department and other key personnel also attend. The school's Digital Strategy Committee also meets termly chaired by the Director of Technology & Data Compliance Officer. A Governor also attends these meetings. There is a designated Safeguarding Governor who reports to the full board and holds regular meetings with the school's Designated Safeguarding Lead.

The day-to-day running of the school is delegated to the Head and Bursar who advise the Board of Governors with support from the rest of the Executive Committee ("Exec"). The members of Exec during the year were: the Head, the Bursar, the Senior Deputy Head, the Head of Prep, the Deputy Head Pastoral and the Deputy Head Academic.

New Governors are appointed by the full Board of Governors following a formal procedure. Governors are subject to election in accordance with the Company's Articles of Association and must submit themselves by rotation for re-election at subsequent Annual General Meetings.

New Governors receive appropriate training and a full Governors' induction pack upon appointment. They are encouraged to attend relevant training courses especially those organised by AGBIS, the ISBA and ISC.

Governors bring first-hand knowledge and understanding of the school's ethos. It is the school's policy to ensure the Governors have the range of skills required for an appropriately balanced Board. The Clerk maintains a matrix of Governor skill-sets and requirements and this is reviewed regularly by the Board to determine recruitment needs. The Board is satisfied that it has a good balance of skills and experience and a Nominations Committee facilitates effective succession planning.

Governors hold a meeting each calendar year to discuss and update the Strategic Plan for the school. This feeds into the School Development Plan and the departmental plans and also informs the school's financial planning.

OBJECTIVES AND ACTIVITIES

The principal objects of the Charity are to carry on, develop and manage the school for the promotion or advancement of education.

Our Mission

To foster a community in which all individuals are happy and inspired to live purposeful and fulfilling lives while remaining true to our founding values of strength and character.

Our Vision

A first choice school with outstanding environments in which to work, learn and play. We embrace diversity and provide an education fit for the modern world by challenging everyone in our community to be confident in who they are, develop strength of character and to become active, compassionate citizens who make significant and lasting contributions to others throughout their lives.

Abbot's Hill Limited

Annual Report of the Governors

Year ended 31 August 2021

Objectives for the Year

The Governors' main objective continued to be to educate all of the school's pupils to at least the same high standard achieved by the school in recent years by offering a curriculum and pastoral provision which is designed to foster each pupil's full potential and well-being.

During the year, facilities improvements were scaled back during the pandemic for financial reasons and many projects were put on hold. However, necessary roof repairs were made to the Gordon Building and Nursery and the Bothy underwent some internal and external improvements. The rolling replacement of windows and other essential projects should continue next year. Marquees were erected on the front lawn just before the start of the Autumn Term and they remained in place for much of the academic year.

Other key objectives were to continue to enhance all aspects of Health & Safety, especially in light of the risks associated with the coronavirus, to provide effective governance and management, to continue to support other schools and organisations for public benefit, to further develop our ambitious Digital strategy for the benefit of all users (pupils, staff, and visitors) to establish a whole-school Diversity, Equality and Inclusion Committee involving staff, pupils and parents as well as governors and to maintain an excellent reputation across all stakeholder groups.

The Strategic Plan also emphasises the requirement to build financial strength to ensure stability and a sustainable future for the school.

Principal Activity

Abbot's Hill provides education across three age ranges. The Senior School provides day-school education for girls between the ages of 11 and 16 years, up to GCSE level. The Prep School educates girls between the ages of 4 and 11 years, preparing them for secondary education. A large number of girls progress from Prep to Senior. Abbot's Hill Day Nursery and Pre-School is a provision for boys and girls aged 6 months to 4 years which prepares them for more formal schooling in Reception.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE

Goal 1: A distinct market proposition

During the year 2020-2021, the school commissioned RS Academics to conduct a School Pulse survey. The findings, in conjunction with the ISI inspection report and recommendations, informed the re-writing of our Mission and Vision (above) and led to the publication of an inaugural set of school values (Prep and Senior) which were written with staff and pupil voice.

This work was set against and was a response to a wider social context for our young people and schools including but not limited to:

- Black Lives Matter
- Everyone's Invited
- The Me Too campaign
- Sarah Everard's murder
- The climate emergency
- The concern young people have about future financial uncertainty
- Online harms
- Mental health and wellbeing

Abbot's Hill Limited

Annual Report of the Governors

Year ended 31 August 2021

- **Uncertainty regarding exams**

as well as the wider and well-publicised political and economic challenges faced by independent schools.

In turbulent times, the school community was able to reflect on its purpose and distinctiveness and to recognise that our unique quality comes from our complementary focus on humanity, community and the individuals within that community. The global response to Covid-19 taught us that this is an era of inclusion where the quality of one's character matters. Abbot's Hill's founders formed the school to educate 'young women of character' and so the last year has given us cause to be optimistic that the school is well-positioned to build on its market position and reputation.

The Governors took into account the recommendations of the 2020 Charity Commission Report and have included "EDI" (Equality, Diversity and Inclusion) on the governors' agenda for 2021-22 in order to maintain and improve aspects in this area. The upcoming INSET days in September 2021 will include an external speaker to cover this topic and the Board is looking to appoint a governor with a focus in this area.

Building on our values, and through consultation with pupils, staff and parents, six, strategic pillars which recognise the school's distinctive qualities to steer the school through the next period of development were agreed at the summer 2021 Governor Strategy Day. These are:

1. Inspired Learners

All pupils enjoy rich, stimulating and evolving educational experiences which are delivered by expert and dedicated practitioners. This will inspire a lifelong love of learning and an open-mindedness

2. Flourishing individuals

The promotion of physical and mental health, happiness and wellbeing sustains our community and enables our pupils and staff to flourish and fulfil their potential.

3. Leadership and growth

A skilled, diverse and highly qualified staff body which benefits from strong leadership at all levels. Professional relationships will be founded on the values of trust, integrity and respect.

4. Engagement and Community We will reach out to and engage with parents, pupils, alumnae, governors, and our partners in the local community and beyond in a spirit of service and mutual benefit.

5. Broad Horizons and Future-Focus Within a safe, caring yet stimulating environment we provide an exciting, future-focused curricular and co-curricular offer. This broadens horizons and successfully prepares pupils for life in a changing world.

6. Sustainable Future Resources are stewarded responsibly to maximise educational opportunities for pupils from all backgrounds, and investment in the school's long-term security and the continual improvement of its campus.

Goal 2: High achievement through excellent learning and teaching

To begin to bring the school's day-to-day operations in line with our vision and values and to continue to implement the actions and recommendations of the RS School Pulse and the ISI Inspection (January 2020), the school commenced a curriculum review and redesigned our tracking, reporting and assessment processes as well as changed our 11+ entry procedures, moving to the ISEB pre-test to ensure a standardised experience for internal and external candidates.

Abbot's Hill Limited Annual Report of the Governors Year ended 31 August 2021

Academic results at GCSE continued to demonstrate impressive levels of achievement and progress with all subjects now working with the new GCSE reforms. Due to Covid-19, final examinations did not take place and the school was required to submit Teacher Assessed Grades (TAGs) which took into account predicted grades, past and current performance as well as baseline data. At Abbot's Hill our grading was fair and honest. 100% of pupils progressed to their first choice Sixth Forms and Colleges.

Abbot's Hill pupils achieved 97.8% of grades at 9-4, compared with the national average of 79.1%. 60.5% of all grades at Abbot's Hill were at the top grades of 9-7 significantly above the national average of 30.0%. 20 pupils (over a third of the year group) were awarded 7 or more of the top GCSE grades – 9-7. These results continued the school's outstanding record of GCSE success over many years.

The Prep School continued to provide a high quality preparatory education for its pupils and includes specialist teachers delivering a range of subjects weekly swimming was offered on-site, as part of our PE offer from Year 3 to 6 with plans to extend this into the Early Years in 2021-22. The Nursery provided excellent care which reflects the ethos of Abbot's Hill School and paves the way for entry into the Pre-Prep department. We piloted a 'pre-school' 3+ class this year: this has been very well received by parents. The impact and potential of this initiative is under review

Additional benefits to learning and enhanced access to learning have been provided by continued investment in ICT. Building on our learning during Lockdown, the school's Digital Strategy committee recommended the roll-out of 1:1 devices (Chromebooks) to all pupils in Years 5 and 6. Pupils who accessed our learning support team benefitted during remote learning from software designed to support pupils with SPLD needs.

During the second Lockdown, devices were again lent to pupils as required so that they could access the remote learning from home. Pre-Prep staff were again ably supported by the Head of Pre-Prep in further developing their use of the SeeSaw App which is an excellent, age-appropriate tool to support learning. In Lockdown 2.0, the skills taught since Lockdown 1.0 ensured that Year 3 pupils and above successfully used Google classroom. The ICT department and other staff provided training throughout lockdown to support both staff and pupils.

Goal 3: A curriculum, extra-curricular provision and pastoral system to realise every pupil's full potential and well-being

The assembly schedule and Personal Development Education (PDE) programme in both Prep and Senior was adjusted to reflect our values, thus ensuring that the school's pastoral programme has a strong and consistent set of values at its core.

In the Prep school the role of Teaching Assistants was reviewed and they were redeployed to ensure that their individual skills and expertise supported and extended pupils' learning across the curriculum. Following this re-organisation, a Prep SENDCo was appointed to oversee the work of the Teaching Assistants and ensure that all pupils continue to make excellent progress.

An internal appointment of an Assistant Head, Co-curricular and Outreach enabled better overall co-ordination of our programme. Her work on partnership and outreach continued to enhance our co-curricular offer and attended to a key ISI Inspection recommendation. To further develop our pupil co-curricular and staff CPD offer, Abbot's Hill became a member of the Independent Schools' Association (ISA).

The school sustained its co-curricular provision in person and on-line throughout the 2020-21 academic year. During periods of remote-learning and national lockdown, the school curriculum was

Abbot's Hill Limited Annual Report of the Governors Year ended 31 August 2021

sustained in full and included the usual diet of assemblies, pastoral and learning support provision. Under new leadership in Sport, pupils were kept active. The Summer Term saw a resumption of some small-scale inter-school competitive sport, the Prep and Senior School Sports Days and swimming galas.

The significant rise in mental health cases nationally was reflected at Abbot's Hill. The pastoral team (School Nurse, Healthcare Assistant, Pastoral Manager and a School Counsellor) noted a significant rise in its caseload as a direct result of the pandemic. The PSHEE programme was renamed Personal Development Education (PDE) was adjusted to reflect the revised statutory Relationships and Sex Education (RSE) guidance, to foster pupil wellbeing and develop the resilience and character that are fundamental to pupils being happy, successful and productive members of society.

To complement the work being done with pupils, a Staff Welfare committee was formed and the school ran a regular staff welfare survey (administered by the TES). The school has authorised a 'Wellbeing Day' for which all staff may apply.

Partnership work with parents to enable them to better support and enhance their children's wellbeing was developed by the school's membership of the TooledUp network and a programme of Parent Education talks.

Goal 4: Financial strength and stability

In 2020/21, the Senior School had 286 (2019/20: 299) day pupils and the Prep School had 176 (2019/20: 186). 47 (2019/20: 41) pupils (full time equivalents) attended the school's Nursery and Pre-School. The Finance & Audit Committee, in accordance with its remit, continued to monitor the school's finances during the year and identified matters for further consideration at the regular Governors' meetings, whilst the Bursar supervised and controlled the school's costs on a day-to-day basis.

Marketing activity continued to be a priority in order to maintain and grow the school roll. The school also invested considerable time and expertise in its social media profile, its use of targeted Google and Facebook advertising and other online media with impressive outcomes.

As a consequence of this activity – coupled with excellent remote provision during the periods of lockdown – the school's reputation has been markedly enhanced. The school was able to plan for an additional Year 6 class for September 2021 to accommodate the increased level of interest in the school.

The Governors had regard to the public benefit guidance issued by the Charity Commission. The school ensured that the education that it provides is not restricted to those who can afford the fees. Bursary awards are viewed as important in helping to ensure that pupils from families who would otherwise not be able to afford the fees can access the education that the school offers. Bursary awards were available to pupils who met the general entry requirements and after assessing parental means either before a pupil joins the school in Year 7 or occasionally to relieve hardship when an existing pupil's education would be at risk, for example, in the case of unpredicted changes to parental circumstances. The school, however, is almost totally reliant on fees in funding these awards and it has to ensure that there is a balance between fee-paying parents and those benefiting from awards.

After the application of a robust cost management programme, together with help from the various government Covid-19 assistance schemes, the school realised an accounting surplus in the year to 31 August 2021. Given the requirement to fund essential capital expenditure and service the school's

Abbot's Hill Limited
Annual Report of the Governors
Year ended 31 August 2021

bank loans, however, the financial result does not leave the school with headroom for discretionary spending.

In order to ensure the school remains a going concern into the future, the Governors constantly review income and expenditure and most importantly cash flow. The Governors are mindful that without increasing school fees, sustaining pupil numbers or cutting costs, the school may be unable to invest in some of the larger scale capital projects which would continue to provide the excellent facilities and opportunities currently enjoyed by pupils. The Governors' strategy meetings are held whilst bearing this in mind and in July 2021, it was announced that the school would commence a consultation after the year end regarding whether to remain in the Teachers' Pensions Scheme.

The school continued to award scholarships for entry to Year 7 in music, art, drama and sports as well as for academic performance.

In 2020-21 the following awards were made:

Means-tested bursaries – 5 girls (2020: 6 girls), £80,273 (2020: £99,806). Of the 5 girls offered bursaries this year, 4 girls (2020: 4 girls) benefitted from bursaries greater than 75% including 3 girls (2020: 3 girls) with 100% awards. In addition, temporary hardship awards worth £17,074 were allocated to parents who were unable to pay fees due to the effects of Covid-19.

Scholarship awards – 40 girls (2020: 37 girls), £49,413 (2020: £45,051).

In addition the school continued to develop its public benefit offering into a more extensive and diverse portfolio.

Goal 5 Effective, committed and skilled staff

Providing resources for the continued professional development of the teaching and Nursery staff is recognised as a key factor for the achievement of this goal. Ongoing staff wellbeing surveys (administered using the TES system) identified staff development, feedback, reward and recognition as areas for improvement. An Assistant Head, Professional Development, was appointed to develop a strategic and holistic approach to staff learning and engagement with up to date pedagogy in so far as it benefits the school. A full, internal CPD programme ensured that staff were fully conversant and played a part in implementing the school development plan.

Two members of teaching staff were enrolled on the GSA Middle Leader programme (ISQAM) and two teaching staff joined the Girls' School Association's Global Leadership Development programme.

Abbot's Hill also supported new entrants to the profession through the Independent Schools' Teacher Induction Panel and formed a Partnership Hub with Haberdashers' Girls' School and North London Collegiate School to support ECT (Early Career Teachers) in their personal and professional development. A further Hub (formed by the Head of Pre-Prep) connected local maintained and independent EYFS providers as they navigated the revised EYFS Framework.

Goal 6: A High standard of development and maintenance of the school's assets

Following the completion in 2018 of Phase 2 of the school's Campus Development Plan (which provided for the Prep School four additional high quality classrooms, an art, design and technology room and outdoor teaching area designed to support the science curriculum) further upgrades to existing facilities were put on hold for the most part due to covid-19, however, the Gordon Building and

Abbot's Hill Limited
Annual Report of the Governors
Year ended 31 August 2021

Nursery received refurbished roofs. It is hoped to restart the significant programme of window replacement and other major investment in the coming year.

Goal 7: Effective governance and management

The school retains a Board of Governors with an appropriate balance of expertise and experience. The profile of the Board is kept under review, to ensure it maintains that balance. Parents and others whose skills and knowledge may complement those of the existing Governors or that may be useful to the Board are asked to come forward and register their interest in becoming a Governor.

A Board skills self-audit is conducted regularly to inform Governor recruitment.

The school maintains Governor supervision of Safeguarding, Technology, Educational Provision and Health & Safety.

The school's annual strategic plan is linked with the school's budget, School Development Plan and departmental development plans. The School's Exec manages the school on a day-to-day basis, and runs the school at an operational level, with the oversight of the Board of Governors.

Governors attend training by AGBIS or other providers as relevant.

Governors ensure that appropriate resources are available for staff development, training and appraisal.

Goal 8: An excellent reputation across all stakeholder groups

Despite the ongoing Covid-19 restrictions, the Governors endeavoured to make themselves accessible to staff and parents. Governors monitored communication with stakeholder groups through feedback from questionnaires and surveys, such as the Parent Pulse survey. When possible, Governors attended various events and meetings at the school and there was a very limited presence at Prize Giving and the annual Commemoration Day. As the world remained virtual, the school translated key events for an on-line audience, including Open Days and the Carol Service, to which Governors were invited. It was impossible to stage the annual Prep Production and the School Play.

Restrictions were relaxed in the Summer Term and the school was delighted to hold some important annual events, including the Prep Prize Giving and Commemoration on site and live, albeit with a reduced audience. These events were also live-streamed to the wider school community.

Parents were offered many opportunities to participate in and understand the work of the school, the progress their children were making and to interact with staff. They received regular information and updates from the school and through the Parent Portal had access to relevant information and also the facility to exchange information. The updated communications system two-fold with SchoolPost and My School Portal streamlined parental communication and brought benefits for parents and administrative staff alike.

The activities of school's hardworking Parents' Association, AHSPA, were curtailed by the pandemic this year. The Welcome Event for new Year 7 parents became a virtual event and many usual fundraising events (the Firework Night, Ball or various fairs) could not be held. Nevertheless, new and popular virtual events (a Christmas Craft Evening and Wine Tasting for example) took place. The sales of second-hand uniform were extremely popular at a time when many families were looking to limit financial expenditure and raised £4,000 for the school. In place of the in-house Holiday Activity Clubs the school appointed an external holiday club provider for Easter and also during the summer holidays

Abbot's Hill Limited

Annual Report of the Governors

Year ended 31 August 2021

in 2021. Two local swimming clubs hired the pool during the year, although certain Covid-19 restrictions were in place. This enabled local children to benefit from the school's facilities.

Covid-19

The academic year 2020-21 was affected, as were most schools and businesses, by the ongoing impact of Covid-19. From January 2021, the school entered a period of remote teaching. A full timetable, a full clubs and activities programme and an exceptional sports provision were delivered. The feedback from parents was overwhelmingly positive regarding the innovative remote learning offered and strengthened the confidence in and our reputation amongst current and prospective parents.

Dealing with the Covid-19 crisis put an increased burden on the health and safety expenditure of the school but other cost savings, for example, from within the educational and catering budgets plus scaling back on repairs and maintenance expenditure enabled the school to pass back savings totalling £91,607 onto parents in the Summer Term. The school was unable to furlough any teaching staff due to the continued remote education of pupils.

Whilst the school did make a surplus during 2020-21, a cautious approach was taken in the uncertain climate and all but essential repairs and maintenance costs were deferred but will be incurred in the following academic year.

Details of Partnership work 2020-2021

Partnerships with local state schools continued to grow with more long-term collaboration established and new projects initiated. The appointment of the Assistant Head, Partnership and Outreach signalled the intent to develop our Partnership work, as recommended in the January 2020 ISI Inspection report.

We worked closely with local state and independent schools and organisations, including Herts Music Service, an EYFS Hub, a Digital Learning Hub and an early career teaching (ECT) hub (with Haberdashers' Girls' School and North London Collegiate schools) were established during the year.

Ongoing Volunteering

One member of staff continued to be a Governor at a partner school; three other members of staff continued to be Governors at other schools/academies.

During 2020-2021, AHSPA maintained its efforts to support the local community, notably by providing meals to key worker families.

RISK MANAGEMENT

The Board of Governors sought to identify and assess the risks to which the Charity is subject and established appropriate controls throughout the year. A formal review of the Charity's strategic risks was undertaken during the year by the Finance & Audit Committee. This committee reviewed for the Board a Strategic Risk Register, identifying those risks which should be addressed as a high priority and recommended actions which should be taken to mitigate them.

The key controls used by the school to manage major risks include:

- Formal agendas for all Committee and Board activity;
- Comprehensive strategic planning, budgeting and management accounting;

Abbot's Hill Limited
Annual Report of the Governors
Year ended 31 August 2021

- Established organisational structure and lines of reporting;
- Formal written policies;
- Clear authorisation and approval levels.

A number of medium level risks have been identified which cover a variety of areas including governance, remuneration, succession planning, public benefit and health & safety. Marketing and financial risks were rated at a high level of risk during the year by the Board of Governors following the outbreak of Covid-19 in order to ensure a committed focus on the sustainability of the school during these difficult times.

All risks were subjected to specific controls and interventions to remedy or reduce them to tolerable levels. Further mitigation is provided by clear oversight of these areas by both the management, Head and Bursar, and by Governors through their role in committees and working groups.

Through the formal review of the risks to which the school was exposed, the Governors are satisfied that the major risks identified and noted above are being adequately managed, and action has been taken by the school to offset their impact. It is recognised, however, that systems can only provide reasonable but not absolute assurance of this.

The Teachers' Pension Scheme ("TPS") Employers' Contributions rose to 23.6% in September 2019. This increased financial obligation on the school continued to be assessed by the Board of Governors which aims continually to provide attractive remuneration packages for staff. Regular discussions were held by the Board to consider all options and in June 2021, the Board announced that the school would enter into a TPS consultation with effect from September 2021. This decision was not taken lightly and the school has ensured that proper process is followed with engagements of representatives from among the teaching staff before a final decision is made on whether to exit the scheme.

REMUNERATION

The guiding principles of the school's approach to remuneration are:

- To ensure delivery of the school's objectives
- To attract and retain motivated staff with the skills and expertise necessary for operational effectiveness
- That remuneration should be equitable and coherent across the school
- To take account of the purposes, aims and values of the school
- To ensure that pay levels and pay increases are appropriate in the context of the interests of our parents and beneficiaries

To help to meet the above objectives, an external pay and benefits review for teaching staff will commence after the year end. Support staff pay is already benchmarked against market rate for each role.

The key management personnel in the school are the Head and the Bursar who are appointed by the Board of Governors. The remuneration of the Head and the Bursar is set and reviewed annually by the Remuneration Committee. Governors and the Head recognise the need to remunerate senior staff in a way that will attract and retain high-quality individuals with the personal qualities, skills and experience for demanding appointments.

FINANCIAL REVIEW

Abbot's Hill Limited

Annual Report of the Governors

Year ended 31 August 2021

Activities and Results

The school's incoming resources are principally derived from pupil fees. Gross fee income for the year was down by £135,350 compared with the previous year due to lower pupil numbers. Net fee income rose by £68,348 due mostly to the level of Covid-19 discounts being lower than in the previous year. Total funds increased by the net surplus of £114,357 for the year.

Operating costs represented 99% of resources expended at the school with 59% (2019-20: 55%) of that expenditure comprising teaching and teaching support salaries. Total staff costs comprised 74% (2019-20: 72%) of operating costs and 77% (2019-20: 73%) of net fees.

Reserves

The Governors regularly review the level and nature of the reserve funds of the school. It has a formal policy on reserves that considers its need for reserves through examining its working capital requirements, financial risk mitigation and future strategic development.

At the Balance Sheet date, the school held general unrestricted funds totalling £8,335,784 all represented by fixed assets for the school's own use. Under the Charity Commission's definition of free reserves being unrestricted funds not represented by fixed assets, the school did not have any free reserves at that date.

The school retains reserves so that the facilities, buildings and site can be maintained and enhanced, so that new technologies can be introduced and so that the provision of education, in the widest way, for the present and future can be improved. Sustainability of the school into the future is of paramount importance to the Governors.

The Governors have reviewed the school's cash flow forecasts and are satisfied that its reserves are adequate for the purpose of meeting its short-term working capital requirements without the need to hold free reserves for the time being.

Going forward, achievement of an operating surplus will continue to be one of the key measures of the school's financial performance in addition to a sustainable cash flow.

Fundraising Activities

During the year the school received over £12,000 revenue from donations and funds raised on behalf of the school by the Abbot's Hill School Parents Association.

PLANS FOR FUTURE PERIODS

At the end of the academic year, the Governor's annual strategy day took place at which the school's forward strategic priorities were discussed (see above) and significant decisions were made about the school's shape and size.

The governors intend

- to ensure the very high level academic and non-academic achievements will remain as a priority as well as maintaining high standards of pastoral care at a time when the Mental Health needs of pupils have come to the fore
- to nominate a governor with oversight to ensure that Diversity, Equality and Inclusion underpin all aspects of the school's operations

Abbot's Hill Limited
Annual Report of the Governors
Year ended 31 August 2021

- to review and introduce an attractive salary package for all staff to ensure that their commitment, work and effort are suitably rewarded
- to ensure that parents – existing and prospective – will become increasingly engaged with the school through a revamped Parents' Association which will see the school enter a new phase of collaboration of mutual benefit
- that the school will develop its work with its alumnae community, themselves a valuable asset
- that the whole school curriculum review will ensure the relevance, diversity and inclusion of the academic programme
- that the Marketing and Admissions systems and structures are kept under review to ensure that the school capitalises on its strong and unique offering
- the school will continue to manage talent, to reframe and progress the ICT Digital Strategy to benefit all stakeholders
- that the governors will establish a timetable for further Campus Development Plans to be implemented as and when finances allow
- that the Governors will focus on managing the impact of any financial implications which may arise from political and economic factors outside the school's control to ensure that the school will continue to thrive in the future

Statement of Governors' Responsibilities

The Governors (who are also directors of Abbot's Hill Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the Trustees are aware:

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

Abbot's Hill Limited
Annual Report of the Governors
Year ended 31 August 2021

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Approved by members of the governing body on *25th November 2021* and signed on their behalf by:



Janet Mark
(Chairman of the Board of Governors)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBOT'S HILL LIMITED
(A Charitable Company Limited by Guarantee)

Opinion

We have audited the financial statements of Abbot's Hill Limited ('the company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees 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 there is 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBOT'S HILL LIMITED
(A Charitable Company Limited by Guarantee)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

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

Responsibilities of trustees

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

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

Auditor's Responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBOT'S HILL LIMITED
(A Charitable Company Limited by Guarantee)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBOT'S HILL LIMITED
(A Charitable Company Limited by Guarantee)**

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

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

Date

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Abbot's Hill Limited

STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure statement) for the year ended 31 August 2021

	Notes	Unrestricted funds £	Total 2021 £	Total 2020 £
INCOME FROM:				
Charitable Activities				
School fees	3	8,203,994	8,203,994	8,135,646
Other educational income	4	272,520	272,520	372,052
Other Income				
Other trading income	5	26,371	26,371	36,816
Investments				
Investment Income	6	1,062	1,062	15,105
Voluntary sources				
Grants and donations	7	118,263	118,263	231,859
Total income and endowments		8,622,210	8,622,210	8,791,478
EXPENDITURE ON:				
Costs of raising funds				
Other trading costs		8,760	8,760	46,771
Charitable activities				
Education	8	8,499,093	8,499,093	8,250,269
Total expenditure	8	8,507,853	8,507,853	8,297,040
Net income/(expenditure)	15	114,357	114,357	494,438
Transfer between funds		-	-	-
Net movement in funds		114,357	114,357	494,438
Fund balances brought forward		8,221,327	8,221,327	7,726,889
Fund balances carried forward	19	8,335,684	8,335,684	8,221,327

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

Abbot's Hill Limited

BALANCE SHEET
as at 31 August 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	13	<u>9,836,541</u>	<u>9,812,629</u>
		9,836,541	9,812,629
CURRENT ASSETS			
Stocks	14	8,078	7,811
Debtors	15	285,355	117,793
Cash at bank and in hand		<u>2,152,234</u>	<u>2,283,380</u>
		2,445,667	2,408,984
CREDITORS: Amounts falling due within one year	16	<u>(2,204,449)</u>	<u>(1,752,792)</u>
		241,218	656,192
NET CURRENT ASSETS			
		<u>241,218</u>	<u>656,192</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		10,077,758	10,468,821
CREDITORS: Amounts falling due after more than one year	17	<u>(1,741,975)</u>	<u>(2,247,394)</u>
		8,335,784	8,221,427
NET ASSETS			
		<u>8,335,784</u>	<u>8,221,427</u>
FUNDS			
Called up Share Capital	19	100	100
Unrestricted funds – general	19	8,335,684	8,221,327
		<u>8,335,784</u>	<u>8,221,427</u>

Approved and authorised for issue by the Board of Governors on 25/11/21 and signed on their behalf by:



J Mark
Chairman of the Board of Governors

The accompanying notes form part of these financial statements.
Company Number: 00559674

Abbot's Hill Limited

CASHFLOW STATEMENT

for the year ended 31 August 2021

CASH FLOW STATEMENT	Notes	2021	2020
		£	£
Net cash inflow from operating activities	25	701,201	838,463
Cash flows from investing activities:			
Bank interest received		1,062	15,105
Payments to acquire fixed assets		(465,747)	(248,259)
Net cash outflow from investing activities		<u>(464,685)</u>	<u>(233,154)</u>
Financing:			
Loans received		-	-
Loans repaid		(367,662)	(359,310)
Net cash outflow from financing activities		<u>(367,662)</u>	<u>(359,310)</u>
Increase/(decrease) in cash		(131,146)	245,999
Cash and cash equivalents at beginning of the reporting period		<u>2,283,380</u>	<u>2,037,381</u>
Cash and cash equivalents at end of the reporting period		<u>2,152,234</u>	<u>2,283,380</u>

Abbot's Hill Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

1 ACCOUNTING POLICIES

Abbot's Hill Limited is a company limited by shares with registered number 00558674, incorporated and domiciled in England and Wales. Its registered office is Abbot's Hill School, Bunkers Lane, Hemel Hempstead, Herts, HP3 8RP.

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

1.2 GOING CONCERN

The governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the school to continue as a going concern. The governors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the governors have considered and challenged the school's forecasts and projections, including cash flows, pupil projections and the likely impact of pressures on fee income. Whilst the economic outlook remains uncertain which could have an impact on future pupil numbers, the cash flow has been subjected to stress testing regarding a drop in numbers and the governors have concluded that, with certain other cost control measures in place, there is a reasonable expectation that the school has adequate resources to continue in operational existence and meet its ongoing liabilities for the foreseeable future. The school, therefore, continues to adopt the going concern basis in preparing its financial statements.

1.3 FEES RECEIVABLE AND SIMILAR INCOME

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school.

1.4 DONATIONS AND FUND ACCOUNTING

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds.

1.5 EXPENDITURE

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent.

All costs associated with the provision of education are allocated to Charitable Expenditure. Only the costs directly associated with, or incurred solely in, Raising Funds are allocated to this category.

Governance costs comprise the costs of running the school, including strategic planning for future developments, external audit, legal advice and a proportion of staff costs relating to compliance with constitutional and statutory requirements, such as the costs of Governors meetings.

1.6 TEACHING COSTS

Supplies of games equipment, books, stationery and sundry materials are written off when the expenditure is incurred.

1.7 FIXED ASSETS AND DEPRECIATION

All fixed assets are used in direct furtherance of the school's objectives. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Freehold buildings and improvements	2% Straight line
Garden machinery	20% Reducing balance
Fixtures and fittings	20% Reducing balance
Vehicles	25% Reducing balance
Computers	25% Straight line

Items costing less than £1,000 are written off as an expense as acquired.

1.8 STOCKS

Stocks are stated at the lower of cost or net realisable value.

Abbot's Hill Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

1.9 PENSIONS

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a defined benefit scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education and Skills.

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in the future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the income and expenditure account in the year.

1.10 CASH AND CASH EQUIVALENT

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.11 FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102.

1.12 TAXATION

The company is a registered charity and is exempt from taxation.

1.13 EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 KEY ESTIMATES & JUDGEMENTS

In the application of the company's accounting policies, the Board of Governors is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the opinion of the Board of Governors, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Recoverable value of fee debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 15 for the net carrying amount of the debtors and associated impairment provision.

Abbot's Hill Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

3 FEE INCOME

The school's activities are carried out within the UK.
The school's fee income comprised:

	2021	2020
	£	£
Gross fees	8,629,483	8,764,833
Less: Discounts and fee adjustments	(186,879)	(189,754)
Less: Scholarships and bursaries	(147,203)	(176,577)
Less: COVID 19 related discounts	(91,607)	(282,856)
	<u>8,203,994</u>	<u>8,135,646</u>

4 OTHER EDUCATIONAL INCOME

	2021	2020
	£	£
Extras and disbursements	42,253	151,320
Registration fees	20,000	15,899
Fees in lieu of notice	74,727	51,358
Other income including trips and minibus income	135,540	153,475
	<u>272,520</u>	<u>372,052</u>

5 OTHER TRADING INCOME

	2021	2020
	£	£
Rent and lettings	26,371	20,420
Other income	-	16,396
	<u>26,371</u>	<u>36,816</u>

6 INVESTMENT INCOME

	2021	2020
	£	£
Interest received	1,062	15,105
	<u>1,062</u>	<u>15,105</u>

7 DONATIONS AND GRANTS

	2021	2020
	£	£
Donations and income from Abbot's Hill School Parents' Association	12,574	13,432
Furlough income	105,689	218,427
	<u>118,263</u>	<u>231,859</u>

Abbot's Hill Limited

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

8 EXPENDITURE

(a) Costs of Raising Funds For the year ended 31 August 2021

	Staff costs (note 9) £	Other £	Depreciation £	Total 2021 £
Trading costs	-	8,760	-	8,760
Total Costs of Raising Funds	-	8,760	-	8,760

Charitable expenditure

	Staff costs (note 9) £	Other £	Depreciation £	Total 2021 £
Teaching	4,692,071	314,596	-	5,006,667
Welfare	331,270	314,593	-	645,863
Premises and Estates	365,094	557,699	428,761	1,351,554
Administration	936,869	424,891	-	1,361,860
Finance Costs	-	64,451	-	64,451
Governance	-	68,698	-	68,698
Total Charitable Expenditure	6,325,404	1,744,928	428,761	8,499,093

Total Expended

6,325,404	1,753,688	428,761	8,507,853
------------------	------------------	----------------	------------------

Costs of Raising Funds For the year ended 31 August 2020

	Staff costs (note 9) £	Other £	Depreciation £	Total 2020 £
Trading costs	-	46,771	-	46,771
Total Costs of Raising Funds	-	46,771	-	46,771

Charitable expenditure

	Staff costs (note 9) £	Other £	Depreciation £	Total 2020 £
Teaching	4,557,661	447,447	-	5,005,108
Welfare	281,280	218,745	-	500,025
Premises and Estates	314,678	559,853	447,992	1,322,523
Administration	817,658	472,965	-	1,290,623
Finance	-	78,817	-	78,817
Governance	-	53,173	-	53,173
Total Charitable Expenditure	5,971,277	1,831,000	447,992	8,250,269

Total Expended

5,971,277	1,877,771	447,992	8,297,040
------------------	------------------	----------------	------------------

(b) Other Governance Costs Include:

	2021 £	2020 £
Auditors' remuneration		
- Audit Fees	12,960	12,582
- underprovision from previous year	8,551	3,132
- Accountancy Fees	2,160	2,100
- Other Auditors remuneration	2,860	2,334
Legal and Professional Fees	40,420	29,655

Abbot's Hill Limited

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

8 STAFF COSTS	2021 £	2020 £
Wages and salaries	5,065,122	4,761,810
Redundancy and settlement costs	4,132	-
Social security costs	454,055	430,945
Other pension costs	765,345	745,024
Other staff costs	36,750	33,698
	<u>6,325,404</u>	<u>5,971,277</u>

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

	2021	2021	2020	2020
	Average No.	FTE No.	Average No.	FTE No.
Teaching	136	102	131	107
Other	74	50	63	43
	<u>210</u>	<u>152</u>	<u>194</u>	<u>150</u>

The number of employees whose emoluments amounted to more than £60,000 in the year was as follows:

	2021 No.	2020 No.
£60,000 - £70,000	2	3
£70,001 - £80,000	1	-
£80,001 - £90,000	-	-
£90,001 - £100,000	1	1
£100,001 - £110,000	1	-
	<u>5</u>	<u>4</u>

Pension contributions for the year amounted to £81,021 (2020: £58,423) for the above employees.

Abbot's Hill Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

10 GOVERNORS REMUNERATION AND BENEFITS

There was no Governors' remuneration or other benefits for the year ended 31 August 2021 nor for the year ended 31 August 2020.

Travel and training expenses of £1,747 (2020: £3,370) for 5 governors were paid by the school during the year.

Key management personnel include the Governors and the senior executives which are made up of the Head and the Bursar. The total pay and benefits received by key management personnel were £257,134 (2020: £251,665)

11 PENSIONS

The school participates in the Teachers' Pension Scheme ('the TPS') for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £665,873 (2020: £681,584) and at the year end £77,252 (2020: £76,030) was accrued in respect of contributions to this scheme.

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

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

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

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

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

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

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The support staff are members of a stakeholder scheme which is a defined contribution scheme. The pension charge for the year includes contributions payable to the scheme of £99,672 (31 August 2020: £83,724), and at the year end £15,536 (31 August 2020 :£13,934) was accrued in relation to contributions to the scheme.

12 NET INCOME FOR THE YEAR

	2021	2020
	£	£
Net income is stated after charging:		
Depreciation of tangible fixed assets	428,761	447,992
Loan interest	47,445	55,223
Operating lease rentals – other	116,737	114,664

Abbot's Hill Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

13 TANGIBLE FIXED ASSETS

	Freehold Property £	Fixtures & Fittings £	IT Equipment £	Motor Vehicles £	Total £
Cost:					
At 1 September 2020	10,935,129	2,141,840	751,630	136,739	13,965,338
Additions	185,531	72,796	190,680	16,740	465,747
Disposals	-	-	(13,337)	-	(13,337)
At 31 August 2021	11,120,660	2,214,636	928,973	153,479	14,417,748
Depreciation:					
At 1 September 2020	1,884,276	1,593,678	581,275	83,478	4,152,709
Charge for year	204,439	120,358	89,870	14,094	428,761
Disposals	-	-	(263)	-	(263)
At 31 August 2021	2,088,717	1,714,036	670,882	107,572	4,581,207
Net book value:					
At 31 August 2021	9,031,943	500,600	258,091	45,907	9,836,541
At 1 September 2020	9,050,851	548,162	170,355	43,261	9,812,629

14 STOCK

	2021 £	2020 £
Stock Catering	8,078	7,811
	8,078	7,811

15 DEBTORS

	2021 £	2020 £
Fees and Extras	178,196	120,784
Less provision for doubtful debts	(76,768)	(93,390)
Other debtors	6,089	3,707
Prepayments	177,839	86,692
	285,355	117,793

16 CREDITORS

Amounts falling due within one year:	2021 £	2020 £
Loans	538,747	440,991
Trade creditors	247,371	112,441
Taxation and social security costs	112,432	111,104
Fee Deposits	295,643	258,893
Fees in advance	285,049	294,567
Other creditors	115,884	126,028
Accruals and deferred income	609,323	408,768
	2,204,449	1,752,792
Deferred income:	2021 £	2020 £
Brought forwards	870,837	1,087,776
Movement in year	43,191	(216,939)
Carried forwards	914,028	870,837

Deferred income relates to schools fees received in advance, and income received for trips deferred into the following term.

Abbot's Hill Limited

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

17 CREDITORS DUE AFTER ONE YEAR

	2021 £	2020 £
Amounts falling due after more than one year:		
Bank loan	1,517,095	1,982,513
Fees in advance	153,534	181,884
Amounts falling due after more than five years:		
Bank loan	71,346	62,997
	<u>1,741,975</u>	<u>2,247,394</u>
	2021 £	2020 £
Movement on loans		
In one year or less	538,747	568,454
Between one and two years	1,517,095	2,297,357
	<u>2,055,842</u>	<u>2,865,811</u>

The bank loans comprise of: one loan of £2.087m taken out in April 2006, repayable by monthly instalments with an interest rate of 0.85% over base rate, due to be repaid by December 2022. One loan of £903,700 taken out in April 2009, repayable by quarterly instalments with an interest rate of 0.85% over base rate, due to be repaid by September 2023. One loan of £675,000 taken out in July 2015, repayable in monthly instalments with an interest rate of 1.95% plus the banks base rate, due to be repaid by June 2026. One loan of £1.5m taken out in September 2017 and repayable in monthly instalments with an interest rate of 2.1% over base, due to be repaid in July 2028. The loans are secured by way of charges over the freehold land and buildings.

18 FEES IN ADVANCE

	2021 £	2020 £
Fees in advance scheme		
In one year or less	285,049	294,567
Between one and two years	84,772	123,645
Between two and five years	68,762	58,239
After five years	-	-
	<u>438,583</u>	<u>476,451</u>

19 STATEMENT OF FUNDS

	At 1 September 2020 £	Income £	Expenditure £	Transfer Between Funds £	Gains/ (losses) £	At 31 August 2021 £
Unrestricted funds:						
General reserve	8,221,327	8,622,210	(8,507,853)	-	-	8,335,684
Total funds	<u>8,221,327</u>	<u>8,622,210</u>	<u>(8,507,853)</u>	<u>-</u>	<u>-</u>	<u>8,335,684</u>
	At 1 September 2019 £	Income £	Expenditure £	Transfer Between Funds £	Gains/ (losses) £	At 31 August 2020 £
Unrestricted funds:						
General reserve	7,726,889	8,791,478	(8,297,040)	-	-	8,221,327
Total funds	<u>7,726,889</u>	<u>8,791,478</u>	<u>(8,297,040)</u>	<u>-</u>	<u>-</u>	<u>8,221,327</u>

Abbot's Hill Limited

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

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2021 Total £
Tangible fixed assets	9,836,541	-	9,836,541
Investments	-	-	-
Current assets	2,445,667	-	2,445,667
Current liabilities	(2,204,449)	-	(2,204,449)
Long term liabilities	(1,741,975)	-	(1,741,975)
Total net assets	8,335,784	-	8,335,784
	Unrestricted funds £	Restricted funds £	2020 Total £
Tangible fixed assets	9,812,629	-	9,812,629
Investments	-	-	-
Current assets	2,408,984	-	2,408,984
Current liabilities	(1,752,792)	-	(1,752,792)
Long term liabilities	(2,247,394)	-	(2,247,394)
Total net assets	8,221,427	-	8,221,427

21 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2021, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due

	2021 Plant & equipment	2020 Plant & equipment
Due within one year	52,456	55,720
Due between two and five years	5,220	48,576
	57,676	104,296

22 RELATED PARTIES

There were no related party transactions to disclose in the current or previous financial year.

23 CONTROL

The members of Abbot's Hill School Limited are Governors of Abbot's Hill Limited.

24 CAPITAL COMMITMENTS

Capital expenditure of £nil (2020: £nil) has been contracted for as at 31 August 2021.

25 NOTES TO THE CASHFLOW STATEMENT

	2021 £	2020 £
Reconciliation of operating result to net cash inflow from operating activities		
Net movement in funds	114,357	494,438
Depreciation	428,761	447,993
Bank interest received	(1,062)	(15,105)
(Profit)/Loss on sale of Fixed Assets	13,074	-
Increase/(Decrease) in creditors	313,800	(163,121)
(Increase)/Decrease in debtors	(167,562)	60,948
(Increase)/Decrease in stocks	(267)	13,310
	701,201	838,463