

Registered number: 01136229
Charity number: 325018

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the Company, its Governors and advisers	1 - 2
Governors' report	3 - 7
Independent auditor's report on the financial statements	8 - 12
Consolidated statement of financial activities	13
Consolidated balance sheet	14
Company balance sheet	15
Consolidated statement of cash flows	16
Notes to the financial statements	17 - 38

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Governors	Mrs Catherine Jane Kent, Chair (resigned 21 June 2021) ^{1,2} Dr J Wand (resigned 22 June 2021) Mr A Lillywhite (resigned 21 June 2021) ^{1,2} Mr N E Southwell Mrs C Woodhead (resigned 21 June 2021) Mrs S E Williams (resigned 21 June 2021) Mrs K Shearman (resigned 21 June 2021) ¹ Mrs L C Rayner (resigned 15 March 2021) Mr M A Kirby (appointed 4 August 2021) Mr C M Collier (appointed 16 November 2021) Mr C B Martin (appointed 16 November 2021) Mr J E Walton (appointed 16 November 2021) Mrs G Agg (appointed 1 January 2022) Mrs D M Cox (appointed 22 March 2022) Mr D Freer (appointed 22 March 2022) Mrs Z J Meredith-Smyth (appointed 22 March 2022) Mr P Connaughton (appointed 17 May 2022) Mr S Ackland (appointed 17 May 2022)
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¹ denotes membership of Finance and General Purposes Committee

² denotes membership of Health and Safety Committee

Company registered number	01136229
Charity registered number	325018
Registered office and principal address	Berkhampstead School Pittville Circus Road Cheltenham Gloucestershire GL52 2QA
Bursar and Company secretary	Mr B Edwards
Headmaster	Mr R Cross
Independent auditor	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
Bankers	Lloyds Bank Plc 130 High Street Cheltenham GL50 1EW

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Solicitors Sherbornes Solicitors
4 Royal Crescent
Cheltenham
GL50 3DA

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Governors present their annual report together with the audited financial statements of the group and the company for the year ended 31 August 2021. The Governors confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the 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 (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

STATUS AND ADMINISTRATION

Berkhampstead School (Cheltenham) Trust Limited is a charity within the meaning of the Charities Act 2011 and has been entered on the Central Register of Charities (number 325018). It is incorporated under the Companies Act 2006 (number 01136229) as a company limited by guarantee and not having share capital. It is governed by its Memorandum and Articles of Association and was incorporated on 26 September 1973.

CHARITABLE OBJECTS

The objects for which the charity is established are to promote and provide for the advancement of education and in connection therewith to conduct, carry on, acquire and develop in the United Kingdom any boarding or day school for the education of children.

PRINCIPAL ACTIVITY

The principal activity of the School continues to be the provision of a well-rounded education to both boys and girls up to the age of 11.

ORGANISATIONAL STRUCTURE

The Trust is managed by the Board of Governors. Meetings are held frequently throughout the year. The day to day running of the Trust's activities is undertaken by the Headmaster, with the assistance of the administrative staff. The Bursar co-ordinates the financial and administrative work of the School and manages any building and maintenance work in conjunction with the Estates Manager.

Delegated tasks include those of a Catering Manager who is employed by Palmer & Howells Catering and runs the kitchen on a contract basis.

Remuneration is set by the Board of Governors, with the policy of ensuring appropriate salaries to encourage enhanced performance and, in a fair and responsible manner, rewarding for individual contributions to the School's success.

GOVERNORS

The Chair of Governors is Mr Martin Kirby, who has a long-standing relationship with Berkhampstead School by way of ex parent and former Chair of the Finance and General Purposes Committee. Mrs Louise Rayner resigned during the year.

The Governing Body continue to strongly support the School, although the attendance of "Governors' days" had been a challenge owing to the pandemic.

Governors attend courses and seminars to ensure that they are fully informed with regard to Governance and work closely with the senior management and teaching staff supporting and challenging their work at all times. The Full Board is informed and supported by three main Committees; Compliance, Finance and General Purposes and Education, who meet at least once a term. Named Governors are allocated responsibility for monitoring Health and Safety and Safeguarding. Three of the Full Board meetings took place remotely by Microsoft Teams and one Full Board Meeting took place at the School.

The Governors are aware of the new Charity Governance Code issued in July 2017. A review will be undertaken of the guidance in order to ensure that the School is working in line with the code, in all ways where it is practical to do so.

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

GROUP STRUCTURE

The School has one wholly owned non-charitable subsidiary, Berkhamstead School (Day Care Nursery) Limited. The trading activities of the subsidiary consist of the provision of a day nursery. Annual profits will be donated to the School under the Gift Aid Scheme where appropriate. Transactions between these entities are detailed within Note 16.

BOARD POLICY AND PUBLIC BENEFIT AIMS

The board policy continues to put excellence in both teaching and learning as the prime strategic objective. We consider that this is brought about by providing an environment where every child is known and cared for in happy and fun surroundings. Effort and achievement in all areas are encouraged and recognised. Governors appreciate the importance of the very high standard of pastoral care that Berkhamstead continues to provide so that the children are supported in every way throughout their time in the school. Berkhamstead is a "feeder school" for a variety of secondary schools both in the maintained sector and independent schools. The teachers provide advice and guidance so that the pupils are able to transfer confidently to the school of their choice. Several pupils gain places at local grammar schools and others achieve awards at independent schools. There is a large variety of after school clubs and activities so that the children can develop individually in areas outside the main curriculum. Throughout the school participation is encouraged in Music, Drama, Art and Sport.

In administering the charity, the charity Governors have complied with their duty in section 17 of the Charities Act 2011 and have paid due regard to the published Charity Commission guidance on the operation of the Public Benefit requirements. The School continues to allow its facilities to be used by local organisations for music, yoga, chess and local speakers.

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

The School continues to go from strength to strength and having received an outstanding ISI inspection in December 2019 we are aware that there is no room for complacency in any area of School life and it will continue to strive for excellence across the board.

Academically this was another excellent year. Seven pupils of 34 in Year 6 gained Grammar School places, 18 pupils continued in independent education, 8 pupils joined a maintained school and one pupil migrated overseas. It was pleasing to note that the year 6 leavers had achieved 16 scholarships in addition to a maths exhibition award and a choristership.

The academic success of the school is certainly regularly acknowledged and celebrated, the School regularly promotes and celebrates the achievements of those who participate and excel in other areas of school life and outside in the local community.

The School continues to take pride in the excellent quality of our pastoral care and the well-being program is embedded in the school day. It aims to give children the tools to manage their own well-being which aids learning. The School has been awarded the Mental Health Champions Award.

The sporting successes have once again been very good. However, owing to COVID-19, fewer fixtures took place during the year but sport continues to be an important aspect of school life.

Violin workshops and musical performances continued during the autumn and summer terms. During the lockdown period (4th January 2021 to 8th March 2021) three children were interviewed on BBC radio to discuss a podcast launched by the School.

The Enrichment programme of activities and visits continued to be diverse and stimulating adding a valuable dimension to the children's learning. Visits ranged from Viney Hill Outdoor Adventure Training Centre, Crickley Hill, Cotswold Wildlife Park, West Midlands Safari Park and Black Country Living Museum. Year 6 pupils also took part in a crime investigation workshop.

The pupils have been encouraged to become involved in various fund-raising activities in support of a wide range

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

of charities. The School Council decided to support Cheltenham Food Bank and the UN Refugee Agency. Pupils also raised money for Children in Need and donated some of their toys to the Gloucester Quays Toys Appeal.

The School Eco Committee delivered on a number of initiatives during the year ranging from a 'green day' where pupils dressed in eco costumes, redesign of the lunch menu to include more vegetarian lunches and decorating their classrooms in an eco-friendly way.

The launch of the Gill Agg Kindness Cup which is awarded to pupils in Prep each half-term for gestures of kindness. This was first awarded during the autumn 2020 term.

Speech Day for the Y6 pupils leaving the School had been arranged in a similar format to the previous year owing to COVID-19. A small gathering took place outside where parents, pupils and staff managed to enjoy a socially-distanced prize-giving ceremony followed by a picnic. A former pupil had returned to deliver an inspirational speech to the departing pupils and their parents.

Pupil numbers were strong at the end of the year; 25 were in Kindergarten, 84 in the Pre-Prep and 136 in the Prep department. There were 157 children on role at the Day Nursery.

The number of enquiries has been very positive throughout the year with a significant increase following the national lockdown period 4 January 2021 to 8 March 2021. Follow up of initial enquiries and subsequent visits have been carefully monitored. The Open Days were modified to an appointment only basis and proved to be popular events.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Net income for the year totalled £112,577 (2020 net income £261,503). The consolidated unrestricted general fund of the group at 31 August 2021 was £2,156,357 (2020: £2,045,726). In addition, the balance of funds upon which restrictions have been placed by donors is £1,946 (2020: £0).

DEVELOPMENTS

The School continues to invest in the fabric of the buildings, a continual rolling maintenance program and the Board and Senior Management continue to consider ways of optimising the space available for the pupils. The Kindergarten roof had been replaced including the installation of LED lighting, the 5B and Music classrooms had been swapped over to improve the location of form rooms and the Catering contractor had organised for the replacement of the kitchen canopy together with the upgrade of the ventilation and extraction system. Initial consultation with the planning office had been undertaken in preparation of the replacement boys changing rooms.

The Day Nursery continues to thrive and is a happy and safe environment for the children. The number of children transferring either to Berkhamstead Kindergarten or to Reception at a later age has remained high and exceeds expectations. The Nursery has become more integrated into the main School and the children are often included in activities such as music and French. They have access to all the School indoor and outdoor facilities for their activities and concerts.

The active PTA has continued to raise funds throughout the year by means of the operation of the second hand uniform shop. Owing to COVID-19, Bonfire night and the Summer Fayre had to be cancelled.

FUTURE PLANS

- Investment will take place in outdoor development for the Day Nursery. Plans include activities and an area covered by a canopy to enable more free flow inside/outside play even in inclement weather;
- The creation of a new access point between the Day Nursery and the Kindergarten will help collaboration between the two departments;
- The boys changing rooms in the Prep School will be replaced.
- The Gym/Hall in Prep will be replaced with a more modern building to accommodate drama and music performances.

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

RESERVES POLICY

The Governors aim to build up the free reserves of the Trust to ensure that these are sufficient to cover recurring expenditure in the short term to allow for possible loss or delays in respect of income.

In common with most Independent schools Berkhamstead has negative free reserves. At 31 August 2021, the total unrestricted reserve was £2,156,357 with fixed assets valued at £2,644,295 resulting in negative free reserves of £487,938. In recent years the Governors have invested significant sums in improvements to the School facilities which have attracted pupil numbers. Improvements have been funded by long term loans secured on the freehold property. At 31 August 2021, £274,953 was due in over 5 years' time.

RISK MANAGEMENT

All committees are charged with the need to review risk and to check school policies that affect them specifically. All committee-level risk registers inform the Board Risk Register which is an agenda item at all board meetings. The Governor with responsibility for Health and Safety has continued to meet with the Bursar and Estates Team each term and report to the Governing body. A Governor had been nominated to oversee the arrangements put in place to facilitate pupils returning to School during and beyond the lockdown. Financial performance is compared to budgets, which are prepared on an annual basis, for each of the three terms in the year and for the year as a whole. The Finance Committee meets regularly to discuss financial performance and future funding requirements. During the lockdown, the Finance Committee met fortnightly to closely monitor and discuss School finances. The Chairman of Governors meets the Headmaster regularly and also the Bursar when possible. The Compliance Committee, Finance and General-Purposes and the Education Committee report to the Full Board. This structure has proved effective in enabling the Governors to meet their obligations. Reports from external agencies providing expertise in areas such as water, fire safety and asbestos management continue to be sought, acted upon and signed off.

PRINCIPAL RISKS AND UNCERTAINTIES

The 3 Principle Board Risks are the impact of Brexit and other economic factors such as another national lockdown associated with the Coronavirus pandemic that might adversely affect the economy, staff retention in key positions and the continued membership of the Teachers' Pension Scheme associated with the revaluation that will take effect from September 2024

GOING CONCERN

Governors have assessed the financial position of the School and its subsidiary and whilst there are significant financial pressures on the independent education sector associated with the impact of the pandemic, Brexit, energy prices, the crisis in the Ukraine as well as increases to the national living wage pupil and child numbers have increased beyond expectations and the level of interest in the School continues to impress. The Nursery continues to have a waiting list for a number of rooms and this trend should continue into the future.

COVID-19 (CORONAVIRUS) UPDATE

The outbreak which resulted in a second national lockdown from 5th November 2020 but schools remained open. Consequently, this lockdown had a very small impact to the School. However, the third national lockdown which started on 4th January 2021 had a much greater impact. The School continued to operate throughout the lockdown to look after children of key worker staff categorised by the Government. Remote learning had been prepared and the School delivered education via online platforms. The Day Nursery continued to operate and accommodated all children during the third national lockdown period.

Fortunately, all pupils returned to the School on 8th March 2021 as the lockdown restrictions eased. A risk of another lockdown always remains a possibility but national measures have been taken to reduce the impact of this risk. It is hoped that the continued roll out of the vaccines will help to address this risk.

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also directors of Berkhamstead School (Cheltenham) Trust Limited for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure of the charitable group for that period. In preparing these financial statements, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (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 charitable group will continue in operation.

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

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Governors 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 auditor is 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 auditor is aware of that information.

AUDITOR

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

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



Mr M A Kirby
(Chair of Trustees)
Date:

27.8.21

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BERKHAMPSTEAD SCHOOL
(CHELTENHAM) TRUST LIMITED**

Opinion

We have audited the financial statements of Berkhamstead School (Cheltenham) Trust Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the Year ended 31 August 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BERKHAMPSTEAD SCHOOL
(CHELTENHAM) TRUST LIMITED (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BERKHAMPSTEAD SCHOOL
(CHELTENHAM) TRUST LIMITED (CONTINUED)**

Responsibilities of trustees

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

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

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BERKHAMPSTEAD SCHOOL
(CHELTENHAM) TRUST LIMITED (CONTINUED)**

Auditor's responsibilities for the audit of the financial statements

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

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

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

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be income recognition (excluding fee income) the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, sample testing of income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BERKHAMPSTEAD SCHOOL
(CHELTENHAM) TRUST LIMITED (CONTINUED)**

Use of our report

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

Kerry Brown

Kerry Brown (Senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 30 May 2022

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	4	7,645	2,500	10,145	15,113
Charitable activities:	5,6				
School Fees		2,243,101	-	2,243,101	2,335,196
Ancillary trading income		130,788	-	130,788	125,531
Non-ancillary trading activities	7	1,019,086	-	1,019,086	869,474
Other income	8	16,796	-	16,796	85,648
Total income		3,417,416	2,500	3,419,916	3,430,962
Expenditure on:					
Raising funds:	9,10				
Trading activities		806,517	-	806,517	706,968
Financing costs		63,965	-	63,965	81,689
Charitable activities	11	2,436,303	554	2,436,857	2,380,802
Total expenditure		3,306,785	554	3,307,339	3,169,459
Net movement in funds		110,631	1,946	112,577	261,503
Reconciliation of funds:					
Total funds brought forward		2,045,726	-	2,045,726	1,784,223
Net movement in funds		110,631	1,946	112,577	261,503
Total funds carried forward		2,156,357	1,946	2,158,303	2,045,726

The notes on pages 17 to 38 form part of these financial statements.

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 01136229

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	15	2,644,295	2,762,709
Current assets			
Stocks		3,995	3,995
Debtors	17	89,620	67,968
Cash at bank and in hand		1,475,291	753,169
		<u>1,568,906</u>	<u>825,132</u>
Creditors: amounts falling due within one year	18	(651,507)	(459,801)
Net current assets		<u>917,399</u>	<u>365,331</u>
Total assets less current liabilities		<u>3,561,694</u>	<u>3,128,040</u>
Creditors: amounts falling due after more than one year	19	(1,403,391)	(1,082,314)
Total net assets		<u><u>2,158,303</u></u>	<u><u>2,045,726</u></u>
Charity funds			
Restricted funds	20	1,946	-
Unrestricted funds	20	2,156,357	2,045,726
Total funds		<u><u>2,158,303</u></u>	<u><u>2,045,726</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 M A Kirby
 (Chair of Trustees)
 Date: 29.5.22

The notes on pages 17 to 38 form part of these financial statements.

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 01136229

COMPANY BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	15	2,589,731	2,711,842
Investments	16	100	100
		<u>2,589,831</u>	<u>2,711,942</u>
Current assets			
Stocks		3,995	3,995
Debtors	17	180,469	194,862
Cash at bank and in hand		1,260,512	503,556
		<u>1,444,976</u>	<u>702,413</u>
Creditors: amounts falling due within one year	18	(541,276)	(372,335)
Net current assets		<u>903,700</u>	<u>330,078</u>
Total assets less current liabilities		<u>3,493,531</u>	<u>3,042,020</u>
Creditors: amounts falling due after more than one year	19	(1,403,391)	(1,082,314)
Total net assets		<u>2,090,140</u>	<u>1,959,706</u>
Charity funds			
Restricted funds	20	1,946	-
Unrestricted funds	20	2,088,194	1,959,706
Total funds		<u>2,090,140</u>	<u>1,959,706</u>

The Company's net movement in funds for the Year was £130,434 (2020 - £248,683).

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 M A Kirby
 (Chair of Trustees)

Date: 27.8.22

The notes on pages 15 to 38 form part of these financial statements.

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

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

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	23	402,254	411,037
Cash flows from investing activities			
Purchase of tangible fixed assets		(44,948)	(75,973)
Net cash used in investing activities		(44,948)	(75,973)
Cash flows from financing activities			
Cash inflows from new borrowing		500,000	-
Loan repayments		(84,214)	(84,617)
Finance costs		(50,970)	(57,504)
Net cash provided by/(used in) financing activities		364,816	(142,121)
Change in cash and cash equivalents in the Year		722,122	192,943
Cash and cash equivalents at the beginning of the Year		753,169	560,226
Cash and cash equivalents at the end of the Year	24	1,475,291	753,169

The notes on pages 17 to 38 form part of these financial statements

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. General information

Berkhampstead School (Cheltenham) Trust Limited is a registered charity with the Charities Commission England and Wales (charity number 325018) and was incorporated in England as a private company limited by guarantee (company number: 01136229) on 26 September 1973. The address of its registered office is Berkhampstead School, Pittville Circus Road, Cheltenham, Gloucestershire, GL52 2QA.

It's principal activity is the provision of boarding and day schooling.

The members of the company are the Governors named on page 1. In the event of the School being wound up the liability in respect of the guarantee is limited to £1 per member of the School.

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.

Berkhampstead School (Cheltenham) Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

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

2.2 Going concern

The Governors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For long term finance the School relies on bank loans. In assessing going concern the Governors have assumed that these bank loans will not be repaid in the foreseeable future and are not aware of any circumstances that may adversely affect these facilities.

The Covid-19 pandemic has caused significant strains on businesses and charities of all types. The Berkhampstead School and Nursery have responded to the crisis adjusting staffing levels and significant capital spending has been put on hold. With uncertainty over pupil numbers forecasts and budgets have been stress tested to assess how the School and Nursery could cope under different scenarios. The Governors have concluded that the Group and Company is well placed to cope with the continuing uncertainties and has adequate resources to continue for the foreseeable future.

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

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.3 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

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 and similar income

Fees receivable are stated after deducting allowances, scholarships, bursaries and other remissions granted by the School, but include contributions received from restricted funds for bursaries. Where fees are in advance, the income is deferred until the term to which it relates.

Donations

Donations are recorded in the Statement of Financial Activities when the School has entitlement to the funds, any performance conditions attached to the items have been met, it is probable that the income will be received and the amount can be measured reliably. Where donations are received only to be used for a specific purpose they are allocated to the appropriate restricted fund.

Non Ancillary Trading Income

Income comprises the nursery fee income and other income generated by Berkhamstead School (Day Nursery Limited).

2.5 Government grants

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

2.6 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.

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.6 Expenditure (continued)

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.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 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.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- 2-20% straight line
Leasehold improvements	- 10-33% straight line
Fixtures and equipment	- 5-33.3% straight line and 33.3% reducing balance
Motor vehicles	- 20-33.3% straight line and 33.3% reducing balance
Computer equipment	- 10-33.3% straight line and 25-33% reducing balance

2.8 Investments

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

2.9 Operating leases

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

2.10 Stocks

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

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

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.

2.14 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 Pensions

The Group operates a defined contribution pension scheme for its administrative, domestic, teaching assistants and maintenance staff, the assets of which are held separately from those of the School. The pension charge represents the amounts payable by the Group to the fund in respect of the year.

The School contributes to the Teachers' Pension defined benefits pension scheme. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS 102, the School accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of financial activities represents contributions payable to the scheme in respect of the accounting period.

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. Accounting policies (continued)

2.16 Pupil deposits

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

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:

The estimates and underlying assumptions are reviewed on an ongoing 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 affected current and future periods.

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

4. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Donations	7,645	2,500	10,145	15,113
Total 2021	<u>7,645</u>	<u>2,500</u>	<u>10,145</u>	<u>15,113</u>
<i>Total 2020</i>	<u>15,113</u>	<u>-</u>	<u>15,113</u>	

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. Income from charitable activities - Fees receivable

This represents gross school fees invoiced, less scholarships, bursaries and allowances.

	2021 £	2020 £
Gross school fees	2,335,039	2,578,110
Less : Bursaries	(44,399)	(47,164)
Allowances	(47,539)	(38,141)
COVID-19 discount	-	(157,609)
School fees less discounts	2,243,101	2,335,196

Bursaries and awards were paid for a total of 14 pupils (2020 - 13).

Within this means tested bursaries totalling £43,900 were paid to 14 pupils (2020 - £41,277 to 13 pupils).

This figure includes free places of £10,267 (2020: £8,418) which are means tested and awarded to 1 (2020 - 1) pupil.

Included within gross school fees is an amount of £120,098 (2020 - £137,195) in relation to governments grants received.

In 2020 all of the total income from school fees receivable was to unrestricted funds and £Nil to restricted funds.

6. Income from charitable activities - Ancillary trading

	2021 £	2020 £
Music tuition	44	1,082
School outings and clubs	66,043	59,172
Learning support	7,664	1,200
Swimming income	-	9,450
SFRS	11,351	11,854
School shop and sundry income	42,086	37,173
Registration fees	3,600	5,600
	130,788	125,531

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

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

7. Income from Non-ancillary trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Other activities	400	400	5,292
Trading income - Berkhamstead School (Day Care Nursery) Limited	1,018,686	1,018,686	864,182
Total 2021	1,019,086	1,019,086	869,474
<i>Total 2020</i>	<i>869,474</i>	<i>869,474</i>	

Included within turnover is an amount of £174,306 (2020: £156,281) in relation to governments grants received.

8. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Government grants	16,796	16,796	85,648
Total 2021	16,796	16,796	85,648
<i>Total 2020</i>	<i>85,648</i>	<i>85,648</i>	

The government grants received relate to the Coronavirus Job Retention Scheme.

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. Expenditure on raising funds - Trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Other costs	202,387	202,387	190,560
Staff costs	586,053	586,053	494,681
Depreciation	18,077	18,077	21,727
Total 2021	<u>806,517</u>	<u>806,517</u>	<u>706,968</u>
<i>Total 2020</i>	<u>706,968</u>	<u>706,968</u>	

10. Financing costs

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Bank loan interest	50,970	50,970	57,504
Bad debts	12,995	12,995	24,185
Total 2021	<u>63,965</u>	<u>63,965</u>	<u>81,689</u>
<i>Total 2020</i>	<u>81,689</u>	<u>81,689</u>	

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Teaching costs	1,445,869	-	1,445,869	1,475,511
Welfare	178,563	554	179,117	169,432
Premises	397,631	-	397,631	386,069
Support and governance costs	414,240	-	414,240	349,790
Total 2021	2,436,303	554	2,436,857	2,380,802
<i>Total 2020</i>	<i>2,380,802</i>	<i>-</i>	<i>2,380,802</i>	

Summary by expenditure type

	Staff costs 2021 £	Depreciation 2021 £	Other costs 2021 £	Total funds 2021 £	Total funds 2020 £
Teaching costs	1,404,317	-	41,552	1,445,869	1,475,511
Welfare	-	-	179,117	179,117	169,432
Premises	52,932	145,285	199,414	397,631	386,069
Support and governance costs	219,889	-	194,351	414,240	349,790
Total 2021	1,677,138	145,285	614,434	2,436,857	2,380,802
<i>Total 2020</i>	<i>1,697,028</i>	<i>136,284</i>	<i>547,490</i>	<i>2,380,802</i>	

Support costs for schooling includes IT, administration costs, and governance costs. Governance costs totalling £55,487 (2020 - £28,791) consist of inspection costs and professional fees (including auditors fees of £11,250 for the year).

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

12. Auditor's remuneration

	2021	2020
	£	£
Fees payable to the School's auditor for the audit of the School's annual accounts	9,250	9,000
Fees payable to the School's auditor in respect of:		
The auditing of accounts of the subsidiary of the School	1,750	1,600
All non-audit services not included above	2,000	1,900
	9,250	12,500

13. Staff costs

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	1,870,971	1,811,189	1,332,274	1,350,450
Social security costs	158,501	149,345	125,216	127,000
Pension costs	233,719	231,175	219,648	219,578
	2,263,191	2,191,709	1,677,138	1,697,028

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

	Group 2021 No.	Group 2020 No.
Teaching	40	41
Day Nursery	35	35
Administration	11	11
	86	87

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

	Group 2021 No.	Group 2020 No.
In the band £60,001 - £70,000	1	1
In the band £80,001 - £90,000	1	1

The total employee benefits of the key management personnel totalled £258,203 (2020 - £251,481).

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

14. Governors' remuneration and expenses

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

During the Year ended 31 August 2021, no Governor expenses have been incurred (2020 - £NIL).

15. Tangible fixed assets

Group

	Freehold property £	Leasehold improve- ments £	Motor vehicles £	Fixtures and equipment £	Computer equipment £	Total £
Cost						
At 1 September 2020	3,377,118	126,742	83,305	487,942	112,188	4,187,295
Additions	-	-	-	36,442	8,506	44,948
At 31 August 2021	<u>3,377,118</u>	<u>126,742</u>	<u>83,305</u>	<u>524,384</u>	<u>120,694</u>	<u>4,232,243</u>
Depreciation						
At 1 September 2020	931,315	101,274	59,409	273,235	59,353	1,424,586
Charge for the Year	72,979	7,561	11,975	50,251	20,596	163,362
At 31 August 2021	<u>1,004,294</u>	<u>108,835</u>	<u>71,384</u>	<u>323,486</u>	<u>79,949</u>	<u>1,587,948</u>
Net book value						
At 31 August 2021	<u><u>2,372,824</u></u>	<u><u>17,907</u></u>	<u><u>11,921</u></u>	<u><u>200,898</u></u>	<u><u>40,745</u></u>	<u><u>2,644,295</u></u>
At 31 August 2020	<u><u>2,445,803</u></u>	<u><u>25,468</u></u>	<u><u>23,896</u></u>	<u><u>214,707</u></u>	<u><u>52,835</u></u>	<u><u>2,762,709</u></u>

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Tangible fixed assets (continued)

Company

	Freehold property £	Motor vehicles £	Fixtures and equipment £	Computer equipment £	Total £
Cost					
At 1 September 2020	3,377,118	83,305	434,755	106,000	4,001,178
Additions	-	-	14,668	8,506	23,174
At 31 August 2021	<u>3,377,118</u>	<u>83,305</u>	<u>449,423</u>	<u>114,506</u>	<u>4,024,352</u>
Depreciation					
At 1 September 2020	931,315	59,409	243,419	55,193	1,289,336
Charge for the Year	72,979	11,975	40,473	19,858	145,285
At 31 August 2021	<u>1,004,294</u>	<u>71,384</u>	<u>283,892</u>	<u>75,051</u>	<u>1,434,621</u>
Net book value					
At 31 August 2021	<u>2,372,824</u>	<u>11,921</u>	<u>165,531</u>	<u>39,455</u>	<u>2,589,731</u>
At 31 August 2020	<u>2,445,803</u>	<u>23,896</u>	<u>191,336</u>	<u>50,807</u>	<u>2,711,842</u>

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

16. Fixed asset investments

Company	Investments in subsidiary companies £
Cost	
At 1 September 2020	100
At 31 August 2021	100

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity	Share holding
Berkhampstead School (Day Nursery) Limited	07805292	Berkhampstead School, Pittville Circus Road, Cheltenham, Gloucestershire, GL52 2QA	Day nursery	100% Ordinary

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net assets £
Berkhampstead School (Day Nursery) Limited	1,018,686	(967,689)	95,820	68,263

Included within turnover is an amount of £174,306 (2020 - £156,281) in relation to governments grants received with regards to fees and a further £14,823 (2020 - £51,416) grant re the Coronavirus Job Retention Scheme.

Administrative expenses include rent totalling £53,232 (2020 - £40,330) and a management charge of £77,940 (2020 - £64,205) paid to Berkhampstead School (Cheltenham) Trust Limited.

A gift aid payment of £113,677 (2020 - £91,275) was made to Berkhampstead School (Cheltenham) Trust Limited.

At the year end Berkhampstead School (Day Care Nursery) Limited owed Berkhampstead School (Cheltenham) Trust Limited £98,415 (2020 - £133,497).

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

17. Debtors

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Trade debtors	38,310	25,300	35,952	20,886
Amounts owed by group undertakings	-	-	98,415	133,497
Other debtors	2,625	4,620	2,057	3,902
Prepayments and accrued income	48,685	38,048	44,045	36,577
	89,620	67,968	180,469	194,862

Fee debtors are stated after impairment provisions totalling £24,185 (2020: £24,185).

18. Creditors: Amounts falling due within one year

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Bank loans	179,405	84,696	179,405	84,696
Trade creditors	70,947	35,614	62,381	29,304
Other taxation and social security	38,971	34,434	30,473	31,160
Pension creditor	29,898	29,247	26,704	26,456
Fees paid in advance	189,877	153,522	168,525	141,483
Deposits	97,856	85,206	38,007	32,007
Accruals	44,553	37,082	35,781	27,229
	651,507	459,801	541,276	372,335

Fees in advance represent payment for school and nursery fees relating to terms within the 2021/22 financial year. Movements during the year were:

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Fees paid in advance				
Balance at 1 September	154,390	220,143	142,351	199,146
Resources deferred during the year	189,877	154,390	168,525	142,351
Amounts released from previous years	(154,390)	(220,143)	(142,351)	(199,146)
Balance at 31 August	189,877	154,390	168,525	142,351

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Bank loans	1,403,391	<i>1,082,314</i>	1,403,391	<i>1,082,314</i>

Included within the above are amounts falling due as follows:

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Between one and two years				
Bank loans	200,428	<i>311,641</i>	200,428	<i>311,641</i>
Between two and five years				
Bank loans	928,010	<i>251,216</i>	928,010	<i>251,216</i>
Over five years				
Bank loans	274,953	<i>519,457</i>	274,953	<i>519,457</i>

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

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Payable or repayable by instalments	267,443	<i>519,457</i>	267,443	<i>519,457</i>

The School has nine (2020: eight) loans, five (2020: four) are fixed rate loans and four (2020: four) are variable rate loans. The first has a fixed interest rate for ten years at a rate of 5.213%, the second has a fixed rate of 6.07% for 25 years, the third has a fixed interest rate of 3.71% for ten years, the fourth has a fixed rate of 3.90% for 12 years, the fifth has a fixed rate of 3.77% for 12.5 years. The four variable rate loans have interest rates of 1%, 1.63% and 1.95% over the base rate.

The loans are secured by means of a legal mortgage over the freehold property known as Pengwern House, Pittville Circus Road, Cheltenham, GL52 2QA and Berkhamstead School (Cheltenham) Trust Limited, Pittville Circus Road, Cheltenham, GL52 2QA.

There is also an unlimited debenture incorporating a fixed and floating charge.

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. Statement of funds

Statement of funds - current Year

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
Unrestricted funds				
Designated funds				
Governors Bursary	8,878	-	-	8,878
PTA fund	26,492	7,635	266	34,393
	<u>35,370</u>	<u>7,635</u>	<u>266</u>	<u>43,271</u>
General funds				
General fund - Day Nursery	86,020	1,033,509	(1,051,364)	68,165
General fund - School	1,924,336	2,621,121	(2,500,536)	2,044,921
Eliminated on consolidation	-	(244,849)	244,849	-
	<u>2,010,356</u>	<u>3,409,781</u>	<u>(3,307,051)</u>	<u>2,113,086</u>
Total Unrestricted funds	<u>2,045,726</u>	<u>3,417,416</u>	<u>(3,306,785)</u>	<u>2,156,357</u>
Restricted funds				
Science Equipment Fund	-	500	-	500
Staff Entertainment Fund	-	2,000	(554)	1,446
	<u>-</u>	<u>2,500</u>	<u>(554)</u>	<u>1,946</u>
Total of funds	<u>2,045,726</u>	<u>3,419,916</u>	<u>(3,307,339)</u>	<u>2,158,303</u>

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. Statement of funds (continued)

Statement of funds - prior Year

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds					
Designated funds					
Governors Bursary	8,878	-	-	-	8,878
PTA fund	22,241	15,113	(5,976)	(4,886)	26,492
	<u>31,119</u>	<u>15,113</u>	<u>(5,976)</u>	<u>(4,886)</u>	<u>35,370</u>
General funds					
General fund - Day Nursery	73,200	915,598	(902,778)	-	86,020
General fund - School	1,679,904	2,696,061	(2,456,515)	4,886	1,924,336
Eliminated on consolidation	-	(195,810)	195,810	-	-
	<u>1,753,104</u>	<u>3,415,849</u>	<u>(3,163,483)</u>	<u>4,886</u>	<u>2,010,356</u>
Total Unrestricted funds	<u><u>1,784,223</u></u>	<u><u>3,430,962</u></u>	<u><u>(3,169,459)</u></u>	<u><u>-</u></u>	<u><u>2,045,726</u></u>

The Governors Bursary fund provides fee remission for children where need is identified.

The PTA fund is monies raised by the PTA for use within the school. The transfer in the prior year relates to fixed asset expenditure.

The Science Equipment fund is a donation to provide for science materials.

The Staff Entertainment fund is a donation to be spent on the staff.

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

21. Summary of funds

Summary of funds - current Year

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
Designated funds	35,370	7,635	266	43,271
General funds	2,010,356	3,409,781	(3,307,051)	2,113,086
Restricted funds	-	2,500	(554)	1,946
	<u>2,045,726</u>	<u>3,419,916</u>	<u>(3,307,339)</u>	<u>2,158,303</u>

Summary of funds - prior Year

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2020 £</i>
Designated funds	31,119	15,113	(5,976)	(4,886)	35,370
General funds	1,753,104	3,415,849	(3,163,483)	4,886	2,010,356
	<u>1,784,223</u>	<u>3,430,962</u>	<u>(3,169,459)</u>	<u>-</u>	<u>2,045,726</u>

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	2,644,295	-	2,644,295
Current assets	1,566,960	1,946	1,568,906
Creditors due within one year	(651,507)	-	(651,507)
Creditors due in more than one year	(1,403,391)	-	(1,403,391)
Total	2,156,357	1,946	2,158,303

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	2,762,709	2,762,709
Current assets	825,132	825,132
Creditors due within one year	(459,801)	(459,801)
Creditors due in more than one year	(1,082,314)	(1,082,314)
Total	2,045,726	2,045,726

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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

	Group 2021 £	<i>Group 2020 £</i>
Net income for the year (as per Statement of Financial Activities)	112,577	261,503
Adjustments for:		
Depreciation charges	163,362	158,011
(Increase)/decrease in debtors	(21,652)	64,314
Increase/(decrease) in creditors	96,997	(130,295)
Finance costs	50,970	57,504
Net cash provided by operating activities	402,254	411,037

24. Analysis of cash and cash equivalents

	Group 2021 £	<i>Group 2020 £</i>
Cash in hand	1,475,291	753,169
Total cash and cash equivalents	1,475,291	753,169

25. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	Other non- cash changes £	At 31 August 2021 £
Cash at bank and in hand	753,169	722,122	-	1,475,291
Debt due within 1 year	(84,696)	(415,786)	321,077	(179,405)
Debt due after 1 year	(1,082,314)	-	(321,077)	(1,403,391)
	(413,841)	306,336	-	(107,505)

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

26. Pension commitments

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £204,099 (2020 - £202,959) and at the year-end £23,483 (2020 - £22,909) 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. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

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

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

BERKHAMPSTEAD SCHOOL (CHELTENHAM) TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

26. Pension commitments (continued)

Scheme for non-teaching staff

The School operates a defined contribution scheme for its non-teaching staff, the assets of which are held separately from those of the School. The pension costs charged represents contributions payable by the School to the scheme and amounted to £29,620 (2020 - £28,216) for the year ended 31 August 2021. At the year end £6,415 (2020 - £6,338) was due to be paid.

27. Operating lease commitments

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

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Not later than 1 year	17,515	<i>32,515</i>	17,515	<i>32,515</i>
Later than 1 year and not later than 5 years	49,910	<i>67,425</i>	49,910	<i>67,425</i>
	<u>67,425</u>	<i><u>99,940</u></i>	<u>67,425</u>	<i><u>99,940</u></i>

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

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Operating lease rentals	<u>23,242</u>	<i><u>26,441</u></i>	<u>23,242</u>	<i><u>26,441</u></i>

28. Related party transactions

There were no other Related Party Transactions other than those disclosed in note 14 and 16.