

REGISTERED COMPANY NUMBER 926692

REGISTERED CHARITY NUMBER 526615

WESTHOLME SCHOOL LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



**WESTHOLME
SCHOOL**



WESTHOLME SCHOOL LIMITED**ANNUAL REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS****CONTENTS****YEAR ENDED 31ST AUGUST 2021**

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WESTHOLME SCHOOL LIMITED**ANNUAL REPORT OF THE GOVERNORS****YEAR ENDED 31ST AUGUST 2021**

GOVERNORS

The Governors of Westholme School ("the School") are the School's charity trustees under charity law and the directors of the charitable company. The members of the Governing Body who served in office as Governors during the year and subsequently are set out below.

| Name | Role | Committees | Appointment and resignation |
|---------------------|---|---------------------|---|
| B C Marsden | Chairman | 1, 2, 3, 4, 5, 6, 7 | |
| P G Forrest | Vice Chairman | 2, 3, 4, 6, 7 | |
| D J Berry | | 1, 2 | |
| Mrs J M Meadows | | 1, 5 | Resigned 30 th November 2021 |
| J N Backhouse | Designated Governor for Welfare, Health & Safety and Compliance | 3, 4, 7 | |
| Dr R D Dobrashian | Designated Governor for Safeguarding | 3 | |
| O. J McCann | Designated Governor for Compliance | 3 | |
| Mrs L A Robinson | Designated Governor for Early Years and Foundation Stage | 5, 3 | |
| Mrs V Robinson-Hoy | | 1 | |
| Mr G O'Neill | | 1, 4 | |
| Mrs G M Bardin | | | Resigned 2 nd September 2020 |
| Miss P L Williamson | | 5 | |
| Dr S Bhattacharyya | Designated Governor for Safeguarding | | |
| Mrs H J Crosby | | 1, 6 | Appointed 7 th December 2020 |
| Mrs D A Northin | Designated Governor for Early Years and Foundation Stage | 5, 3 | Appointed 7 th December 2020 |

1. Finance Committee
2. Buildings Committee
3. Risk Management Working Party
4. Marketing and Development Committee
5. Education and Curriculum Committee
6. Remuneration Committee
7. Strategy Steering Group

During the year, the activities of the Governing Body were carried out through the seven committees and groups.

OFFICERS

J Backhouse Company Secretary and Clerk to the Governors

WESTHOLME SCHOOL LIMITED**ANNUAL REPORT OF THE GOVERNORS****YEAR ENDED 31ST AUGUST 2021**

KEY MANAGEMENT PERSONNEL

| | |
|-------------------|--|
| Dr R Robson | Principal (from 1 st January 2021) |
| Mrs L M Horner | Principal (until 31 st December 2020) |
| Mrs V J Davenport | Commercial Director |
| Mrs R Barnett | Head of Infant and Junior Schools |

ADVISERS

| | |
|---------------------|--|
| Auditors | Beever & Struthers Statutory Auditors Chartered Accountants The Beehive Lion Drive Shadsworth Business Park Blackburn BB1 2QS |
| Bankers | National Westminster Bank plc 35 King William Street Blackburn BB1 7DL |
| Solicitors | Backhouse Jones Solicitors The Printworks Hey Road Clitheroe Lancashire BB7 9WD |
| Investment Managers | Close Brothers 80 Moseley Street Manchester M2 3FX |

REGISTERED NUMBERS

| | |
|----------------|----------------------------|
| Company number | 926692 (England and Wales) |
| Charity number | 526615 |

WEBSITE

www.westholmeschool.com

WESTHOLME SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

YEAR ENDED 31ST AUGUST 2021

The Governors of Westholme School Limited present their Annual Report under the Charities Act 2011 for the year ended 31 August 2021, including the Directors' and Strategic Reports under the Companies Act 2006 together with the audited accounts for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

Westholme School Limited is a charitable company, founded in 1968 and a company limited by guarantee with the liability of its' members limited to £1 each. The Registered Office and principal address of the Company is at Meins Road, Blackburn, Lancashire BB2 6QU.

STRUCTURE, GOVERNANCE, AND MANAGEMENT

The governing documents are the Memorandum and Articles of Association dated 1 February 1968 and as amended by Special Resolution dated 26 June 1995.

The management and control of the Company, including determination of strategy, is vested in a voluntary Governing Body. Governors are selected to ensure a good spread of professional and educational expertise on the Board. Each year, one third of the Governing Body must retire. Governors can apply for re-election.

The power to propose and appoint new Governors is vested in the Governing Body. Governors are recruited and appointed following a regular assessment by the Board of its needs over the range of professional and education proficiencies.

All new Governor appointments are inducted by the Chairman and the Clerk, issued with the necessary background documentation, DBS (Disclosure and Barring Scheme) checked and offered vacancies on AGBIS (Association of Governing Bodies of Independent Schools) courses and seminars following current AGBIS guidelines.

The Governors, as the charity trustees of the School, are legally responsible for the overall management and control of the School and meet regularly as a Board (usually at least 4 times per year). There are regular sub-committee meetings each term which deal with specific strategic issues to feed back to the main Board for discussion.

The Governors encourage Westholme School to co-operate with many local charities in its ongoing endeavours to widen public access to the School, to optimise the educational use of its cultural and sporting facilities and to awaken in its pupils, in the public interest, an awareness of the social context of the all-round education they receive at the School. The list of activities demonstrating this is quite extensive and up-to-date details can be found on the School website under Information - Charitable Status.

The Governors determine the general policy of the School. The day-to-day management of the School is delegated to the Principal, the Commercial Director and the Head of the Infant and Junior Schools, as the key management personnel who, in turn, are supported by their Senior Management Teams. The Principal, Commercial Director and the Head of the Infant and Junior Schools attend all meetings of the Governing Body's committees.

The remuneration of the Principal and the Commercial Director is set by the Board, whilst that of the Head of the Infant and Junior Schools is set by the Principal. The remuneration policy objective is to provide appropriate incentives to the key management personnel to encourage enhanced performance and to reward them fairly and responsibly for their individual contributions to the School's success. The policy is periodically reviewed and includes reference to comparisons with other independent schools as well as appropriate state sector organisations to ensure that the School remains in touch with the wider environment of pay and employment conditions. The aim is to recruit the most appropriately talented candidates that best fit the specification of the key management personnel position at competitive rates and to provide scope to reward excellence when in post.

WESTHOLME SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

YEAR ENDED 31ST AUGUST 2021

STRUCTURE, GOVERNANCE, AND MANAGEMENT (continued)

Delivery of the School's charitable vision and objects is primarily dependent upon our key management personnel and employment cost is our largest single charitable expense.

GROUP STRUCTURE

There is a wholly owned non-charitable subsidiary company, Westholme Promotions Limited which accounts for the income from and the expenses of non-curricular school trips and other miscellaneous school activities which may be regarded as being outside the main charitable objects. Any surplus from Westholme Promotions Limited at the financial year-end is returned to the main School account whilst any deficit is funded.

OBJECTS, AIMS, AND ACTIVITIES

CHARITABLE OBJECTIVES

The Objects of the Company are set out in its Memorandum and Articles of Association dated 1 February 1968 and as amended by Special Resolution dated 26 June 1995. These are in general to advance education for the public benefit by the provision of a school. The School's operation is based on Christian principles and respects the culture, background and needs of all its pupils.

In the furtherance of the School's objects for the public benefit, the Governors have, amongst other things, established bursaries, awards and scholarships. Being mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011, the Governors, as the charity trustees, have complied with the duty in Section 17 of The Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act.

VISION STATEMENT

Westholme School's purpose is to deliver unrivalled holistic excellence in a warm, family community with inspirational teachers providing exceptional learning opportunities which enable every pupil to exceed their personal and academic potential.

INTENDED IMPACT

The intention is to inculcate 21st century essential skills (21CES) that enable every pupil to be destination ready and fully prepared ready for the modern workplace. This involves an emphasis on the key skills of confidence, resilience, communication, leadership and problem-solving skills. These are imbued through opportunities inside and outside the classroom, including a plethora of co-curricular opportunities including: intellectual; sporting; artistic; creative; social and team activities. This policy builds on personal, emotional and social development that fosters a willingness to positively contribute to the wider community whilst at school and in later life.

WESTHOLME SCHOOL LIMITED**ANNUAL REPORT OF THE GOVERNORS****YEAR ENDED 31ST AUGUST 2021**

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)**AIMS**

The School's aims for the public benefit are:

1. To establish the School as a day school with strong and active partnerships between parents and the School and between the local community and the School;
2. To offer pupils a wide range of opportunities so that they can achieve to the best of their ability within a community framework of mutual respect, shared values and shared standards of behaviour and;
3. To value, respect, and nurture pupils as individuals, giving them a strong sense of self-worth and of the value of service to others so that they are prepared for life beyond school.

PRIMARY OBJECTIVES

There are three main objectives:

1. Pupil achievements and progress at a level of excellence comparable to the best in the country;
2. Recruitment of appropriate numbers of pupils who can benefit from the School's mission in a suitably resourced environment;
3. The generation of funds and resources sufficient to support the achievement of the School's vision, including enabling children to attend whose financial circumstances might not otherwise allow.

STRATEGY TO ACHIEVE THE PRIMARY OBJECTIVES

Over recent years, the Governors have focussed on ensuring that the School's offering is highly attractive to potential pupils and their parents. Operating costs have been well controlled ensuring that fees can remain at competitive levels when compared with other independent school offerings in the area and so that cash can be generated to facilitate continued investment in the School's excellent facilities. Alongside a rigorous focus on academic achievement, we have also ensured that parents and pupils remain attracted to what the School offers by considering the purpose of education outside the single focus of academic achievement.

This approach has meant that, despite cost pressures arising from changes in the level of funding of teachers' pensions, increased National Insurance costs, the impact of the living wage and rising utility prices, fee increases during the year have been managed and pupil levels through the year have exceeded budgeted expectations.

During the year to August 2021, the School focused its investment strategy on, the new Prep School building and the relocation and investment of Art and Music facilities. All conversions and extensions have added value to pupils through providing additional space, resources and equipment.

As reported elsewhere, the School has enjoyed strong results in public examinations as well as improved levels of value-added, reflecting greater individual achievement when compared to expected levels of achievement.

The Governors have continued to provide fee support during the year for pupils to ensure that the benefits of a Westholme education are available to as many children as possible.

PRINCIPAL ACTIVITY

The Company's principal activity, as specified in the Memorandum of Association, is to advance education for the public benefit by the provision of a school.

WESTHOLME SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

YEAR ENDED 31ST AUGUST 2021

PUBLIC BENEFIT

Westholme School remains committed to providing public benefit in accordance with its founding principles and current vision. The School provided first class education for 649 pupils this year at no cost to the UK Treasury or Local Authority.

The rewarding of bursaries and other financial support for those unable to afford the School's fees is one measure of providing public benefit. In 2020/21 Governors' Bursaries totalling £205,830 (2020: £228,217) were awarded to 43 (2020: 45) pupils who otherwise would not have benefited from the excellent education and facilities on offer at Westholme.

During the year, we have not had any pupils (2020: 1) in receipt of a Foundation Bursary. Bursaries will be awarded as funds are raised. All Bursaries are means-tested and only awarded after completion and review of a common application form and within budgetary constraints. Further details on bursaries are available on the School website (www.westholmeschool.com).

Fund raising for charity and raising awareness are an important part of the School ethos. Despite the difficulties of Covid 19 throughout the year, funds were raised and donations made throughout the year as follows: Year 8 and Year 9 and all Infants and Juniors raised a total of £783 by dressing for the theme "Be Seen in Green or Blue" for Royal Manchester Children's Hospital Charity; all sites raised £500 from Macmillan Coffee Morning Cake Sales; A total of £2,170 was raised for Children in Need by allowing pupils to wear their own clothes for the day; £493 was raised by all Infants and Juniors with Elf Day for the Alzheimer's Society. Sixth Form raised £206 through the sale of candy canes which was in aid of Tommies and all sites collected £2,038 with Red Nose Day for Comic Relief. Preschool, Infants and Juniors donated £427 to the NSPCC for Numbers Day with Infants and Juniors donating a further £455 with Wear it Wild for WWF. Non-monetary donations were given to Blackburn Foodbank through the Prep Harvest Festival and presents were donated to the local community through Secret Santa. Donations to Children in Need, Save the Children and Macmillan totalling £1,000 were also made via our Westies enterprise.

Performing Arts remain a significant strength of the School but, due to Covid-19 restrictions, we have been unable to open our 550-seat professional theatre to parents or the public.

The School supports actively the attainment of high standards of education and individual achievement recognising the value of service to others in our local region and beyond. Through active interaction with local schools and Blackburn with Darwen Council, staff and students continue to play a major role in the compilation of the Peace Charter – a shared vision of tolerance and respect within our community. We emphasise to all pupils the importance of equality, tolerance and respect in the all-round education they receive at the School.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Governors are pleased to report another successful year.

2020-21 marked the active building of our strategic vision to provide a seamless 4 – 18 educational journey for all Westholmians on one site at Wilmar Lodge. Co-education is fully embedded throughout the school and the summer saw the closure of our Pre-School at 290 Preston New Road. The Infants and Juniors still reside currently at Beardwood House, in preparation for the move to the new Prep School currently under construction at Wilmar Lodge in September 2022.

During the year, the average number of pupils, including children who attend the nursery, was 649 (2020: 709).

Senior School

Public examinations were cancelled once again due to Covid-19 and teachers undertook a robust detailed programme to submit Teacher Assessed Grades for GCSE and A Level students; results were outstanding. At A Level, the School records were smashed as 90% of students achieved at least 2 B grades or above with 100% pass rate in all subjects. 68% of our 'lockdown' graduates left Westholme with at least 1 grade A or above and with a quarter of our A Level students achieving a clean sweep of all A/A* grades, they far exceeded the school records! One student was awarded a place to study at Oxford University and two others secured prestigious lucrative Level 6 degree apprenticeships at Coca Cola and Jaguar Land Rover.

At GCSE level, the overall pass rate (grade 4 and above) was 100% with a remarkable 85% of pupils achieving at least one grade 7 or above. With 81% of pupils achieving at least one grade 8 or above and 75% receiving at least one grade 9, the GCSE results were a triumph and a true testament to the Westholme Spirit.

Strong academic results were supported by fine outcomes in national academic competitions such as continued success in the UK Mathematics Challenge, designed to stimulate interest and provide stretch for all pupils. Year 7 and Year 8 pupils taking part in The Junior Challenge achieved 3 Gold, 5 Silver and 16 Bronze awards. In the Intermediate Challenge aimed at those in Year 9 to 11, pupils achieved 2 Gold, 6 Silver and 24 Bronze awards. *After an exceptional performance three pupils qualified to take part in The Kangaroo challenges making this the first year we have had three students reaching follow on competitions.* One pupil was also invited to take part in the UKMT securing a place out of only 120 available nationally.

The school took part in National Biology Competitions (organised by the Royal Society of Biology and this year conducted online), and the results for the year were:

Year 10: Biology Challenge – 5 Commended, 6 Highly Commended, 6 Bronze, 4 Silver, 1 Gold

Year 12: Intermediate Biology Olympiad – 1 Commended, 2 Bronze

This year the global pandemic continued to wreak havoc across the sporting calendar. With coronavirus case rates rapidly increasing in the first weeks of the new academic year, alas it was clear that inter-school competitive sport was not on the cards for a considerable amount of time. However, in true Westholmian fashion, time away from competition was time to train, to get fit and to hone ones individual skills. The year focused on bubbled and socially distanced sports sessions in school, mixed with periods of virtual fitness and skills sessions delivered via our virtual learning platform. Where possible, specialist and experts were utilised to enhance provision, ensuring progress continued in all areas of physical fitness, skill and knowledge. This included external coaches/instructors delivering sessions in football, hockey, tennis, cross-country, athletics, yoga and pilates; some online and some in person. This certainly provided our pupils with an unrivalled experience.

Team Westholme competed in events such as the English Schools' Virtual Cross-Country Championships. Saturday morning sport continued, when allowed, throughout the winter months and where possible inter-house sport, in Year group bubbles, gave pupils the competition which many craved.

WESTHOLME SCHOOL LIMITED**ANNUAL REPORT OF THE GOVERNORS****YEAR ENDED 31ST AUGUST 2021**

STRATEGIC REPORT (continued)**ACHIEVEMENTS AND PERFORMANCE (continued)****Senior School (continued)**

It wasn't until after Easter that the school experienced the joy of face-to-face competition with another school. The U13 cricket team were first in action in the Lancashire Cup where not even the rain interrupting play could dampen their spirits. The Summer Term then allowed some competition to take place however many schools and local authorities remained hesitant to participate.

As some restrictions began to ease it was time for Sports Day, the highlight of the sporting year. Despite a rainy start and a truncated programme, sport and camaraderie were definitely the winners!

On the final day of term there was just time to squeeze in the Sixth Form v Staff football. The staff team were able to retain the trophy with a solid team performance.

In the 'World Philosophy Day' celebration in EPR, students were given the opportunity to enter the 'What's your supreme virtue?' competition. Students were asked to independently choose their own supreme virtue and make a creative piece to express their choice, with an accompanying explanation of the piece of work. Entries included photography, artistic work, a Zoom discussion and a song that was written and composed by a student. The top three entries were awarded with prizes and the department gave feedback via WSS News.

One Year 11 EPR student completed the 'Solutions Not Sides Student Leadership Programme'. This is a five-day programme that enables students to gain a deeper understanding of the Israel-Palestine conflict, receiving training in conflict resolution and providing them with a forum for discussion about how to affect positive change within their societies or communities.

On top of their outstanding contribution to charity via the Westies enterprise, 37 Year 9 Business & Economics students took part in the Online Enterprise day run by Inspirational Learning. Each achieved a certificate of completion however, there were no winners this year due to COVID.

Two year 13 students from within the faculty secured Higher Level Apprenticeships. One with Jaguar Land Rover and one with Coca Cola.

At the beginning of December 2020, the English Department launched the Westholme Book Boom to get pupils excited and engaged in reading for fun, not just in the classroom. Each pupil was presented a free book from the School, and they were able to select one to keep from a range of texts.

Over the Christmas break and the start of 2021, students were encouraged to send in photographs of themselves reading their books in exciting and interesting places, for the newly launched Westholme Extreme Reading Competition. Prizes were awarded for the most creative reading places; some Westholme students enjoyed reading their books in trees and cupboards.

The House Talk Competition took place in July 2021. Students in Years 7 and 8 constructed and performed poems on subjects of their own choice. The final of the competition took place in the theatre where four students, representing each House, performed their talks to the whole of the school.

In Art and Photography, there have been several competitions during lockdown pupils took part in a loo roll artwork competition; 'Dress like a book' for World Book Day; The Royal Mail design a stamp competition; Art Exhibition – Visitor's Choice Award; Westholme School RSPCA Young Photographer Award and Blackburn Scouts local photography competition.

STRATEGIC REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

Senior School (continued)

In Computer Science, students entered the national BEBRAS competition. We achieved some excellent results with one pupil achieving the best score in Lancashire, and a further two were not far behind him in their respective age categories. A number of these students advanced to the Oxford University Computing Challenge which was held online. Three students achieved scores in the top 10% of the country. Year 10 students also took part in a BIMA Digital Day.

In Food and Nutrition, Year 11 students passed the Food Standards agency online allergen awareness course and a Food Hygiene Level 2 course. Students have been involved with different challenges such as Turnock's Teacake challenge (Food Styling Competition) (Y11); Cultural Cuisine (Y8); Vegetarianism (Y9); Burgers; Foccacia Bread Art; Bake off- on a budget (Y12&13). One of our Year 11 students has set up their own celebration cake business and has recently been invited to an interview by Lisa Goodwin-Allen for a chance to work in the prestigious kitchens at Northcote Manor.

In Design and Technology, students from Y6-Y9 were introduced to an online 3D designing resource called PrintLab, which was used in correlation with TinkerCad. As a result of the students' efforts, we are now a pioneering school for PrintLab. Students entered several competitions throughout the year; Mojo Nation UK – create the next collectable toy; Make:Able Challenge – produce an assistive device and design a Hive Haus. Year 11 students also applied for Arkwright Engineering Scholarships. In Textiles, students were also involved in some competitions; an Easter egg cup competition and an upcycling challenge.

Junior, Infant, and Nursery Schools

Westholme Prep cares for each child as an individual and it is a place where learning is dynamic and fun. Children flourish and reach their potential – academic achievement is good across the board regardless of ability. Children make notable annual progress year on year. Standardised testing scores show that in all year groups the mean standard age score for classes in core subjects is significantly higher than the national average, with many also showing a spread of standard age scores smaller than the national average. In analysing the data across all subjects, there was no significant difference in achievement of EAL and SEND children against their peers – with all making good progress.

The continuing COVID19 pandemic has brought its challenges, however, Prep school has risen to this and throughout lockdown was able to provide a full curriculum of live lessons during the period at the start of 2021 and also for those pupils who have subsequently had to isolate during the term.

Although the pandemic continued to restrict some of what we had been able to do as a school before the pandemic, by the end of the year we were able to take part in some sporting fixtures and resumed performances, activities and academic trips, and calendared events such as speech day, which are usually embedded into the weekly extra-curricular life of the school, albeit with COVID risk assessments and restrictions such as curbing audiences and spectators in place.

Life at School is shared with parents via a colourful weekly newsletter and through social media platforms such as Twitter, Facebook and our website. Other highlights such as charity events, dynamic classroom activities and lessons and visitors to our settings, such as authors, musicians and experts in their field, form part of school life both to entrench in children an understanding of the world beyond our walls, and to enrich the curriculum and to bring learning to life. Other excursions we plan annually or bi-annually, are designed to build confidence, resilience, a sense of achievement, or merely to inspire imagination.

WESTHOLME SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

YEAR ENDED 31ST AUGUST 2021

STRATEGIC REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

Junior, Infant, and Nursery Schools (continued)

This year the Infants and Juniors came together on one site in preparation for our move into a new build Prep School. Together we have celebrated events such as World Book Day, Odd Socks Day for Anti Bullying week, themed days such as number day, WWF day and through subject focus days. We have also taken part in national events such as Comic Relief and Children in Need. As a school there has been a focus on independent learning and thinking, learning with greater depth and a focus on the characteristics of learning such as reliance, creative thinking, perseverance and grit.

The school has been filled with drama and musical arts, with all children learning at least one musical instrument from Year 2; LAMDA lessons and exams, Nativity Plays and other musical performances of note such as Harvest Festival, Aladdin and the carol service, which were all performed and streamed to audiences. Within Prep every child has appeared on stage, sung, or performed to an audience from Nursery to Year 6, whether this has been live or virtually.

Children have also taken part in a range of clubs such as Tennis, Scrabble Club, LAMDA, dance, Ballet, Drama, Art Club a range of sports clubs to give children a great breadth of opportunities. On the sporting front all children regardless of gender can join and compete in sports such as cricket, rounders, hockey, athletics, rugby, football, cross country, tennis, swimming, and netball; living up to our motto: a 'healthy mind in a healthy body'.

Looking beyond our classrooms, we supported a wide range of causes throughout the year raising money for several charities as well as supporting charities such as the Food Bank and Secret Santa whose outreach of support is within our immediate area.

It is a combination of all these experiences that give Westholme children the confidence to believe in themselves and to flourish.

FUNDRAISING PERFORMANCE

Donors have continued to support both Bursary and Capital funds, although the School has not exercised a proactive approach through a new campaign this year. We are currently exploring how best to continue to further support both important aspects of the School's future fundraising requirements; the enhancement of facilities and the provision of places to those who cannot afford the fees.

FINANCIAL REVIEW

As the School is a charity the parents of our pupils gain assurance that the income of the School is applied for educational purposes. As an educational charity Westholme benefits from tax exemption on its educational activities and on investment income and gains provided these are applied for charitable aims. In addition, as is the case with charities generally, the School is also entitled to an 80% reduction on business rates on the property used for charitable purposes. These tax exemptions provide benefits that are all applied for educational purposes and indirectly help to maintain the bursaries and other assistance provided by the School. We are prudently planning for a more uncertain future in this regard.

However, as an educational Charity Westholme cannot reclaim VAT input tax on the School's costs as School fees are exempt for VAT purposes. The School also pays tax as an employer through National Insurance contributions, and these amounted to £373,348.

In addition to the very substantial benefits the School brings to pupils, the local community and society through the education on offer, the bursary and community benefits programmes create a social benefit without any cost to the UK Treasury or Local Authority.

WESTHOLME SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

YEAR ENDED 31ST AUGUST 2021

STRATEGIC REPORT (continued)

FINANCIAL REVIEW (continued)

The financial statements reflect the School's financial activities, income and expenditure for the year ended 31 August 2021. The net decrease in the funds for the year, before depreciation and investment movements, amounted to £270,307 (2020: increase of £87,276), whilst the post-depreciation and investment movements decrease in funds was £403,795 (2020: £257,499).

All the charity's assets are held for the purpose of the School's objectives.

Movements in Tangible Fixed Assets are shown in the Note 11 to the Financial Statements.

During the year donations of £57,670 (2020: £44,147) were received. More detail is provided in notes 4 and 19.

The Governors specifically charged £205,830 (2020: £228,217) for the year to bursaries. Additionally, scholarships of £88,217 (2020: £93,532) were awarded.

There are no individuals, corporations or classes of donors who play a key role upon whose support the charity is financially dependent.

The Key Performance Indicators used to monitor financial performance comprise:

- Gross fee income levels – in the year to August 2021, these were decreased by 8.2% (before the deduction of fee rebates and refunds arising from the disruption caused by the Covid-19 pandemic) over the previous year;
- Proportion of gross fees absorbed by bursaries and scholarships – at 4.3% these were unchanged from the year to August 2020;
- Proportion of net fees absorbed by (all exclude depreciation charges):
 - Teaching costs – for 2020/21 these amounted to 68.5% of net fee income against 70.0% in the previous year;
 - Welfare and premises costs - in the 2020/21 year, these costs absorbed 20.9% of net fees against 18.3% in the prior year;
 - Support costs – these absorbed 21.7% of net fees compared to 17.9% in the year to August 2020.

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places, future projected cash flows, and loan facilities raised subsequent to 31st August 2021, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements

RESERVES LEVEL AND POLICY AND FINANCIAL VIABILITY

The School's short-term reserves policy is to maintain sufficient unrestricted income funds to enable it to meet its short-term financial obligations during each annual operating cycle and in the event of an unexpected revenue shortfall. This short-term aim is to hold sufficient unrestricted funds to meet one month's operating costs. The amount currently required is £606,000. Its medium and long-term policy is to accumulate sufficient additional funds as adequate cover for longer-term capital expenditure. At present, this is reflected in the Fixed Asset Fund and the Westholme 2022 Fund (see note 18 for further details)

WESTHOLME SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

YEAR ENDED 31ST AUGUST 2021

STRATEGIC REPORT (continued)

RESERVES LEVEL AND POLICY AND FINANCIAL VIABILITY (continued)

The School's unrestricted funds are split between those designated for specific purposes and the general fund set aside for the operational requirements of the school. The designated fund includes amounts invested in school land, buildings and equipment and associated internal funding arrangements. At the end of the year, the unrestricted, designated funds amounted to £8,919,477 (2020: £9,323,636) and the unrestricted undesignated funds ('free reserves') were £367,341 (2020: £388,857). The free reserves at 31st August 2021 were below the £606,000 required by the short-term reserves policy. The Governors remain focused on ensuring that free reserves are increased and then maintained through the management of operating performance.

The policy in respect of reserves is reviewed periodically by the Governors.

The Governors do not seek to maintain free reserves in the wholly owned subsidiary.

Having considered the risks and uncertainties, the Governors have a reasonable expectation that the School will continue in operation for the foreseeable future.

PRINCIPAL RISKS AND UNCERTAINTIES

The Governors consider the recovery from the Covid-19 pandemic in addition to the economic turbulence of recent years and the affordability of fees by parents across the independent sector to be some of the principal risks faced by the School. There are also other significant risks arising from financial matters that are outside the direct control of the Governors, including escalating utilities and pressure on salaries and pensions.

In detail, the Governors see the principal economic risks and uncertainties facing the School as follows:

- Medium and long term impact of recovery from Covid-19 pandemic;
- Competition from other independent schools in the geographic catchment area, including specialist faith schools;
- Competition from improved state school offerings in the geographic catchment area;
- Reduced ability to afford the costs of an independent education amongst the historical target market;
- Increasing operating costs;
- Political debate concerning the charitable and VAT exempt status of the independent school sector.
- Failure to secure or generate future funding for significant developments

The Governors continue to maintain a focus on controlling the School's operating costs, including mitigation of those that lie outside their direct control, so that fee levels can be maintained at an appropriate balance between ensuring that families can continue to afford a Westholme education and the continued sustainability of the School so that future generations can continue to benefit.

The sustainability of the ethos of the School is dependent upon the retention of charitable status. The Governors acknowledge that any removal of this status by external political decisions would present a significant risk.

If legislation were changed such that school fees were to attract VAT, this would be likely to mean that a large number of our current and future pupils' families would be unable to afford an independent education at such a higher price.

Health and Safety and Welfare is always a significant risk area for an independent school like Westholme. The range of risks covers events like fire, flood and other threats to the infrastructure to risks to pupils and staff when away from School whilst participating in trips and expeditions. Westholme offers an impressive range of such activities and the risks associated with these are addressed through planning and an active approach to risk management employing a range of procedures and policies. The School has a Crisis Management policy, the aim of which is to minimise the impact of a major disaster so that the daily operations can be maintained.

WESTHOLME SCHOOL LIMITED**ANNUAL REPORT OF THE GOVERNORS****YEAR ENDED 31ST AUGUST 2021**

STRATEGIC REPORT (continued)**PRINCIPAL RISKS AND UNCERTAINTIES (continued)**

As an independent school, Westholme is accountable to the Department for Education (DfE) through the Independent Schools Inspectorate (ISI). This provides the framework to ensure that policies, procedures, and education are transparent and comparable with all other schools. The last inspection, in October 2021, was a Focused Compliance inspection and in all areas, standards were met.

Copies of inspection reports are available on the School website (www.westholmeschool.com).

Detailed consideration of risk is delegated to the Risk Management Working Party, which reports formally to the Governing Body. The structure of the Working Party comprises five members of the Governing Body, assisted by Senior Management. The risk management process and the Risk Register identify risks, assess their impact and likelihood and, where necessary, recommend controls to mitigate and monitor those risks that are assessed as high. The generic controls used by the School to minimise risk include:

- Detailed terms of reference, as appropriate, together with formal agendas for Committee and Board activity;
- A five-year strategic development plan is reviewed annually by the Board;
- Comprehensive budgeting, forecasting and management accounting;
- Established organisational structures and lines of reporting;
- A wide range of formal written policies including clear authorisation and approval levels;
- Vetting procedures as required by law to protect the vulnerable and to meet our safeguarding obligations.

The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks.

FUTURE PLANS

The Governors continue to be very aware of the pressures on the market for independent education and have strategies in place to deal with them. These strategies aim to ensure that the School continues to provide a first-class, holistic education for pupils from age 4 to 18, in a caring, family community with extensive learning opportunities, promoting academic rigour through inspirational, innovative teaching, creating lifelong learners and developing 21st century citizens with a strong moral compass who are confident, compassionate, aspirational, and adaptable.

The Governors intend to continue their programme of developing the School's facilities in line with the new School Strategic Plan. The first key step in the formulation of this plan was taken in 2021, with the new plan envisaged to be in place by January 2022. The Strategic Plan will encompass six key areas:

- a. Admissions, Promotions, Communication
- b. Business, Finance, Support incl. Health and Safety
- c. Curriculum, Teaching, Learning
- d. Development incl. IT, Site, Centenary, Projects
- e. Pupil Experience incl. Safeguarding, Wellbeing, Culture, Holistic Excellence, Rewards
- f. Westholme Family incl. Teaching and Support Staff, CPD, Appraisal, Parents, Alumni, WA, Governors

The timeframe for this ambitious strategic plan is January 2022 - December 2025. The long-term vision of the Governors is to reshape and reinvest in a market-leading, well-equipped single site school model, offering unrivalled holistic excellence to pupils aged 4-18.

GOVERNORS' LIABILITY INSURANCE

During the year, the company provided third party liability insurance for its Governors.

WESTHOLME SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

YEAR ENDED 31ST AUGUST 2021

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also directors of Westholme School Limited for the purposes of company law) are responsible for preparing the Report of the Governors 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, which 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 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 company will continue in operation.

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

DISCLOSURE OF INFORMATION TO THE AUDITORS

As far as the Governors are aware, there is no relevant audit information of which the charitable company's auditor is unaware. Additionally, the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.


The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

A resolution will be proposed that Beever and Struthers be re-appointed as the company's auditors.

The Report of the Governors was approved by the Governing Body on 14/3/2022

By Order of the Governing Body


J Beckhouse
Secretary

WESTHOLME SCHOOL LIMITED**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WESTHOLME SCHOOL LIMITED****YEAR ENDED 31ST AUGUST 2021**

Opinion

We have audited the financial statements of Westholme School Limited "the charitable company" for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and parent company Balance Sheets, the Consolidated Cash Flow Statement and the related notes to the consolidated accounts. 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 group's and parent charitable company's affairs as at 31 August 2021 and of the group's net movement in funds, including its income and expenditure, and of the group's cash flows 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.

WESTHOLME SCHOOL LIMITED**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WESTHOLME SCHOOL LIMITED****YEAR ENDED 31ST AUGUST 2021**

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 (who are also the directors of the charitable company for the purposes of company law) are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the 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 trustees' report.

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

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

WESTHOLME SCHOOL LIMITED**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WESTHOLME SCHOOL LIMITED****YEAR ENDED 31ST AUGUST 2021**

Responsibilities of directors

As explained more fully in the Statement of Governors' Responsibilities set out on page 16, 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 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.

To assist with identifying and assessing risks associated with material misstatements, including fraud and noncompliance of laws and regulations, we carried out the following procedures;

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with finance manager, and from our commercial knowledge and experience of the industry and supply sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.

WESTHOLME SCHOOL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WESTHOLME SCHOOL LIMITED

YEAR ENDED 31ST AUGUST 2021

Auditor's responsibilities for the audit of the financial statements (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the notes were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

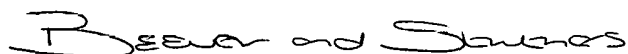
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

Use of our report

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



Suzanne Lomax BA FCA (Senior Statutory Auditor)

For and on behalf of

BEEVER AND STRUTHERS

Statutory Auditor

The Beehive

Lion Drive

Shadsworth Business Park

Blackburn

BB1 2QS

Date: 14 March 2022

WESTHOLME SCHOOL LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING A CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)**

YEAR ENDED 31ST AUGUST 2021

| | | -----Year Ended 31 st August 2021----- | | | | Year Ended |
|---|---|---|---------------|-----------|------------------|-------------------------|
| | | Unrestricted | Restricted | Endowment | Total | 31 st August |
| | | Funds | Funds | Funds | Funds | 2020 |
| | | £ | £ | £ | £ | Total |
| | | | | | | £ |
| Income | | | | | | |
| Charitable Activities | | | | | | |
| Fees receivable and similar income | 2 | 6,549,509 | - | - | 6,549,509 | 6,716,181 |
| Ancillary income | 3 | 363,438 | - | - | 363,438 | 402,238 |
| Other trading activities | | | | | | |
| Ancillary income | 3 | 16,331 | - | - | 16,331 | 30,048 |
| Voluntary sources | | | | | | |
| Donations and legacies | 4 | 24,363 | 33,307 | - | 57,670 | 60,427 |
| Investments | | | | | | |
| Rental and hire income | 5 | - | - | - | - | 4,000 |
| Investment income | 6 | 14,107 | 2,517 | - | 16,624 | 6,963 |
| Total income | | 6,967,748 | 35,824 | - | 7,003,572 | 7,219,857 |
| Expenditure on: | | | | | | |
| Raising funds: | | | | | | |
| Bank charges and interest | | 27,272 | - | - | 27,272 | 11,490 |
| Investment management costs | | 263 | 510 | - | 773 | 730 |
| Bad debt expense | | 1,163 | - | - | 1,163 | 8,666 |
| Publicity, marketing, and events | | 238,871 | - | - | 238,871 | 184,028 |
| | 7 | 267,569 | 510 | - | 268,079 | 204,914 |
| Charitable Activities: School Operating Costs: | | | | | | |
| Teaching costs | | 4,625,064 | 8,643 | - | 4,633,707 | 4,873,676 |
| Welfare | | 449,848 | - | - | 449,848 | 394,987 |
| Premises | | 917,409 | - | - | 917,409 | 1,000,452 |
| Administration | | 1,150,185 | - | - | 1,150,185 | 996,188 |
| | 7 | 7,142,506 | 8,643 | - | 7,151,149 | 7,265,303 |
| Total expenditure | 7 | 7,410,075 | 9,153 | - | 7,419,228 | 7,470,217 |
| Net (expenditure)/income | | (442,327) | 26,671 | - | (415,656) | (250,360) |

WESTHOLME SCHOOL LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING A CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)**

YEAR ENDED 31ST AUGUST 2021

| | | -----Year Ended 31 st August 2021----- | | | | Year Ended 31 st August 2020 Total £ |
|--|--|---|---------------------|--------------------|------------------|---|
| | | Unrestricted Funds | Restricted Funds | Endowment Funds | Total Funds | |
| Note | | £ | £ | £ | £ | £ |
| | Net (expenditure)/income | (442,327) | 26,671 | - | (415,656) | (250,360) |
| Transfers between funds | 18, 19, 20 | 12,509 | (12,509) | - | - | - |
| | Other recognised gains and losses | | | | | |
| Investment gains/(losses) | 12, 18, 20 | 4,143 | - | 7,718 | 11,861 | (7,139) |
| | Net movement in funds | (425,675) | 14,162 | 7,718 | (403,795) | (257,499) |
| Funds brought forward at 31 st August 2020 | 18, 19, 20 | 9,712,493 | 11,181 | 77,101 | 9,800,775 | 10,058,274 |
| | Funds carried forward | | | | | |
| at 31 st August 2021 | 18, 19, 20 | 9,286,818 | 25,343 | 84,819 | 9,396,980 | 9,800,775 |

There are no recognised gains and losses other than those passing through the Consolidated Statement of Financial Activities.

None of the School's activities were acquired or discontinued during the current or previous year.

Note on entity result

In accordance with section 408 of the Companies Act 2006, no separate Statement of Financial Activities has been presented for the Charity alone. Total income for the Charity is £7,003,572 (2020: £7,219,857), the net expenditure before transfers and investment gains for the year is £415,656 (2020: net expenditure £250,360) and the net movement in funds is a decrease of £403,795 (2020: decrease £257,499).

CONSOLIDATED AND CHARITY BALANCE SHEET

YEAR ENDED 31ST AUGUST 2021

| | Note | 2021 £ | 2020 £ |
|--|------|-------------------|-------------------|
| FIXED ASSETS | | | |
| Tangible assets | 11 | 8,373,303 | 7,727,558 |
| Investments | 12 | 130,343 | 115,433 |
| | | <u>8,503,646</u> | <u>7,842,991</u> |
| CURRENT ASSETS | | | |
| Debtors | 13 | 104,935 | 150,168 |
| Cash in bank and in hand | | 2,667,528 | 3,029,999 |
| | | <u>2,772,463</u> | <u>3,180,167</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 14 | (804,230) | (576,288) |
| NET CURRENT ASSETS | | <u>1,968,233</u> | <u>2,603,879</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>10,471,879</u> | <u>10,446,870</u> |
| CREDITORS | | | |
| Amounts falling due after more than one year | 15 | (455,424) | - |
| ACCRUALS AND DEFERRED INCOME | | | |
| | 16 | (619,475) | (646,095) |
| TOTAL NET ASSETS | 17 | <u>9,396,980</u> | <u>9,800,775</u> |
| FUNDS | | | |
| Unrestricted Funds | 18 | 9,286,818 | 9,712,493 |
| Restricted Funds | 19 | 25,343 | 11,181 |
| Endowment Funds | 20 | 84,819 | 77,101 |
| | | <u>9,396,980</u> | <u>9,800,775</u> |

The Financial Statements were approved by the Governing Body on 14/3/2022

Signed on behalf of the Governors:


B C Marsden
Chairman of the Governing Body

WESTHOLME SCHOOL LIMITED

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31ST AUGUST 2021

| | | 2021 | 2020 |
|---|-----------|-------------|-----------|
| | Notes | £ | £ |
| Net cash (outflow)/inflow from operations | (a) | (243,967) | 22,005 |
| Capital expenditure and financial investment | | | |
| Payments for tangible fixed assets | (775,202) | (294,139) | |
| Proceeds on disposal of tangible fixed assets | - | 2,464,860 | |
| Net payments for Investments | (3,049) | (4,142) | |
| | | (778,251) | 2,166,579 |
| | | (1,022,218) | 2,188,584 |
| Financing | | | |
| Loans received | | 500,000 | - |
| (Decrease)/increase in cash in year | (b) | (522,218) | 2,188,584 |

Notes to the Consolidated Cash Flow Statement

a. Net cash inflow from operations

| | 2021 £ | 2020 £ |
|---|------------------|---------------|
| Net expenditure before transfers and investment gains | (415,656) | (250,360) |
| Depreciation | 145,349 | 337,636 |
| Release of historic loans (see note 4) | - | (16,280) |
| Decrease in debtors | 42,080 | 38,026 |
| Increase/(Decrease) in creditors | 7,727 | (85,259) |
| (Decrease)/increase in accruals and deferred income | (26,620) | 866 |
| Gift aid recovery | 3,153 | (2,624) |
| Net cash (outflow)/inflow from operations | (243,967) | 22,005 |

b. Analysis of Changes in Net Funds

| | At 1 st September 2020 £ | Cashflow £ | At 31 st August 2021 £ |
|---------------------------------|--|--------------------|--|
| Net Cash: | | | |
| Cash at bank and in hand | 3,029,999 | (362,471) | 2,667,528 |
| Debt: | | | |
| Bank overdraft | - | (159,747) | (159,747) |
| Debts due in less than one year | - | (44,576) | (44,576) |
| Debts due in more than one year | - | (455,424) | (455,424) |
| Net Funds | 3,029,999 | (1,022,218) | 2,007,781 |

1. ACCOUNTING POLICIES

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

1.1. Basis of Accounting

These financial statements have been prepared on the historical cost accounting rules, as modified to include the revaluation of certain land and buildings, and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 second edition – October 2020) (effective 1st January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity meets the definition of a public entity under FRS 102.

The financial statements are prepared in sterling, which is the currency of the entity.

1.2. Going Concern

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to raise additional funding if required to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 16.

1.3. Basis of Consolidation

The Charity has one subsidiary company. However, as this subsidiary is not considered to be material to the group the results of the subsidiary undertaking have been excluded from these consolidated accounts. See note 24 to the financial statements. The consolidated accounts therefore, comprise only of the accounts of the parent charitable company.

A separate Statement of Financial Activities and Income and Expenditure account has not been presented because the Charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

1.4. Fees and similar earned income

This comprises fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, and are accounted for in the period in which the service is provided.

Fees for education to be provided in future years are carried forward as deferred income in the balance sheet.

1.5. Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis. Income from investment properties is accounted for in the period to which the rental income relates.

1. ACCOUNTING POLICIES (continued)

1.6. Donations, legacies, grants, and other voluntary incoming resources

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the Unrestricted Funds. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the School in the case of donated services or facilities.

1.7. Expenditure

Expenditure is accrued as soon as a liability is considered probable. Expenditure attributable to more than one cost category in the SoFA is apportioned to them based on the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Intra-group sales and charges between the School and its subsidiaries are excluded from trading income and expenditure.

1.8. Tangible Fixed Assets

(i) Depreciation

Depreciation is provided at rates calculated to write off the cost of tangible fixed assets less estimated residual value based on current market prices over their estimated useful lives. The rates used are as follows:

| | | |
|--------------------------------|---|---------------------------|
| Freehold Buildings | : | 20 to 50 years |
| Furniture and School Equipment | : | 10% and 20% straight line |
| Computers | : | 33% straight line |
| Motor Vehicles | : | 25% reducing balance |

Assets in the course of construction are accounted for at cost, based upon the value of professional certificates and other direct costs and are depreciated when they are brought into use.

Land is not depreciated.

(ii) Minor Capital Expenditure

Minor capital expenditure is written off in the year in which it is incurred.

(iii) Land and Buildings Included in the Accounts at a Valuation

The Charity has continued to include land and buildings at a combination of cost and valuations undertaken before the implementation of the Reporting Standard.

Fixed assets are also reviewed for any impairments to the carrying value.

1. ACCOUNTING POLICIES (continued)

1.9. Fixed asset investments

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the SoFA and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

1.10. Fund accounting

The charitable trust funds of the School and its subsidiary are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further subdivided into permanent and expendable.

Unrestricted income

These funds belong to the School's corporate reserves, spendable at the discretion of the Governors either to further the School's Objects or to benefit the School itself. Where the Governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted income

This comprises gifts, legacies, and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowment

This arises where a donor intends the gift to be retained permanently for use by the School or for its financial benefit (i.e. by investment).

Expendable endowment

These funds are accounted for similarly, except that all capital can be converted into income for spending either at the Governors' own discretion or else upon the happening of some event contemplated by the donor (e.g. the annual depreciation charges on a building or other wasting asset retained for use by the School on a continuing basis – i.e. as a fixed asset).

1.11. Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the School is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12. Government Grants

During the year, the School received grants from the UK Government Coronavirus Job Retention Scheme and the Coronavirus Business Interruption Loan Scheme. The grants have been matched to the payroll and loan costs to which they relate and has been included as ancillary income deriving from charitable activities. For details of the amounts claimed, see note 3

1. ACCOUNTING POLICIES (continued)

1.13. Pension costs

The company participates in a defined benefit pension scheme for teaching staff. The scheme is operated by the Teachers' Pension Agency, an Executive Agency of the Department for Education and Employment. The scheme is a multi-employer scheme. It is not possible to identify the School's share of the underlying assets and liabilities on a consistent and reasonable basis and therefore, as required by FRS 102, the scheme has been accounted for as a defined contribution scheme.

The company also operates a defined contribution pension scheme for some non-teaching staff. The assets of the scheme are held separately from those of the company in an independently administered fund.

Contributions for both schemes are charged to the Statement of Financial Activities on a payable basis.

1.14. Financial instruments

The Charity 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. Specifically, the Charity has a portfolio of managed listed investments that are valued at a readily attainable market price. More detail is given in note 1.9.

1.15. Judgements and key sources of estimation uncertainty

There are judgements and accounting estimates made in the calculation of accruals and prepayments, in determining rates of depreciation of tangible fixed assets, in estimating realisable values of tangible fixed assets, in the allocation of internal funding to designated fixed asset funds, and in estimating provisions against the recovery of bad or doubtful debts. Such estimates and judgements are made based on previous experience of the School and are supported by professional specialist advice where this is appropriate. More information about such judgements and estimates are given in notes 1.8 and 1.10.

1.16. Tax

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable activities.

1.17. Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member of the board in the event of a winding up is to contribute to any deficiency in assets a sum not exceeding £1.

WESTHOLME SCHOOL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

2. FEES RECEIVABLE AND SIMILAR INCOME

| | 2021 £ | 2020 £ |
|--|------------------|------------------|
| Fees receivable and similar income (after staff remissions and family reductions) | 6,843,556 | 7,456,095 |
| Less: Reductions and rebates arising from Covid-19 disruption | - | (418,165) |
| | <u>6,843,556</u> | <u>7,037,930</u> |
| Less: Bursaries awarded | (205,830) | (228,217) |
| Less: Scholarships awarded | (88,217) | (93,532) |
| | <u>6,549,509</u> | <u>6,716,181</u> |
| Number of pupils in receipt of bursaries | <u>43</u> | <u>46</u> |
| Number of pupils in receipt of scholarships | <u>57</u> | <u>61</u> |

The Governors make an annual grant for the award of bursaries. The detail of individual awards is delegated to the Principal and the Commercial Director within parameters specified by the Governors. The bursaries awarded shown above includes £nil (2020: £12,175) paid out of the Foundation Bursaries Fund.

3. ANCILLARY INCOME

| | Unrestricted £ | Restricted £ | Endowments £ | 2021 £ | 2020 £ |
|--|-------------------|-----------------|-----------------|----------------|----------------|
| Charitable activities | | | | | |
| Coach income | 241,809 | - | - | 241,809 | 237,885 |
| Government Coronavirus Job Retention Scheme | 79,818 | - | - | 79,818 | 121,056 |
| Government contribution to CBILS loan interest (see note 14) | 12,500 | - | - | 12,500 | - |
| After School care | 4,153 | - | - | 4,153 | 12,580 |
| Commissions received | 2,700 | - | - | 2,700 | 3,891 |
| Entrance exam fees | 4,635 | - | - | 4,635 | 4,365 |
| Other | 17,823 | - | - | 17,823 | 22,461 |
| | <u>363,438</u> | <u>-</u> | <u>-</u> | <u>363,438</u> | <u>402,238</u> |
| Other trading activities | | | | | |
| Property rental income | <u>16,331</u> | <u>-</u> | <u>-</u> | <u>16,331</u> | <u>30,048</u> |

WESTHOLME SCHOOL LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****YEAR ENDED 31ST AUGUST 2021**

4. DONATIONS AND LEGACIES

| | Unrestricted £ | Restricted £ | Endowments £ | 2021 £ | 2020 £ |
|---------------------------|-------------------|-----------------|-----------------|---------------|---------------|
| Donations and legacies | 24,363 | 33,307 | - | 57,670 | 44,147 |
| Release of historic loans | - | - | - | - | 16,280 |
| | <u>24,363</u> | <u>33,307</u> | <u>-</u> | <u>57,670</u> | <u>60,427</u> |

During the year ended 31st August 2020, after consulting with the School's auditors, the Governors decided to release interest bearing and interest free loans amounting to £16,280. These loans were advanced to the School more than 30 years before and there were no records held that provided details of the lenders nor of any terms pertaining to the loans. There have been no requests for repayment.

5. RENTAL INCOME – INVESTMENT PROPERTY

| | 2021 £ | 2020 £ |
|---------------------------------------|-----------|--------------|
| Property rental income - unrestricted | <u>-</u> | <u>4,000</u> |

6. INVESTMENT INCOME

| | Unrestricted £ | Restricted £ | Endowments £ | 2021 £ | 2020 £ |
|-----------------------|-------------------|-----------------|-----------------|---------------|--------------|
| Bank deposit interest | 12,802 | - | - | 12,802 | 2,091 |
| Investment income | 1,305 | 2,517 | - | 3,822 | 4,872 |
| | <u>14,107</u> | <u>2,517</u> | <u>-</u> | <u>16,624</u> | <u>6,963</u> |

WESTHOLME SCHOOL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

7. TOTAL EXPENDITURE

| | 2021 | | | |
|----------------------------------|------------------------|----------------|------------------|------------------|
| | Staff Costs | Dep'n | Other | Total |
| | £ | £ | £ | £ |
| Bank charges and interest | - | - | 27,272 | 27,272 |
| Investment management costs | - | - | 773 | 773 |
| Bad debt expense | - | - | 1,163 | 1,163 |
| Publicity | 105,599 | - | 133,272 | 238,871 |
| Costs of generating funds | 105,599 | - | 162,480 | 268,079 |
| Teaching costs | 4,143,932 | 144,244 | 345,531 | 4,633,707 |
| Welfare costs | - | - | 449,848 | 449,848 |
| Premises | 361,338 | 1,105 | 554,966 | 917,409 |
| Support costs | 556,916 | - | 593,269 | 1,150,185 |
| Charitable activities | 5,062,186 | 145,349 | 1,943,614 | 7,151,149 |
| Total expenditure | 5,167,785 | 145,349 | 2,106,094 | 7,419,228 |

Total resources expended include:

| | 2021 £ | 2020 £ |
|--|-------------------|-------------------|
| Auditors' remuneration | | |
| - Audit | 9,270 | 9,000 |
| - Accountancy, taxation and other services | 11,800 | 8,108 |
| Governance costs | 21,070 | 17,108 |
| Depreciation | 145,349 | 337,636 |

Depreciation expenditure includes a loss on disposal of tangible fixed assets amounting to £nil (2020: £155,075).

During the year, the School maintained liability insurance for its governors. The cost of this insurance is not separately identified.

WESTHOLME SCHOOL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

7. TOTAL EXPENDITURE (continued)

| | 2020 | | | |
|-----------------------------|------------------------|--------------|--------------|--------------|
| | <i>Staff Costs</i> | <i>Dep'n</i> | <i>Other</i> | <i>Total</i> |
| | £ | £ | £ | £ |
| Bank charges and interest | - | - | 11,490 | 11,490 |
| Investment management costs | - | - | 730 | 730 |
| Bad debt expense | - | - | 8,666 | 8,666 |
| Publicity | 68,629 | - | 115,399 | 184,028 |
| Costs of generating funds | 68,629 | - | 136,285 | 204,914 |
| Teaching costs | 4,296,245 | 173,847 | 403,584 | 4,873,676 |
| Welfare costs | - | - | 394,987 | 394,987 |
| Premises | 340,461 | 163,789 | 496,202 | 1,000,452 |
| Support costs | 465,754 | - | 530,434 | 996,188 |
| Charitable activities | 5,102,460 | 337,636 | 1,825,207 | 7,265,303 |
| Total expenditure | 5,171,089 | 337,636 | 1,961,492 | 7,470,217 |

8. STAFF COSTS

The average number of persons employed (including Governors) during the year was as follows:

| | 2021 | 2020 |
|------------------------------------|------------------|------------------|
| Non-executive governors | 13 | 12 |
| Teachers: full time | 49 | 52 |
| part time | 23 | 21 |
| Teaching support and pastoral | 26 | 31 |
| Office and administration | 23 | 19 |
| Domestic, maintenance and cleaning | 26 | 27 |
| | 160 | 162 |
| Staff costs comprise: | £ | £ |
| Salaries and wages | 4,165,214 | 4,052,446 |
| Social security costs | 373,348 | 414,595 |
| Other pension costs | 631,923 | 704,048 |
| | 5,167,785 | 5,171,089 |

During the year there were redundancy or termination costs due to a staff restructure which amounted to £195,507 (2020: £39,777). Amounts of £137,296 were paid in the year, including the amounts accrued in the prior year, with £94,311 accrued at 31st August 2021 (2020: £3,677 paid in the year with £36,100 accrued).

WESTHOLME SCHOOL LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****YEAR ENDED 31ST AUGUST 2021**

8. STAFF COSTS (continued)

| | 2021 £ | 2020 £ |
|---|------------|------------|
| Governors' expenses | <u>250</u> | <u>226</u> |
| The number of employees whose emoluments exceeded £60,000 in the year was as follows: | | |
| £80,001 - £90,000 | 2 | 1 |
| £100,001 - £110,000 | 1 | 1 |
| £120,001 - £130,000 | - | 1 |
| £140,001 - £150,000 | 2 | - |
| | <u>5</u> | <u>3</u> |

Contributions were made to a defined benefit scheme in respect of 3 (2020: 2), and to a defined contribution scheme in respect of 2 (2020: 1) of the above employees.

The key management personnel of the Charity comprise the Trustees, the Principal, the Head of the Junior and Infant Schools and the Commercial Director. The total employee benefits of the key management personnel of the Charity, including national insurance cost, were £398,551 (2020: £386,624).

9. GOVERNORS' REMUNERATION

No Governors or persons connected with them received any remuneration during the year (2020: *£nil*). The Governors' expenses disclosed in note 8 above related to 1 member (2020: 1) of the Governing Body.

10. CORPORATION TAX

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992. Corporation tax is payable in relation to the taxable surplus of Westholme Promotions Limited. In the current and prior years there have been no taxable surpluses and therefore no corporation tax.

WESTHOLME SCHOOL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

11. FIXED ASSETS – GROUP AND CHARITY

| | Freehold Land and Buildings | Furniture and School Equipment | Motor Vehicles | Assets in the course of construction | Total |
|-----------------------------------|-----------------------------------|--------------------------------------|-------------------|---|------------|
| | £ | £ | £ | £ | £ |
| COST/VALUATION | | | | | |
| At 1 st September 2020 | 9,906,523 | 4,671,744 | 112,997 | 289,913 | 14,981,177 |
| Additions | 30,318 | 67,012 | 4,200 | 689,564 | 791,094 |
| Transfer | 289,866 | - | - | (289,866) | - |
| At 31 st August 2021 | 10,226,707 | 4,738,756 | 117,197 | 689,611 | 15,772,271 |
| DEPRECIATION | | | | | |
| At 1 st September 2020 | 2,855,359 | 4,317,136 | 81,124 | - | 7,253,619 |
| Charge for the year | 1,105 | 135,226 | 9,018 | - | 145,349 |
| At 31 st August 2021 | 2,856,464 | 4,452,362 | 90,142 | - | 7,398,968 |
| NET BOOK VALUE AT | | | | | |
| 31 st August 2020 | 7,051,164 | 354,608 | 31,873 | 289,913 | 7,727,558 |
| 31 st August 2021 | 7,370,243 | 286,394 | 27,055 | 689,611 | 8,373,303 |

DIRECTORS' VALUATION OF FREEHOLD LAND AND BUILDINGS

| | 2021 £ | 2020 £ |
|--|-------------------|------------------|
| Comprises: Directors' estimate of 'continuing existing use' valuation of land and buildings as at 31 st August 1975 | 410,000 | 410,000 |
| Subsequent additions at cost | 9,816,707 | 9,496,523 |
| | <u>10,226,707</u> | <u>9,906,523</u> |

All fixed assets are used for direct charitable purposes.

Land with a cost of £1,029,407 (2020: £1,029,407) is not depreciated.

WESTHOLME SCHOOL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

12. INVESTMENTS – GROUP AND CHARITY

| | Listed investments | Cash | Total |
|--|-----------------------|-------|----------|
| | £ | £ | £ |
| Market value at 1 st September 2020 | 111,004 | 4,429 | 115,433 |
| Additions | 32,747 | - | 32,747 |
| Disposals | (29,938) | - | (29,938) |
| Unrealised gains arising in the year | 11,861 | - | 11,861 |
| Movement in cash | | 240 | 240 |
| Market value at 31 st August 2021 | 125,674 | 4,669 | 130,343 |

| | 2021 £ | 2020 £ |
|-----------------|-----------|-----------|
| Historical cost | 118,626 | 114,850 |

| Listed investments | 2021 £ | 2020 £ |
|--------------------------------|-----------|-----------|
| UK investments | 91,693 | 80,730 |
| Overseas and other investments | 33,981 | 30,274 |
| | 125,674 | 111,004 |

The investments are all managed in the UK.

Investments with a market value of over 5% of the total market value of investments are as follows:

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Smith & Williamson Church House Investment | - | 5,952 |
| Legal & General All Stocks Gilt Index | 7,717 | 9,981 |
| Janus Henderson Strategic Bond | - | 5,831 |

**13. DEBTORS – GROUP AND CHARITY:
Amounts falling due within one year**

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Fee debtors | 15,346 | 28,436 |
| Prepayments | 64,441 | 102,157 |
| Income tax recoverable | - | 3,153 |
| Amounts due from subsidiary undertaking | 24,323 | 16,422 |
| Other debtors | 825 | - |
| | 104,935 | 150,168 |

WESTHOLME SCHOOL LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****YEAR ENDED 31ST AUGUST 2021**

14. CREDITORS – GROUP AND CHARITY:**Amounts falling due within one year**

| | 2021 | 2020 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Bank loans and overdrafts | 204,323 | - |
| Deposits received | 177,529 | 162,125 |
| Taxation and social security | 166,514 | 136,784 |
| Trade creditors and accruals | 255,864 | 277,379 |
| | <u>804,230</u> | <u>576,288</u> |

The School had an overdraft facility of £300,000 as at 31st August 2021, and £159,747 of this was used (2020: £nil). The facility is secured by a debenture over the School's assets.

The £500,000 loan from Northern Powerhouse Investment Fund (NPIF) is supported by the Coronavirus Business Interruption Loan Scheme (CBILS) managed by the British Business Bank on behalf of the Secretary of State for Business, Energy and Industrial Strategy. Under the scheme, the Secretary of State has agreed to provide the NPIF with a Partial Guarantee. The Guarantee is given to NPIF and not to Westholme School. The School remains liable for all sums payable under the agreement in the event of a default.

Under the terms of the loan agreement, interest due on the loan during the first 12 months will be payable by the UK Government. Interest is charged at a rate of 5% per annum. After that period, the School will be required to meet the interest costs. The loan amount is repayable by equal monthly instalments over six years, but no repayments are required in the first 12 months.

The loan is secured by a second charge over the School's assets.

15. CREDITORS – GROUP AND CHARITY:**Amounts falling due after more than one year**

| | 2021 | 2020 |
|-------|----------------|----------|
| | £ | £ |
| Loans | <u>455,424</u> | <u>-</u> |

The loan from NPIF is repayable as follows:

| | 2021 | 2020 |
|-------------------|---------------|----------|
| | £ | £ |
| Within 1 year | 44,576 | - |
| 1 to 2 years | 92,558 | - |
| 2 to 5 years | 307,069 | - |
| More than 5 years | <u>55,797</u> | <u>-</u> |

For further details on the loan see note 14.

WESTHOLME SCHOOL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

16. ACCRUALS AND DEFERRED INCOME – GROUP AND CHARITY

| | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Fees paid in advance: | | |
| Amounts at 1 st September 2020 | 646,095 | 645,229 |
| Amounts received in the year | 688,492 | 528,638 |
| Amounts utilised in payment of fees | (715,112) | (527,772) |
| At 31 st August 2021 | <u>619,475</u> | <u>646,095</u> |

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS – GROUP AND CHARITY

| | Undesignated £ | Designated £ | Restricted £ | Endowment £ | Total £ |
|---|-------------------|------------------|-----------------|----------------|------------------|
| Fund balances at 31 st August 2021 are represented by: | | | | | |
| Tangible fixed assets | - | 8,366,680 | 6,623 | - | 8,373,303 |
| Investments | 45,524 | - | - | 84,819 | 130,343 |
| Debtors | 104,935 | - | - | - | 104,935 |
| Cash in hand | 660 | - | - | - | 660 |
| Cash at bank | 2,079,459 | 568,689 | 18,720 | - | 2,666,868 |
| Bank overdraft | (159,747) | - | - | - | (159,747) |
| Creditors | (1,084,015) | (15,892) | - | - | (1,099,907) |
| Accruals and deferred income | (619,475) | - | - | - | (619,475) |
| Total net assets | <u>367,341</u> | <u>8,919,477</u> | <u>25,343</u> | <u>84,819</u> | <u>9,396,980</u> |

| | Undesignated £ | Designated £ | Restricted £ | Endowment £ | Total £ |
|---|-------------------|------------------|-----------------|----------------|------------------|
| Fund balances at 31 st August 2020 are represented by: | | | | | |
| Tangible fixed assets | - | 7,716,377 | 11,181 | - | 7,727,558 |
| Investments | 38,332 | - | - | 77,101 | 115,433 |
| Debtors | 150,168 | - | - | - | 150,168 |
| Cash in hand | 1,239 | - | - | - | 1,239 |
| Cash at bank | 1,421,501 | 1,607,259 | - | - | 3,028,760 |
| Creditors | (576,288) | - | - | - | (576,288) |
| Accruals and deferred income | (646,095) | - | - | - | (646,095) |
| Total net assets | <u>388,857</u> | <u>9,323,636</u> | <u>11,181</u> | <u>77,101</u> | <u>9,800,775</u> |

WESTHOLME SCHOOL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

18. UNRESTRICTED FUNDS – GROUP AND CHARITY

| | Balance 1 st September 2020 | Income | Expenditure | Gains/ (losses) and transfers | Balance 31 st August 2021 |
|----------------------------|--|-----------|-------------|--|--|
| | £ | £ | £ | £ | £ |
| Designated Funds: | | | | | |
| Fixed Asset Fund | 6,718,478 | - | - | 76,889 | 6,795,367 |
| Principal's Fund | 5,158 | - | - | - | 5,158 |
| Westholme 2022 | 2,600,000 | - | - | (481,048) | 2,118,952 |
| | 9,323,636 | - | - | (404,159) | 8,919,477 |
| Undesignated Funds: | | | | | |
| General Reserve | 388,857 | 6,967,748 | (7,410,075) | 420,811 | 367,341 |
| | 9,712,493 | 6,967,748 | (7,410,075) | 16,652 | 9,286,818 |

The Fixed Asset Fund represents the net book value of the School's fixed assets and investment property less an allocation of notional internal borrowings. The transfer that is made between this fund and the General Reserve reflects the movement in fixed assets and notional internal borrowings in the year.

The Principal's Fund is available for The Principal to utilise for the benefit of pupils at his discretion.

The Westholme 2022 fund represents monies realised from the disposal of the School's Billinge and Beardwood sites during the year ended 31st August 2020, together with additional funds from General Reserves, and which is to be utilised in the development of a new Primary School site at Wilmar Lodge. The development is expected to be completed during 2022. An amount of the fund has been utilised in the progress of the project during the year.

Included within the Charity's funds is a revaluation reserve of £12,444 (2020: £583).

| | Balance 1 st September 2019 | Income | Expenditure | Gains/ (losses) and transfers | Balance 31 st August 2020 |
|----------------------------|--|-----------|-------------|--|--|
| | £ | £ | £ | £ | £ |
| Designated Funds: | | | | | |
| Fixed Asset Fund | 9,073,652 | - | - | (2,355,174) | 6,718,478 |
| Principal's Fund | 5,158 | - | - | - | 5,158 |
| Westholme 2022 | - | - | - | 2,600,000 | 2,600,000 |
| | 9,078,810 | - | - | 244,826 | 9,323,636 |
| Undesignated Funds: | | | | | |
| General Reserve | 881,856 | 7,222,823 | (7,458,770) | (257,052) | 388,857 |
| | 9,960,666 | 7,222,823 | (7,458,770) | (12,226) | 9,712,493 |

WESTHOLME SCHOOL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

19. RESTRICTED FUNDS – GROUP AND CHARITY

| | Balance 1 st September 2020 | Income | Expenditure | Transfers | Balance 31 st August 2021 |
|-----------------------|--|---------------|----------------|-----------------|--|
| | £ | £ | £ | £ | £ |
| Bursaries | - | 29,720 | - | (11,000) | 18,720 |
| Westholme Association | 11,181 | 3,587 | (8,643) | 498 | 6,623 |
| Investment income | - | 2,517 | (510) | (2,007) | - |
| | 11,181 | 35,824 | (9,153) | (12,509) | 25,343 |

The Foundation Bursary fund has been established to provide 100% bursaries to year 7 pupils. During the year income into this fund was £nil (2020: £nil) and bursaries paid out were £nil (2020: £12,175).

The Bursaries fund comprises donations received to fund bursaries for pupils.

The Westholme Association is the School's Parents' Association and raises funds to donate to the School for specific purposes.

| | Balance 1 st September 2019 | Income | Expenditure | Transfers | Balance 31 st August 2020 |
|-----------------------|--|----------------|-----------------|--------------|--|
| | £ | £ | £ | £ | £ |
| Foundation Bursaries | - | (12,175) | - | 12,175 | - |
| Westholme Association | 15,738 | 6,393 | (10,951) | - | 11,181 |
| Investment income | - | 2,816 | (496) | (2,320) | - |
| | 15,738 | (2,966) | (11,447) | 9,856 | 11,181 |

20. ENDOWMENT FUNDS – GROUP AND CHARITY

| | Balance 1 st September 2020 | Income | Expenditure | Gains/ (losses) and transfers | Balance 31 st August 2021 |
|----------------------|--|--------|-------------|--|--|
| | £ | £ | £ | £ | £ |
| Permanent Endowments | 77,101 | - | - | 7,718 | 84,819 |

The endowment fund is represented by investments. The income generated by this fund will be used for school bursaries.

WESTHOLME SCHOOL LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****YEAR ENDED 31ST AUGUST 2021**

20. ENDOWMENT FUNDS – GROUP AND CHARITY (continued)

| | <i>Balance 1st September 2019</i> | <i>Income</i> | <i>Expenditure</i> | <i>Gains/ (losses) and transfers</i> | <i>Balance 31st August 2020</i> |
|----------------------|--|---------------|--------------------|--|--|
| | £ | £ | £ | £ | £ |
| Permanent Endowments | 81,870 | - | - | (4,769) | 77,101 |

21. GUARANTEES

At 31st August 2021, there were 14 (2020:13) members of the Board each of whom agrees, in the event of the Company being wound up, to contribute to any deficiency in assets a sum not exceeding £1.

22. PENSION COMMITMENTS

The Company participates in the Teachers' Pension Scheme ("the TPS"), a defined benefit pension scheme for teaching staff. The scheme is operated by the Teachers' Pension Agency, an Executive Agency of the Department for Children, Schools and Families.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 and the Teachers' Pension Scheme Regulations 2014. 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 following scheme valuations undertaken by the Government Actuary Department. The latest available valuation report in respect of the TPS was prepared at 31st March 2016 and was published in March 2021. This report confirmed an employer contribution rate for the TPS of 23.60% from 1st September 2021. The Department of Education has also devolved the scheme administration costs to scheme employers in the form of an administration charge of 0.08% of the employers' salary costs which has resulted in a total employer payment rate of 23.68%.

It is not possible to identify the School's share of the underlying assets and liabilities on a consistent and reasonable basis and therefore, as required by FRS 102, the scheme has been accounted for as a defined contribution scheme.

The company also operates a defined contribution scheme for some non-teaching staff.

In accordance with Government legislation, the school also offers a stakeholder pension scheme. As at the balance sheet date, the scheme had no members.

The total pension cost charge in respect of these schemes for the year was £631,923 (2020: £704,048). At 31st August 2021, £88,986 (2020: £82,645) of contributions were payable to the schemes and included in creditors: amounts falling due within one year.

During the year ended 31st August 2021, the School concluded negotiations with teachers and their representatives regarding the level of employer pension contributions. A hybrid option was offered and accepted, allowing teachers to opt out of TPS and join a Defined Contribution scheme, or maintain their inclusion in the TPS by utilising salary sacrifice to cover the small additional contribution necessary.

WESTHOLME SCHOOL LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****YEAR ENDED 31ST AUGUST 2021**

23. RELATED PARTY TRANSACTIONS

Westholme Promotions Limited is a subsidiary company of the School.

The principal activity of Westholme Promotions Limited is the organisation of non-curricular school trips, and other miscellaneous school activities.

During the year, the School contributed £558 (2020: £1,561) towards Westholme Promotions Limited marketing expenses.

At the 31st August 2021 £11,405 (2020: £16,422) was due to the School from Westholme Promotions Limited, representing £50,000 in respect of an interest free loan advanced to that company in 2011, less marketing contributions due to Westholme Promotions Limited.

Whilst the School does not trade directly with this company it does act as agent for the School in respect of collection of cash and payment of expenses. There was £nil (2020: £nil) due to Westholme Promotions Limited at 31st August 2021 in respect of amounts collected and paid for the School.

During the year amounts totalling £14,279 (2020: £8,659) were charged to the School by Backhouse Jones Limited, a company in which J Backhouse, a Governor of Westholme School Limited, is also a director. At 31st August 2021, an amount of £1,215 (2020: £nil) was owed to Backhouse Jones Limited.

Amounts totalling £27,741 (2020: £34,488) were charged to the School by Napthens Solicitors, a partnership in which O McCann, a Governor of Westholme School Limited, is also a partner. At 31st August 2021, an amount of £nil (2020: £nil) was owed to Napthens Solicitors.

In addition, amounts totalling £4,065 (2020: £9,556) were charged to the School by C & W Berry Limited, a company in which D Berry, a Governor of Westholme School Limited is also a director. At 31st August 2021, an amount of £211 (2020: £1,468) was owed to C & W Berry Limited.

A number of the Governors who held office during the year to 31st August 2021 had children attending the School and those children attend on the same terms as other pupils.

24. SUBSIDIARY COMPANY

Westholme Promotions Limited is a subsidiary company of Westholme School Limited. As described in the accounting policies, consolidated accounts have not been prepared as the subsidiary is not considered to be material to the accounts of the School.

| | 2021 £ | 2020 £ |
|-------------------------------------|-----------------|------------------|
| Westholme Promotions Limited | | |
| Aggregate of Capital and Reserves | <u>(12,083)</u> | <u>(12,083)</u> |
| Turnover | 16,005 | 158,366 |
| Cost of sales | <u>(13,481)</u> | <u>(155,889)</u> |
| Gross Profit | 2,524 | 2,477 |
| Administrative expenses | <u>(2,524)</u> | <u>(2,477)</u> |
| Result for the year | <u>-</u> | <u>-</u> |

WESTHOLME SCHOOL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

25. FINANCIAL COMMITMENTS

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

| | 2021 | Other |
|-----------------|--------------|----------|
| | 2020 | |
| | £ | £ |
| Within one year | <u>1,800</u> | <u>-</u> |

26. CAPITAL COMMITMENTS

The Company had capital commitments of £2,485,540 at 31st August 2021 (2020: £38,145).

WESTHOLME SCHOOL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

27. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY TYPE OF FUND

| | <i>Unrestricted Funds £</i> | <i>Restricted Funds £</i> | <i>Endowment Funds £</i> | <i>Total Funds £</i> |
|--|-------------------------------------|-----------------------------------|----------------------------------|------------------------------|
| Income | | | | |
| Charitable Activities | | | | |
| Fees receivable and similar income | 6,728,356 | (12,175) | - | 6,716,181 |
| Ancillary income | 402,238 | - | - | 402,238 |
| Other trading activities | | | | |
| Ancillary income | 30,048 | - | - | 30,048 |
| Voluntary sources | | | | |
| Donations and legacies | 54,034 | 6,393 | - | 60,427 |
| Investments | | | | |
| Rental & hire income | 4,000 | - | - | 4,000 |
| Investment income | 4,147 | 2,816 | - | 6,963 |
| Total income | 7,222,823 | (2,966) | - | 7,219,857 |
| Expenditure on | | | | |
| Raising funds: | | | | |
| Bank charges and interest | 11,490 | - | - | 11,490 |
| Investment management costs | 234 | 496 | - | 730 |
| Bad debt expense | 8,666 | - | - | 8,666 |
| Publicity, marketing, and events | 184,028 | - | - | 184,028 |
| | 204,418 | 496 | - | 204,914 |
| Charitable Activities: School Operating Costs | | | | |
| Teaching costs | 4,862,725 | 10,951 | - | 4,873,676 |
| Welfare | 394,987 | - | - | 394,987 |
| Premises | 1,000,452 | - | - | 1,000,452 |
| Administration | 996,188 | - | - | 996,188 |
| | 7,254,352 | 10,951 | - | 7,265,303 |
| Total expenditure | 7,458,770 | 11,447 | - | 7,470,217 |
| Net income | (235,947) | (14,413) | - | (250,360) |
| Transfers between funds | (9,856) | 9,856 | - | - |
| Other recognised gains and losses | | | | |
| Loss on investments | (2,370) | - | (4,769) | (7,139) |
| Net movement in funds | (248,173) | (4,557) | (4,769) | (257,499) |

WESTHOLME SCHOOL LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****YEAR ENDED 31ST AUGUST 2021**

27. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY TYPE OF FUND (continued)

| | <i>Unrestricted Funds £</i> | <i>Restricted Funds £</i> | <i>Endowment Funds £</i> | <i>Total Funds £</i> |
|---|-------------------------------------|-----------------------------------|----------------------------------|------------------------------|
| Net movement in funds | (248,173) | (4,557) | (4,769) | (257,499) |
| Funds brought forward at 31 st August 2019 | 9,960,666 | 15,738 | 81,870 | 10,058,274 |
| Funds carried forward at 31st August 2020 | <u>9,712,493</u> | <u>11,181</u> | <u>77,101</u> | <u>9,800,775</u> |