

BEAULIEU CONVENT SCHOOL LIMITED

**Directors' report and financial statements for the year ended
31 August 2021**

BEAULIEU CONVENT SCHOOL LIMITED

For the year ended 31 August 2021

Company information

Directors

Mr C Beirne - resigned 31 August 2021

Mr J Scally

Mr T Le Sueur

Mrs G Martin - appointed 19 March 2021

Mrs B Cooper - appointed 19 March 2021

Company Secretary

Mrs D Davidson - resigned 31 August 2021

Mr C Beirne - appointed 31 August 2021

Registered number

77540

Registered office

Beaulieu Convent School

Wellington Road

St Helier

Jersey

JE2 4RJ

Independent auditors

BDO Limited

Windward House

La Route de la Liberation

St Helier

Jersey

JE1 1BG

BEAULIEU CONVENT SCHOOL LIMITED

For the year ended 31 August 2021

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BEAULIEU CONVENT SCHOOL LIMITED**For the year ended 31 August 2021****Directors' report**

The Directors present their report and the financial statements for the year ended 31 August 2021.

Principal activity

The Company is incorporated in Jersey under the Companies (Jersey) Law 1991 and is a private company with company number 77540. Its principal activity is that of the provision of primary and secondary school education.

Dividends

There were no dividends paid in the year under review (2020 - £NIL).

Results

The Statement of comprehensive income for the year is set out on page 5.

Going Concern

The Directors have a reasonable expectation that the Company has adequate resources to meet its liabilities as they fall due for the foreseeable future and as a result the financial statements have been prepared on a going concern basis. See Note 3 for additional disclosure.

Directors

The Directors who served during the year and subsequently were:

Mr C Beirne	Resigned 31 August 2021
Mr J Scally	
Mr T Le Sueur	
Mrs G Martin	Appointed 19 March 2021
Mrs B Cooper	Appointed 19 March 2021

Directors' responsibilities statement

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and generally accepted accounting practice.

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on a going concern basis unless it is inappropriate to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BEAULIEU CONVENT SCHOOL LIMITED**For the year ended 31 August 2021****Directors' report (continued)**

Independent auditors

BDO Limited were appointed as independent auditors to the Company and have expressed their willingness to continue in office.

Registered office

Beaulieu Convent School, Wellington Road, St Helier, Jersey, JE2 4RJ.


Company Secretary

The Company secretary who held office throughout the year was Mrs D. Davidson. Mrs Davidson resigned on 31 August 2021 and Mr C. Beirne was appointed in her stead.

This report was approved by the Directors on 18 January 2022 and signed on their behalf by:



John Scally
Director



Terrance Le Sueur
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAULIEU CONVENT SCHOOL LIMITED

Opinion

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 August 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

We have audited the financial statements of Beaulieu Convent School Limited ("the Company") for the year ended 31 August 2021 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes 1 to 24 to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards.

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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements, 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 Directors' 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 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 Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report and Company 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. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies (Jersey) Law 1991 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
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors 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 Directors 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 Directors are responsible for assessing the 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 Directors either intend to liquidate the 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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

We gained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates and, considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with the Companies (Jersey) Law 1991 and its associated order and codes of practice. We made enquiries of the Directors to obtain further understanding of risks of non-compliance.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management regarding known or suspected instances of non-compliance with laws and regulations;
- identifying and testing of journal entries based on certain characteristics or values that represent a higher risk of misstatement;



- review of minutes of Board meetings throughout the period; and
- obtaining an understanding of the control environment in place to prevent and detect irregularities.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at 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 Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads 'B. Glancy'.

Bill Glancy
For and on behalf of BDO Limited
Chartered Accountants
Jersey, Channel Islands
18 January 2022

BEAULIEU CONVENT SCHOOL LIMITED**For the year ended 31 August 2021****Statement of comprehensive income**

		2021	2020
	Notes	£	£
Income	5	8,400,479	7,894,901
Gross profit		<u>8,400,479</u>	<u>7,894,901</u>
Administrative expenses	6	(8,013,424)	(7,542,917)
Operating profit		387,055	351,984
Interest payable and expenses		<u>(65,157)</u>	<u>(65,958)</u>
Profit for the financial year		321,898	286,026
Total		<u>321,898</u>	<u>286,026</u>

The notes on pages 10 to 22 form an integral part of these financial statements.

BEAULIEU CONVENT SCHOOL LIMITED

For the year ended 31 August 2021

Statement of financial position

	Notes	2021 £	2020 £
Non current assets			
Tangible fixed assets	7	167,707	49,911
Fixed asset investments	8	<u>6,579,105</u>	<u>5,357,875</u>
		<u>6,746,812</u>	<u>5,407,786</u>
Current assets			
Debtors	9	560,192	162,274
Cash at bank and in hand		<u>271</u>	<u>655,369</u>
		<u>560,463</u>	<u>817,643</u>
Creditors: amounts falling due within one year	10	<u>(2,874,284)</u>	<u>(2,355,007)</u>
Net current liabilities		(2,313,821)	(1,537,364)
Total assets less current liabilities		4,432,991	3,870,422
Creditors: amounts falling due after more than one year	11	(3,955,099)	(3,718,028)
Net assets/(liabilities)		<u>477,892</u>	<u>152,394</u>
Capital and reserves			
Called up share capital	14	2	2
Other reserves	15	94,906	91,306
Profit and loss account		<u>382,984</u>	<u>61,086</u>
		<u>477,892</u>	<u>152,394</u>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 18 January 2022 by:


John Scally
Director


Terrance Le Sueur
Director

BEAULIEU CONVENT SCHOOL LIMITED**For the year ended 31 August 2021****Statement of changes in equity**

	Called up Share Capital	Other reserves £	Profit and loss account £	Total equity £
At 1 September 2019	2	87,706	(224,940)	(137,232)
Comprehensive income for the year				
Profit for the year	-	-	286,026	286,026
Transfer to/from profit and loss account	-	3,600	-	3,600
At 1 September 2020	2	91,306	61,086	152,394
Comprehensive income for the year				
Profit for the year	-	-	321,898	321,898
Transfer to/from profit and loss account	-	3,600	-	3,600
At 31 August 2021	<u>2</u>	<u>94,906</u>	<u>382,984</u>	<u>477,892</u>

The Special assistance fund reserve movement in profit and loss are £3,600 (2020: £3,600). See note 15.

BEAULIEU CONVENT SCHOOL LIMITED
For the year ended 31 August 2021
Statement of cash flows

	2021	2020
	£	£
Cash flows from operating activities		
Profit/(loss) for the financial year	321,898	286,026
Adjustments for:		
Depreciation of tangible assets	35,216	16,915
Interest paid	65,157	65,958
Management charges	123,729	102,843
Decrease/(increase) in debtors	(20,130)	141,513
(Decrease)/increase in amounts owed to related parties	(154)	-
(Decrease)/increase in deferred income	127,501	162,845
(Decrease)/increase in creditors	127,171	(15,259)
Increase/(decrease) in special assistance reserve	3,600	3,600
Net cash generated from operating activities	<u>783,989</u>	<u>764,441</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(153,012)	0
(Increase) in fixed asset investments	(1,562,543)	(796,162)
Net cash from/used in investing activities	<u>(1,715,555)</u>	<u>(796,162)</u>
Cash flows from financing activities		
Concessionary loan/grant funding from the Government of Jersey	0	208,980
Repayment of loan due to the Sisters of the Immaculate Conception	(50,000)	(50,000)
(Repayment of)/new finance leases	(11,735)	(10,133)
Interest paid	(62,009)	(61,208)
Finance lease interest paid	(3,148)	(4,750)
Net cash from/used in financing activities	<u>(126,892)</u>	<u>82,889</u>
Net (decrease)/increase in cash and cash equivalents	(1,058,458)	51,168
Cash and cash equivalents at beginning of year	655,369	604,201
Cash and cash equivalents at the end of year	<u>(403,089)</u>	<u>655,369</u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u>(403,089)</u>	<u>655,369</u>

The notes on pages 10 to 22 form an integral part of these financial statements.

BEAULIEU CONVENT SCHOOL LIMITED

For the year ended 31 August 2021

Notes to the financial statements

1. General Information

The principal activity of Beaulieu Convent School Limited (the "Company") is the provision of educational services to children in Jersey. The Company is incorporated in Jersey under the Companies (Jersey) Law 1991 and is a private company, limited by shares, with company number 77540.

2. Statement of compliance

The individual financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" section 1A small entities ("FRS 102"). The Company constitutes a public benefit entity as defined by FRS 102.

3. Accounting policies

3.1 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with FRS 102 and the Companies (Jersey) Law 1991.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 4).

The following principal accounting policies have been applied:

3.3 Going concern

As at 31 August 2021, the Company had net current liabilities of £2,313,821 (2020: £1,537,364 net current liabilities) and net assets of £477,892 (2020: £152,394)

It is intended that the income derived from fees, grants and Cafe Beau sales will fund the annual expenses of the Company and meet the ongoing capital need to maintain the properties occupied by the Company as detailed in Note 8.

The Company has agreed a facility with its bankers, as detailed in Note 19 to fund short-term cash flow shortfalls up to £600,000, as they arise. On this basis, the Directors consider it appropriate to continue to prepare the financial statements on the going concern basis and that the Company can meet its liabilities as they fall due for a period of no less than 12 months from the date of approval of these financial statements.

3.4 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3.5 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

BEAULIEU CONVENT SCHOOL LIMITED

For the year ended 31 August 2021

Notes to the financial statements

3. Accounting policies (continued)

3.6 Income and expenditure

Income and expenditure are accounted for on an accruals basis in the academic year to which they relate. Fees are shown net of assisted and reduced fee places. The Company also operates a cafe for the sale of food and drink. Sales of goods are recognised on sale to the customer, which is considered the point of delivery.

Fees received in advance are classified as deferred income and are spread over the period to which they relate.

3.7 Accumulated fund reserve

Donations in respect of specific projects are credited directly to the Accumulated Fund Reserve on an accruals basis, as these activities are seen by the Directors to be outside the normal day to day running activities of the school.

3.8 Tangible assets and depreciation

Tangible assets are stated at cost less accumulated depreciation.

Refurbishment costs of property, renewals of equipment and motor vehicles that do not meet the definition of enhancing the property together with property costs that do not exceed £15,000 are expensed when incurred.

Where items exceed £15,000 they are depreciated on a straight line basis at the following annual rates to write off the cost over their expected useful lives:

Motor Vehicles	20%
Fixtures, Furnishings and Equipment	20%

3.9 Leased assets: the Company as lessee

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

3.10 Fixed asset investments

Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

3.11 Debtors

Short term debtors are measured at transaction price, less any impairment.

3.12 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

BEAULIEU CONVENT SCHOOL LIMITED**For the year ended 31 August 2021****Notes to the financial statements**

3. Accounting policies (continued)**3.13 Concessionary loans**

Concessionary loans are initially measured at the amount received or paid and recognised in the Statement of financial position. In subsequent years, the carrying amount of concessionary loans in the financial statements is adjusted to reflect any accrued interest payable or receivable.

3.14 Government of Jersey grant funding

In accordance with FRS 102 Section 24 "Government Grants", funds received are shown as a deferred income creditor in the Statement of financial position and will be credited to the Statement of comprehensive income by instalments, to match the grant income with the related expenditure.

In respect of the annual education grant, the income is recognised in the period to which it relates.

In respect of the capital development grant funding, the grant is released and offset against the loan receivable from Saint Meén Properties Limited ("SMPL") on a basis consistent with the depreciation policy adopted by SMPL over the assets acquired with the grant funding (note 17).

3.15 Donations

Donations in excess of £10,000 in respect of specific projects are credited to the accumulated fund reserve in the period when the conditions set to enable the Company to utilise the donation have been met in full.

3.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

3.17 Foreign currency translation**(a) Functional and presentation currency**

Items included in the financial statements are presented in pound sterling, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the Company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income.

BEAULIEU CONVENT SCHOOL LIMITED**For the year ended 31 August 2021****Notes to the financial statements**

3. Accounting policies (continued)**3.18 Financial instruments**

The Company has chosen to adopt Section 11 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including debtors, cash and bank balances and loans to related entities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of comprehensive income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including creditors and accruals, bank loans and loans from related entities, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3.19 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.20 Taxation

The school has been granted charitable status under Article 115 of the Income Tax (Jersey) Law 1961, as amended, as such is exempt from Jersey Income Tax.

BEAULIEU CONVENT SCHOOL LIMITED

For the year ended 31 August 2021

Notes to the financial statements**3. Accounting policies (continued)****3.21 Related party transactions**

The Company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

4. Judgements in applying accounting policies and key sources of estimation uncertainty**Fixed asset investments**

The classification of loans to group undertakings and related parties is determined by reference to the facts in each case. Loans that are in the nature of current accounts and loans that are made on the clear understanding that they will be repaid within a relatively short period are treated as current assets and shown under debtors. However, loans between group entities which are repayable on demand, but in practice are used to meet the capital requirements of the borrower with no realistic repayment in the near future are, in effect, investments intended for use on a continuing basis in the lender company's activities and are therefore classified as fixed assets investments .

Trade and other receivables

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of fee and other debtors, management consider factors including the ageing profile of debtors and historical experience.

5. Income

	2021 £	2020 £
Tuition fees	5,672,986	5,344,552
Government of Jersey grant	2,384,893	2,347,632
Sundries	78,872	34,809
Donations from related parties	106,432	-
School clubs	60,390	48,236
Cafe Beau sales	96,906	119,672
	<u>8,400,479</u>	<u>7,894,901</u>

BEAULIEU CONVENT SCHOOL LIMITED

For the year ended 31 August 2021

Notes to the financial statements**6. Administrative expenses**

	2021	2020
	£	£
Wages and salaries	5,620,067	5,390,297
Social security	327,655	300,975
Pensions contributions	772,544	748,666
Teaching expenditure	177,773	172,664
Repairs and maintenance of grounds, general cleaning and buildings	415,314	282,030
Net management charge	123,729	102,843
Rates and insurance	89,001	85,056
Heat, light and water	84,346	62,372
Examination fees	52,476	61,618
Postage and telephone	19,231	35,794
Motor expenses	12,789	16,079
Depreciation	35,216	16,915
Entertainment	9,112	8,806
Computer costs	87,329	71,139
Legal and professional	36,815	21,383
Courses and travel	10,724	16,949
Accountancy fees	1,750	1,803
Auditors' remuneration	10,877	11,161
Bank charges	10,034	4,344
Bad debts (recovered)/written-off	(8,302)	48,053
Cafe Beau expenses	48,223	52,979
Sundry expenses	76,721	30,991
	<u>8,013,424</u>	<u>7,542,917</u>

BEAULIEU CONVENT SCHOOL LIMITED

For the year ended 31 August 2021

Notes to the financial statements**7. Tangible fixed assets**

	Motor vehicles £	Office equipment £	Fixtures & furnishings £	Total £
Cost or valuation				
At 1 September 2020	38,295	46,279	-	84,574
Additions	24,757	-	128,255	153,012
At 31 August 2021	<u>63,052</u>	<u>46,279</u>	<u>128,255</u>	<u>237,586</u>
Depreciation				
At 1 September 2020	18,636	16,027	-	34,663
Charge for the year on owned assets	8,229	-	17,731	25,960
Charge for the year on financed assets		9,256	-	9,256
At 31 August 2021	<u>26,865</u>	<u>25,283</u>	<u>17,731</u>	<u>69,879</u>
Net book value				
At 31 August 2021	<u>36,187</u>	<u>20,996</u>	<u>110,524</u>	<u>167,707</u>
At 31 August 2020	<u>19,659</u>	<u>30,252</u>	<u>-</u>	<u>49,911</u>

8. Fixed asset investments

	Saint Meén Properties Limited £	Beaulieu Convent School Trust £	Total £
Cost or valuation			
At 1 September 2020	5,085,287	272,588	5,357,875
Movement in the year	1,221,230	-	1,221,230
At 31 August 2021	<u>6,306,517</u>	<u>272,588</u>	<u>6,579,105</u>

The loan to SMPL of £6,306,517 (2020: £5,085,287) is unsecured, interest free and has no specified repayment date. The sole asset of SMPL is the freehold property and buildings of Beaulieu Convent School. The Company is responsible for all maintenance and repairs to keep the buildings in good order. SMPL is a company associated by common beneficial ownership.

The loan to Beaulieu Convent School Trust ("BCST") of £272,588 (2020: £272,588) is unsecured, interest free and has no specified repayment date. BCST is considered to be the Company's ultimate controlling party.

BEAULIEU CONVENT SCHOOL LIMITED**For the year ended 31 August 2021****Notes to the financial statements****9. Debtors**

	<u>Notes</u>	2021	2020
		£	£
Trade debtors - Fee debtors		-	40,672
Other debtors		530,113	93,984
Prepayments and accrued income		30,079	27,618
		<u>560,192</u>	<u>162,274</u>

10. Creditors: Amounts falling due within one year

		2021	2020
		£	£
Amounts owed to related parties		-	154
Bank overdraft		403,360	-
Loan due to the Sisters of the Immaculate Conception	12	50,000	50,000
Pension creditor		157,532	153,410
Taxation and social security creditor		127,607	119,423
Deposits held		64,050	65,970
Finance lease liabilities	13	13,591	11,735
Deferred income		1,660,854	1,533,352
Other creditors		397,290	420,963
		<u>2,874,284</u>	<u>2,355,007</u>

Deferred income relates to school fees paid in advance and Government of Jersey annual education grant, deferred to the 2021/2022 academic year.

11. Creditors: Amounts falling due after one year

		2021	2020
		£	£
Concessionary loan from the Government of Jersey	12	1,282,413	1,282,413
Loan due to the Sisters of the Immaculate Conception	12	150,000	200,000
Finance lease liabilities	13	1,225	14,816
Deferred income from Government of Jersey		2,521,461	2,220,799
		<u>3,955,099</u>	<u>3,718,028</u>

BEAULIEU CONVENT SCHOOL LIMITED

For the year ended 31 August 2021

Notes to the financial statements**12. Loans**

Analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year		
Loan due to the Sisters of the Immaculate Conception	<u>50,000</u>	<u>50,000</u>
Amounts falling due after one year		
Loan due to the Sisters of the Immaculate Conception	150,000	200,000
Concessionary loan from the Government of Jersey	<u>1,282,413</u>	<u>1,282,413</u>
	<u>1,432,413</u>	<u>1,482,413</u>

On 23 September 2011 the Company entered into a £500,000 loan with the Sisters of the Immaculate Conception. The loan bears interest at a rate of 2% above the Bank of England base rate. It was originally repayable on 31 October 2013 but was renewed during 2013 to be repayable in full on 31 October 2015. A further renewal was made to the loan in 2015 and it was repayable in instalments of £50,000 per year from October 2015 for five years, with a final repayment of £250,000 in 2020. On 30 March 2020 this was further renewed and the balance of £250,000 to be repaid in five annual instalments of £50,000 per annum.

On 21 June 2019 the Company entered into a loan agreement with the Treasurer of the Government of Jersey for a capital sum not exceeding £7.3 million. The loan bears interest at 4.25% per annum, with interest payments to be made quarterly. Capital repayments will commence when the loan is fully drawn down with the full loan to be repaid by 30 June 2039. SMPL has guaranteed all obligations and covenants of the Company under this loan, by providing the immovable property "Beaulieu Convent School", Wellington Road as security for the indebtedness. SMPL had an outstanding loan with the Government of Jersey totalling £293,488 which was incorporated into this new loan agreement and repayment of this balance has now been assumed by the Company. The Company drew down a capital sum of £776,907 on 1 July 2019, and a further sum of £207,482 was drawn on 12 December 2019, and a further sum of £1,374,751 was drawn on 1 October 2021. The carrying value of the loan outstanding at 31 August 2021 includes accrued interest in line with the accounting policy.

13. Finance leases

	2021	2020
	£	£
Office equipment		
Within one year	13,591	11,735
Between one to five years	<u>1,225</u>	<u>14,816</u>
	<u>14,816</u>	<u>26,551</u>

BEAULIEU CONVENT SCHOOL LIMITED

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Notes to the financial statements**14. Share capital**

	2021	2020
	£	£
Authorised		
10,000 (2020 - 10,000) Ordinary shares of £1.00 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
2 (2020 - 2) Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>

15. Special assistance reserve -Designated fund

	2021	2020
	£	£
Balance brought forward	91,306	87,706
Interest receivable	<u>3,600</u>	<u>3,600</u>
	<u>94,906</u>	<u>91,306</u>

The Special assistance reserve comprises the special assistance fund and the interest thereon which were gifted to the Company and are non-refundable to the benefactor.

During the financial year ended 31 August 2009, £90,000 was utilised from the special assistance fund account ("SAF account") to reduce the capital balance of the loan payable to the Government of Jersey by SMPL, but for which the Company had provided indemnities. The utilisation of the SAF account in this manner was approved by the benefactor on the condition that the Company pays "interest" on the monies utilised at a rate of 4% per annum, payable annually in arrears commencing in June 2010, to allow for the SAF account to continue to provide assistance in special cases. The capital sum of £90,000 was extended in June 2021 for a period of one year to June 2022.

BEAULIEU CONVENT SCHOOL LIMITED**For the year ended 31 August 2021****Notes to the financial statements**

16. Pension commitments

In 2007 the Laws and Orders governing the operation of the Jersey Teachers Superannuation Fund ("JTSF" or the "Scheme") were amended for both existing and new members. The JTSF provides pensions and other benefits which are linked to the Jersey Cost of Living Index. Since 2007, the cost of this indexation has been reflected in the contribution rates paid to the Scheme, with the Company contributing a fixed rate of 16.4% of the salaries of pensionable staff such that it is no longer responsible for indexation costs relating to pensions paid. The amounts paid and payable by the Company in respect of employer contributions to the pension schemes totalled £630,913 during the year (2020: £609,854).

The total liability to the Scheme for the cost of indexation for service prior to 1 April 2007 has been quantified as at 31 December 2012 as £97.7 million. That part of the deficit that relates to teachers in Government schools has provisionally been funded in advance by the States. The mechanism for private ('Accepted') schools is the subject of a draft agreement between the Chief Minister of the States and The Management Board of the JTSF. Under the draft agreement the States Employment Board accepts responsibility for servicing and payment of the entire debt but the Chief Minister will require the Accepted schools to pay additional contributions as a condition of continuing membership of the Scheme.

As at the date of signing the financial statements the agreement remains in draft form and no communication has been received by the school in relation to proposals regarding the amount of any additional contributions.

In addition the Company has negotiated an option for non-teaching staff to join the main civil service pension scheme the Public Employees' Pension Scheme (PEPS), under which employees and employers pay contributions based on prescribed percentages of salaries. There is no indexation liability arising from this scheme. As at 31 August 2021, 22 members of staff had joined this scheme, and the amounts paid by the Company in respect of employer contributions to the scheme totalled £137,551 during the year (2020: £134,732).

The Company also contributes to certain independent schemes for other (non-teaching) members of staff. These are defined contribution schemes, and the amount paid by the school in respect of contributions to these schemes totalled £4,080 during the year (2020 : £4,080).

BEAULIEU CONVENT SCHOOL LIMITED

For the year ended 31 August 2021

Notes to the financial statements

17. Government of Jersey Funding

As a part of a package of grant funding to the Catholic Schools and further funding in 2011/2012 from the Fiscal Stimulus Fund, the Company received funding from the Government of Jersey to assist with capital development of its buildings and learning support unit. Further funding of £1,500,000 was awarded from the Government of Jersey in 2020/2021 from the Fiscal Stimulus Fund to assist with the enabling works for the Sports Centre. £377,788 of this funding was receivable in the year ended 31 August 2021, and the remaining funds are to be received in the year ended 31 August 2022, if all grant conditions continue to be met.

In accordance with FRS 102 Section 24 "Government Grants" the funds received are shown as a deferred income creditor in the Statement of Financial Position (Note 8). Interest arising on the initial funds was added to the total creditors such that the total funding received was £3,743,721.

	£
Total Funding Received	
At 1 September 2020	3,365,933
Advanced during the year	377,788
At 31 August 2021	<u>3,743,721</u>
Accumulated credit release at 1 September 2020	(1,145,134)
Credit released in year	(77,127)
At 31 August 2021	<u>(1,222,261)</u>
Deferred carrying value	
At 31 August 2021	<u>2,521,460</u>
At 1 September 2020	<u>2,220,799</u>

18. Legal charges

As a condition of the Company's capital expenditure funded by the Government of Jersey between 2003 and 2005, totalling £2,905,501 in respect of the All Weather Playing Fields, the Jubilee Block and replacement windows, the Company became a party to a Memorandum of Understanding ("MOU") between the Minister for Sport and Culture (the "Minister for ESC"), BCST and SMPL on 4 November 2010. The MOU provides the security of a charge for the outstanding commitment over the school premises, the freehold title of which is held by SMPL, as outlined in Note 8. In the event that the Company ceases or intends to cease to operate a registered school in all, or in excess of 50%, of the premises, the Company will, in writing, offer to the public of Jersey a right of pre-emption in any future sale.

As a condition of the award to the Company of a grant of £573,500 from the Fiscal Stimulus Fund for the renovation of the Beaulieu School building by the Minister for Treasury and Resources, the Company became a party to a MOU between the Minister for ESC and SMPL on 26 April 2011. The MOU provides for the Minister for ESC to require all or part of the grant to be repaid and/or reduced, suspended or withheld if certain events occur as set out in the MOU paragraphs 3 and 4.

19. Guarantees

On 25 August 2011 the Company, together with SMPL, entered into an unlimited intercompany composite guarantee with NatWest Bank (the "Bank") to allow the Company to enter into an overdraft facility with the Bank for up to £1,200,000 to 31 January 2012, then reducing to £600,000, at an interest rate of 4% p.a. over Base Rate (from May 2021, previously at 3.5% p.a. over Base Rate) for borrowing up to the limit and 29.5% for borrowing over the limit. The overdraft facility has been extended at £600,000 to May 2022.

BEAULIEU CONVENT SCHOOL LIMITED

For the year ended 31 August 2021

Notes to the financial statements

20. Related party transactions

The loan due to the Sisters of the Immaculate Conception (Notes 10 and 11) is considered to be a related party transaction, as Sister Geraldine Tisdall, a trustee of the controlling party, is also a trustee of the Sisters of the Immaculate Conception.

The loan due from the Beaulieu Convent School Trust of £272,588 (2020: £272,588) (Note 8) is considered to be a related party transaction, as the trust is the ultimate beneficial owner of the Company and the Trustees are considered to be the controlling parties.

The loan due from SMPL of £6,306,517 (2020: £5,085,287) (Note 8) is considered to be a related party transaction, as both Companies are beneficially owned by BCST and the Trustees of BCST are considered to be the common controlling parties of both companies. During the year payments were made on behalf of SMPL totalling £1,562,543 (2020: £796,162). Net management charges from SMPL during the year totalled £123,729 (2020: £102,843).

The Company received donations totalling £106,432 from the Beaulieu Foundation during the year ended 31 August 2021 (Note 5). The Beaulieu Foundation is considered to be a related party, as Mr J. Scally and Mrs S. O'Sullivan, who are Trustees of BCST, are also trustees of the Beaulieu Foundation.

21. Cash flow statement

The movements in the cash flow statement for the prior year were reclassified to enhance the information provided to the users of the Financial Statements.

22. Future major expenses

In Spring 2021 routine inspections revealed that significant work was needed to the fabric of the Main House. A detailed survey was carried out and issues identified. Because the property is a Listed Building, the necessary works have to conform to particular guidelines, and although costings at Beaulieu Convent School have not yet been finalised it is expected that the remedial works could cost up to £300,000. It is expected that these works would be carried out over the coming year, but no provision has been made for such expenditure in these financial statements.

The Directors are however mindful of the impact that these costs would have on the net income of the Company for the year ending 31 August 2022 and possibly the year ended 31 August 2023, and have reviewed their budget to ensure that this work can be carried out without the need for any additional increase in school fees over that previously envisioned. The surplus arising in the year ended 31 August 2021 will be used as a fundamental tool in covering these costs.

23. Beneficial shareholders and controlling party

The Company is wholly owned by BCST. The Trustees of BCST are considered to be the Company's ultimate controlling party.

24. Subsequent events

The Company has evaluated subsequent events and determined that there have been no events that have occurred that would require adjustments to the disclosures in the financial statements.