

Company registration number: 04680792

Charity registration number: 1096567



**LONGACRE SCHOOL**  
**(A company limited by guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**For the year ended**  
**31 July 2020**

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**REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2020**

GOVERNING DOCUMENT:	Memorandum and Articles of Association Company limited by guarantee number 04680792
REGISTERED CHARITY NUMBER:	1096567
REGISTERED OFFICE AND PRINCIPAL ADDRESS:	Hullbrook Lane Shamley Green Guildford, Surrey GU5 0NQ
HEAD:	Mr M. R. Bryan MA (Cantab.) MA (Oxon.) MSc FRSA
BURSAR:	Mrs C. Coley-Maud BSc ACA
CHAIRMAN OF GOVERNORS:	Mr A. Blurton
GOVERNORS AND CHARITY TRUSTEES:	Mr A. Blurton Mr S. Brian Mrs S. Brocksom Mr P. Brooks Ms E. Chalkley – appointed May 2020 Dr D. Daulton Mr R. Herring Mrs A. Kearney – appointed October 2019 Mrs T. Kirnig Mrs S. Maxwell Mr S. Moore Mr T. Pettit Mrs D. Whitehouse
COMPANY SECRETARY	Mrs C. Coley-Maud BSc ACA
SOLICITORS:	Goodyear, Blackie, Herrington 7/8 Innovation Place, Douglas Drive, Godalming, Surrey GU7 1JX
AUDITORS:	Braidwood Wheeler & Co Chartered Certified Accountants Goodman House 13a West Street, Reigate, Surrey RH2 9BL
BANKERS:	Lloyds Bank Plc Connaught House, Alexandra Terrace, Guildford, Surrey GU1 3DA

**REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2020****Introduction**

The Governors are pleased to present their report and the audited financial statements for the year ended 31 July 2020.

**Objectives of the Charity**

The objectives of the charity are to provide education at a day school in Shamley Green, Surrey, for children aged 2½ to 11 years.

**Company status and organisation**

The School is a company limited by guarantee. The School is governed by a Board of Governors whose number can be between six and fifteen members. There are currently 13 Governors of the School. The Governors are members of the Company, Directors under the Companies Act 2006 and Trustees as defined by charity law. The management of the School is delegated by the Governors to the Headmaster, the Bursar and the School's Senior Leadership Team.

**Aims of the School**

The School continues to advance its educational remit, whilst at the same time having a high level of pastoral care and wide ranging extra-curricular activities. The School is inclusive and provides education to children from a diverse range of backgrounds. It provides high standards of pre-school, pre-preparatory and preparatory school education, and prepares its pupils for entrance examinations to their chosen senior schools. Pupils at Longacre progress in their education to a wide variety of senior schools, reflecting Longacre's ability to assist them in advancing the differing abilities and aptitudes of the children concerned.

Children with a broad range of abilities are supported; the School works in partnership with parents to ensure the development of every pupil in the School, with support from external providers when required. The School provides a wide range of academic, non-academic and enrichment activities. It aims to inspire and enable pupils with the ambition to achieve their highest academic capabilities, whilst nurturing and supporting each pupil on a journey of self-development.

During the period from 23 March 2020 to the end of the Summer Term 2020, the Government required all schools to be substantially closed as a result of the Covid-19 pandemic. This meant that Longacre could not carry out certain items of the normal Longacre wide-ranging educational provision. Nevertheless, subject delivery was adapted and communication with children was varied accordingly, to give them the best education that the School considered was possible during these unprecedented times. Assisted by significant investment in the School's IT facilities in 2019, the School was able to provide continuing and high-level 'remote education' via daily live online lessons and project-based learning. Longacre was also able to bring the majority of pupils back to School during the latter part of the Summer Term once permitted by the Government and all pupils were able to return to have time in school before the end of the term. Further commentary on these operations during the Covid-19 pandemic is included later in this report.

The School promotes good citizenship and enables pupils to develop a caring, tolerant and supportive way of life. Pupils learn to appreciate and respect differences in society, including those from disability, culture, race and economic wellbeing. They also learn to understand their place within the local and global communities, as well as understanding British Values. Community links continue to be of great significance. Longacre's links with Elmbridge Village in Cranleigh and the Community Service Club were extended. Reflecting this involvement, the School was proud to be a winner in the Community Outreach category of the Independent Schools of the Year awards in October 2020.

The School promotes charitable giving and raises pupils' awareness of environmental issues, encouraging them in the careful use of resources and supporting related causes. The School operates a Green Team which promotes the School's sustainability. Over the course of the year, the team has organised a Green Team Car Boot Sale, planted flowering bulbs, and organised recycling stations at the School for many different items of

**REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2020**

waste, as well as learning about the animals and plants within our School site. The team has been involved with the new bee colony at Longacre, major elements of which were purchased with funds donated by the PTA.

This year, Longacre has continued putting mental health and wellbeing at the forefront of school life. Staff have received training in mindfulness, with a full review of workload and perspectives undertaken. Children have dedicated mindfulness sessions in form time along with markers provided in their diaries. Form assemblies have focused on happiness and kindness. The Bear Hut provides a tangible and visible focal point for our commitment to mental health and giving children space and time to express their feelings.

**Governing Body**

At the date of approval of this report, there are 13 Governors of the School. The Governors bring a wide variety of professional, commercial, financial and charity experience to the School. Their collective professional skills encompass education, law, finance, human resources, corporate governance, risk management, marketing, and security and safety. The Chairman of Governors is a member of The Association of Governing Bodies of Independent Schools. All Governors receive training each year. The Governors meet once every term as a full body as well as a meeting each term in their four separate Committees of Education; Welfare; Governance; and Finance & Estates. Additional meetings of the full Board and its Committees are held to consider additional matters as they arise. Since the onset of the Covid-19 pandemic, Full Board and Committee meetings have been held virtually via on-line platforms, and these meetings have continued to operate effectively for the leadership and strategic direction of the School.

The Governance Committee is responsible for, inter alia, introducing prospective Governors to the School. All prospective appointments are considered by the Governors by reference to the professional qualities, personal competence, suitability against the skills base of the current Governors and availability for regular involvement. Two new Governors joined the Board during the year and they have already contributed positively to the successful operation of the Board. A comprehensive induction process is undertaken for all new Governors, which includes detailed familiarisation with the operations and management of the School, safeguarding training, involvement with all four Committees of the Board, AGBIS training and provision of e-learning and formal third-party training.

**Review of achievements and educational activities**

Wide-ranging curriculum and co-curriculum education is provided to Longacre pupils. This underpins the School's existing high academic standards and provides significant opportunities to every pupil to succeed. The School's infrastructure is updated on a continual basis to facilitate these objectives.

The School assists its pupils in their understanding and embracing of independence, resilience and resourcefulness, alongside a continually increasing academic capability. Longacre consistently achieves well above average in nationally comparable formative assessments and has continued to achieve significant academic success. For this year ended 31 July 2020, 13 pupils received 21 awards to senior schools, which was the highest level of success ever achieved by Longacre.

The School supports diverse and wide-ranging co-curricular and enrichment activities including music, drama, art, dance and sport. These are further enhanced by educational visits to external establishments in these fields, which advance pupils' thinking and abilities. Pupils also undertake a variety of business ventures to further their skills for their lives ahead. In the past year, Longacre has added Philosophy to its academic curriculum, underlining a commitment to critical thinking skill development for pupils. Forest school and outdoor learning, as well as Teamwork and Leadership, are on the curriculum for all Longacre pupils and they add to the rich and varied range of learning opportunities that the School provides. The School is also fortunate to have a number of parent volunteers who take part in the school day on an ad hoc basis, hearing pupils read, running lunchtime clubs and being in the classroom for particular subjects.

**REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2020**

Pupils at Longacre have continued to participate in a wide range of team sports at School including football, netball, cricket, hockey and rugby. They also participate in matches against local schools and in area tournaments, with overarching objectives of endeavouring to ensure that all pupils are included in teams to represent the School and that sporting spirit is always paramount. The teams have achieved great success during the year, with this wider area of sports involvement enhancing their team and individual capabilities for their progression in life. Once again, some of these co-curricular and sporting provisions were affected by the onset of the Covid-19 pandemic but nevertheless, a large proportion of these were provided to pupils during the year.

Longacre welcomes gifted, able and talented pupils, and also children needing special educational support. The School has a programme to provide particularly gifted children with challenging and differentiated work in addition to regular lessons, as part of their daily teaching and learning, underpinned by a commitment to enthuse, stretch and differentiate for all pupils. The learning support department is responsible for providing additional structured support for pupils with a variety of needs including dyslexia, visual and hearing impairment and pupils with statements of special educational need. These pupils have individual educational programmes, and the School works in partnership with parents to provide pupils with additional support. Our Head of Learning Support who joined in September 2019 has also significantly expanded this important element of our provision.

The School has systems and processes in place to ensure the full development of each pupil in a safe and secure environment. The Governors' compliance and governance roles ensure that the School operates these policies and procedures effectively to manage these areas. The policies are regularly reviewed and updated, to continue to operate effectively for the benefit of all pupils and stakeholders in the School.

Longacre supports the continued professional development of its staff through training and performance management, including in service educational training (INSET) days at the start of each term and enrolling on external training courses.

During the year ended 31 July 2020, the School again benefitted from very generous donations from the School's Parent Teacher Association. These were used to purchase the School's new climbing frame in the pre-prep playground and the beehives, bee suits and materials to create the School's wilderness area. The Governors continue to be most grateful to the PTA for their continued help in providing additional facilities for the School.

**Longacre during the Covid-19 pandemic**

With effect from 23 March 2020, the Government required schools to physically close to all children other than those of key workers. For Longacre, this meant an immediate commencement of on-line teaching and learning, which commenced in the last week of the Lent Term.

Since the Summer of 2019, the School has invested heavily in upgrading the IT infrastructure of the School, as well as significant electronic devices for staff and pupils to use. This investment meant that the School was in a very strong position to develop a remote learning offering, including using Microsoft Teams for staff and pupils throughout the lockdown period.

Over the entire Easter holidays, the School drew up new timetables and staff were trained in the use of online tools specifically for the delivery of remote learning. This was an immense project, led by Matthew Bryan and the School's Senior Leadership Team, and involved all disciplines across the School. For all pupils for the first half of the Summer Term 2020 and for those pupils in year groups that could not physically return to School in accordance with Government requirements, remote learning became the norm.

Live lessons were delivered via Microsoft Teams for core subjects. In addition, learning for all other subjects, including developmental activities for Nursery and Kindergarten, was provided via online platforms through

**REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2020**

which pupils and parents could contact their teachers for assistance and feedback. School staff supported parents through emails and phone calls in order to assist with the unprecedented home learning element of the lockdown.

Longacre staff rose to the challenge of working remotely, supporting key worker children on site and delivering remote learning. Pupils responded superbly and the School received very positive feedback from Longacre parents, prospective parents, pupils, and the local community. The Governors are immensely proud of the achievements that Longacre delivered during these extremely difficult times.

**Covid-19 pandemic going forwards**

The Covid-19 pandemic has severely impacted nearly all aspects of life. Consequently, the School has considered specific risk factors associated with the pandemic. Set out below are some of the key additional risks that the School in similar manner to all other educational facilities has had to endure, and the measures put in place by Longacre to help mitigate them.

<u>Risk</u>	<u>Mitigation</u>
<ul style="list-style-type: none"> <li>• Transmission of Covid-19 amongst the School population</li> </ul>	Throughout the Summer Term, and into the 2020-21 academic year, the School has followed Government guidance for managing the return to School safely to reduce the amount of contact between members of the School, as well as providing frequent reminders to maintain hygiene. Procedures are in place if a School member feels unwell, which are in line with Public Health England guidelines.
<ul style="list-style-type: none"> <li>• Impact on parents'/prospective parents' disposable income</li> </ul>	The School continues to keep expenditure under close review and controls costs accordingly. As part of its consideration of parents and the necessary adaptations to the provision of the Longacre education, the School reduced fees for the Summer Term 2020 by 18% for Reception to Form VI, and by 50% for Nursery and Kindergarten.
<ul style="list-style-type: none"> <li>• Delivering remote learning</li> </ul>	Reports of the potential impact of Covid-19 on the UK and in particular on all educational facilities, enabled Longacre to start to prepare in advance of the 23 March 2020 Government temporary closure of schools. Additionally, significant investment during 2019 and early 2020 in the School's IT infrastructure and related equipment, enabled the School to quickly deliver a remote learning offering. Ongoing communication between Longacre staff and parents enabled the offering to be refined and continually improved.
<ul style="list-style-type: none"> <li>• Not being able to investment in the School due to reduced reserves</li> </ul>	Longacre has good financial reserves, retained for the enhancement of the School, to draw on to enable the maintenance of the School site and to develop the offering during these unprecedented times. Additionally, the School has been able to benefit from the Government's Coronavirus Job Retention Scheme to mitigate the reduced income and thereby reduce the impact on the School's results for the 2020 financial year.

**REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2020****Other principal risks and uncertainties**

The Governors continue to review the major strategic, safeguarding, operational, financial and external risks which the School faces, and to manage these risks for the betterment of the School. Responsibility for the day-to-day management of risks is delegated to the Headmaster and Senior Leadership Team, who report results and proposed enhancements to the School's management of risk, to the Board on a termly basis.

**Future plans**

At the forefront of the Board's decision making at the School is the pupils' education and their welfare. Additional aspects that must be considered are wide ranging, including current geopolitical changes. In addition, the UK is in a period of uncertainty following the Covid-19 outbreak, the ensuing lockdown and the recession in the UK economy that has followed. The Governors, Headmaster and Senior Leadership Team work to ensure that the School is in a position to manage these uncertainties, whilst noting that the School cannot always control when or how such external impacts might take effect. Accordingly, whilst continuing to invest in the School's ongoing development, the Governors remain focussed on maintaining an annual surplus so that the School is well positioned to remain sustainable throughout these challenges, whilst continuing to provide high class education to our pupils.

**Longacre history and 75<sup>th</sup> Anniversary**

2021 sees 75 years since Longacre's inception in 1946. At that time, Longacre School was in the heart of Shamley Green village, though it soon moved to the site we now know as Longacre School. Initially the Main School House delivered classes to a very small number of children. Over the years the School has been developed to enable more children to receive a Longacre education through increasing the curriculum offering, increasing teacher numbers and their qualifications, and the construction of new buildings. Most recently we have seen the completion of the Palmer Hall sports and music facility in 2015 and the new Dining Room with a capacity of 300 pupils, which was completed in 2018.

Over the year to July 2020, a new Masterplan for continued development of Longacre has been prepared by the School and its architects, and plans are in place to commence the first elements of this during the 2021 academic year.

The School also plans to celebrate its 75<sup>th</sup> Anniversary with pupils, parents, alumni and Shamley Green residents alike in Longacre style. Time will tell what is possible with Covid-19 restrictions, though the Board, the Headmaster and the Senior Leadership Team are planning for the School to rise to any challenge provided by these restrictions and to record this special event in the best manner possible.

**Public Benefit**

The School has continued to comply with Section 17(5) of the Charities Act 2011 regarding Public Benefit. When setting the School's strategy, its objectives and planning, the Governors ensure full adherence to the Charity Commission's guidance on public benefit and its supplementary guidance on advancing education and fee charging. The Governors are also mindful of their responsibility as Trustees to ensure prudent financial management of the School, thereby ensuring continued provision of education to a wider range of users of its facilities.

Prior to the Covid-19 outbreak earlier in 2020, Longacre supported local schools with regard to sports activities, shared resources and access to facilities for training. Residents in the community were able to use the School's Art Room, Palmer Hall for performing arts facilities, and all of its indoor, outdoor and AstroTurf sports facilities. The School also provided its facilities to local Basketball, Football and Cricket clubs. Similarly, for the first two terms of this academic year, the arrangements put in place in 2019 with Elmbridge Retirement Village continued, whereby Village residents could meet on a weekly basis with Longacre School pupils to share different ideas and learn together. Longacre won the Independent Schools of the Year 2020 award for Community Outreach as a result of the strong community link with Elmbridge Retirement Village and the



**REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2020**

School's commitment to bringing 4 year old pupils to learn alongside the residents. The Governors are hopeful that once visiting restrictions arising from Covid-19 are fully lifted, that these arrangements will be resumed.

The School has for many years worked closely with the local community on local traffic issues through a wide range of measures, including its own specifically formed Traffic Committee. This committee comprises representatives from the local Parish Council, the Police, local residents from varying roads around the School, and the School itself. The primary objective of the Committee is to minimise traffic impacts on roads adjacent to the School. Over recent years, the School has formulated a variety of policies which improve traffic aspects and it actively promotes these for the benefit of the community including car sharing, weekly walking bus, cycling bus and daily minibus runs.

The Governors promote continuing public educational benefit through the provision of bursaries for pupils who could not otherwise attend the School. During the year ended 31 July 2020, Longacre provided means tested bursaries for 14 pupils in this manner and continues to provide sibling discounts to parents of three or more children at the School. Means tested bursaries provided during the year ended 31 July 2020 totalled £78,000. The School also informs the public of the opportunity for financial support and bursary provision in the various documents that it issues and through social media channels.

**Pay Policy for Senior Staff**

The Headmaster, Bursar and Senior Teaching Staff comprise the key management personnel of the School. Remuneration of the Headmaster and Bursar is reviewed annually by the Board in accordance with their contracts of employment, their own performance and by benchmarking against schools of similar size in the locality. Remuneration of Senior Teaching Staff is reviewed annually and benchmarked against National Scale Rates for teaching staff of equivalent experience, seniority and responsibility. Annual reviews are effective from the start of the academic year in September. The Governors give their time to the School throughout the year freely and do not receive any remuneration.

**Review of financial position**

The Governors, the Headmaster and the Bursar manage the School from a financial perspective. This is to ensure that annual surpluses are generated to enable expansion and development of facilities for the benefit of pupils, to repay bank facilities drawn to finance prior year projects such as the Palmer Hall, the kitchens and dining rooms, and to ensure financial stability for the continued progress of the School.

During the year ended 31 July 2020, Longacre received total income of £3.43 million (2019: £3.45 million). Within this, £3.16 million (2019: £3.20 million) was from School fees after bursaries, awards and discounts including the Covid-19 discount applied to the Summer term fees. An analysis of the School fee income is provided in Note 2 to the financial statements. Also within the total income figure is an amount of £106,000 (2019: £15,000) from Sundry Income, the majority of which in 2020 came through the Government's Coronavirus Job Retention Scheme as set out in Note 3.

The Governors report a surplus of income over expenditure for the year ended 31 July 2020 of £71,000, compared with £220,000 for the previous year; a significant reduction to the prior year due to adverse effects brought on by the Covid-19 restrictions, related fee discounts and additional expenditure for the Summer Term. Whilst £71,000 is still a strong positive result in these unprecedented times, the Board is focused on delivering increased surpluses in future years, in order to continually enhance the Longacre educational experience. These surpluses continue to be fully invested into the School for the benefit of pupils, both currently in the School and in the years ahead.

Net assets at 31 July 2020 totalled £4.36 million, compared with £4.29 million at 31 July 2019, reflecting the surplus for the year that has once again been reinvested in the School. Free Reserves at 31 July 2020, comprising Net Assets less fixed assets and related loans, stood at £461,000 (2019: £515,000). This reflects the major investment by the School during 2019/20 in additional IT equipment for the provision of on-line learning for our pupils and repayment of loans in order to strengthen the financial standing of the School.

**REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2020**

Unrestricted reserves at 31 July 2020 stood at £4.36 million (2019: £4.29 million), which provide a firm foundation from which the School operates.

**Reserves policy**

The Board's strategy is to retain annual surpluses to increase the General Fund for the further progression of the School. At 31 July 2020, this stood at £4.36 million. Cash balances are closely managed, with appropriate levels maintained to cover planned and unforeseen eventualities, and to provide resources for expansion. The Governors have assessed the funds available to the School, the current level of operations and the numbers of pupils at the School. Based on this assessment, they have concluded that the School has continued to have sufficient funds to meet its obligations as they fall due.

**Fixed assets**

At 31 July 2020, the net asset value of fixed assets totalled £6.64 million (2018: £6.62 million), primarily comprising the School's educational facilities. Further details of the School's properties are set out in note 8 to the financial statements.

**Loan finance**

At 31 July 2020, the School had bank facilities totalling £2.74 million (2018: £2.85 million) that are repayable over the long term, providing annual financial security for the School. These loans were drawn to finance improvements and additions to the School's facilities, including the Palmer Hall and the new kitchens and dining room. These facilities are secured over the School's Freehold Land and Buildings. Loan repayments and interest totalling £199,000 were paid during the year ended 31 July 2020. Due to the fixed rate nature of the loan facilities put in place for the financial protection of the School, similar loan repayments and interest will be payable during the year ending 31 July 2021, without exposure to escalating repayments or interest rate changes. The School had cash balances at 31 July 2020 of £1.05 million, providing sufficient financial resources for its present requirements.

**Statement of Governors' responsibilities in relation to the financial statements**

The Governors, who are the Directors of Longacre School 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice; Accounting and Reporting by Charities (SORP) January 2019;
- prepare the financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The 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

**REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2020**

the charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities

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

**Statement of disclosure of information to Auditors**

Each of the Governors has confirmed that:

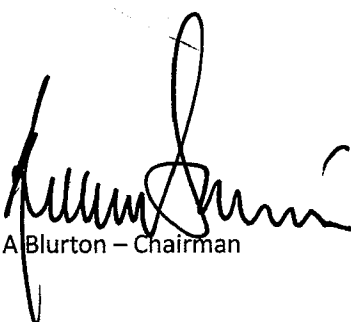
- so far as that Governor is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

**Compliance**

The financial statements set out on pages 10 to 19 comply with current statutory requirements, the requirements of the School's Articles of Association and the requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities, the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The legal and administrative information set out on page 1 forms part of this report. The financial statements have been prepared under **the historical cost convention and in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.**

**Approval by the Governors**

This report and the associated financial statements have been approved by the Board of Governors and have been signed on its behalf by:



Mr A Blurton – Chairman

Date **25** November 2020

**TO THE MEMBERS OF LONGACRE SCHOOL FOR THE YEAR ENDED 31 JULY 2020****Opinion**

We have audited the financial statements of Longacre School for the year ended 31<sup>st</sup> July 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31<sup>st</sup> July 2020 and of its incoming resources and application of resources 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information. 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.

**TO THE MEMBERS OF LONGACRE SCHOOL FOR THE YEAR ENDED 31 JULY 2020****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 Governors' Report, which includes the Governors' 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 Governors' Report included within the Governors' Report has 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 Governors' Report.

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

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

**Responsibilities of Governors**

As explained more fully in the Governors Responsibilities Statement set out on pages 5 and 6, the Governors (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the 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.

**TO THE MEMBERS OF LONGACRE SCHOOL FOR THE YEAR ENDED 31 JULY 2020**

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



David Wheeler FCCA – senior statutory auditor  
For and on behalf of Braidwood Wheeler & Co  
Statutory Auditor and Chartered Certified Accountants  
Goodman House  
13a West Street  
Reigate  
Surrey RH2 9BL

Dated: 30 November 2020

**STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 JULY 2020**

	Notes	Year ended 31 July 2020 £	Year ended 31 July 2019 £
<b>INCOME AND ENDOWMENTS FROM:</b>			
<b>INCOME</b>			
Donations		25,685	38,430
<b>Income from charitable activities</b>			
School fees	2	3,156,368	3,196,459
Other educational income		6,500	8,900
Other ancillary trading income		139,982	193,187
Sundry income	3	105,833	14,756
<b>Total Income</b>		<b>3,434,369</b>	<b>3,451,732</b>
<b>EXPENDITURE ON:</b>			
<b>Raising funds</b>			
School financing costs		85,074	89,747
<b>Charitable activities</b>			
Education		3,278,427	3,142,373
<b>Total expenditure</b>	4	<b>3,363,501</b>	<b>3,232,120</b>
<b>Net Income and Net Movement in funds for the year</b>		<b>70,867</b>	<b>219,612</b>
<b>Reconciliation of Funds:</b>			
Fund Balance at 1 August 2019		4,287,268	4,067,656
<b>Fund balance at 31 July 2020</b>		<b>4,358,135</b>	<b>4,287,268</b>

All funds are unrestricted.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

The notes on pages 17 to 23 form part of these financial statements.

## BALANCE SHEET AT 31 JULY 2020

Company Registration Number 04680792

	Notes	2020 £	2019 £
<b>Fixed Assets</b>	9	<u>6,636,625</u>	<u>6,625,672</u>
<b>Current Assets</b>			
Debtors	10	73,645	88,347
Cash at bank and in hand		<u>1,053,244</u>	<u>1,166,068</u>
		1,126,889	1,254,415
<b>Creditors: amounts falling due within one year</b>	11	<u>(452,158)</u>	<u>(497,279)</u>
<b>NET CURRENT ASSETS</b>		<u>674,731</u>	<u>757,136</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		7,311,356	7,382,808
<b>Creditors: amounts falling due after more than one year</b>	12	<u>(2,953,220)</u>	<u>(3,095,540)</u>
<b>NET ASSETS</b>		<u>4,358,135</u>	<u>4,287,268</u>
<b>THE FUNDS OF THE CHARITY</b>			
Unrestricted Funds		<u>4,358,135</u>	<u>4,287,268</u>

The notes on pages 17 to 23 form part of these financial statements.

The Governors acknowledge their responsibilities for:

- ensuring that the charitable company keeps accounting records that comply with Sections 386 to 387 of the Companies Act 2006; and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company at 31 July 2020 and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

Approved by the Board of Governors on 25 November 2020.

Mr A. Blurton – Chairman

Mr T. Pettit – Governor



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2020**

	Notes	Year ended 31 July 2020 £	Year ended 31 July 2019 £
<b>Net cash inflow from operations</b>			
Net cash generated from operations	8	<u>318,263</u>	<u>543,118</u>
<b>Cash flows from investing activities:</b>			
Payments for tangible assets	9	<u>(231,854)</u>	<u>(68,132)</u>
Net cash used in investing activities		<u>(231,854)</u>	<u>(68,132)</u>
<b>Cash flows from financing activities:</b>			
Net loans drawn down		<u>(114,158)</u>	<u>(111,106)</u>
Finance costs paid		<u>(85,074)</u>	<u>(89,747)</u>
<b>Net cash provided by financing activities</b>		<u>(199,232)</u>	<u>(200,853)</u>
Net change in cash and cash equivalents during the year		<u>(112,823)</u>	<u>274,133</u>
Cash and cash equivalents at beginning of year		<u>1,166,068</u>	<u>891,935</u>
Cash and cash equivalents at end of year		<u>1,053,245</u>	<u>1,166,068</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020****STATUTORY INFORMATION**

The charitable company is registered in England and Wales as a company limited by guarantee. The registered office is Longacre School, Hullbrook Lane, Shamley Green, Guildford, Surrey GU5 0NQ and the company registration number is 04680792. The company is registered with the Charity Commission number 1096567. The Charitable company meets the definition of a public benefit entity under FS 102.

**1. ACCOUNTING POLICIES****(a) Basis of preparation**

The financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

After reviewing the School's forecasts and projections, the Governors have a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future. The School therefore continues to adopt the going concern basis in preparing its financial statements.

**(b) Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, Governors are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

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

**(c) Fees and similar income**

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

**(d) Donations**

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

Donations receivable for the general purpose of the School are credited to Unrestricted funds. Donations for purposes restricted by the wishes of the donor which are legally binding on the Governors are credited to Restricted funds.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020****(e) Taxation**

The School is a registered charity. As such it is exempt under present legislation from assessment to corporation tax on its net income and is able to reclaim tax from donations made to the School through Gift Aid.

**(f) Tangible fixed assets and depreciation**

All capital projects with a value of £2,000 or more are capitalised. Fixed Assets are included in the financial statements at their historic cost and depreciated over their estimated useful lives at the following annual rates:

Freehold land	-	Not depreciated
Freehold buildings	-	1% on straight line basis
Fittings and fittings	-	Between 5% and 10% on straight line basis
Computer equipment	-	33% on straight line basis
Furniture and other equipment	-	15% on straight line basis
Motor vehicles	-	20% on straight line basis

**(g) Expenditure**

Expenditure is accrued as soon as a liability is considered probable, and discounted to present value for longer-term liabilities where interest rates incurred are different from prevailing market rates. Certain expenditure is apportioned to cost categories based on the estimated amount attributable to the activity in the year. The irrecoverable element of VAT is included with the item of expense to which it relates.

Support costs comprise a proportion of staff costs together with a proportion of overheads of the School. Redundancy costs are expensed as commitments are incurred. Governance costs are those incurred in connection with the governance of the School and compliance with constitutional and statutory requirements.

**(h) Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, regardless of when payments are made. Benefits receivable as part of an operating lease are similarly spread on a straight-line basis over the lease term.

**(i) Pension schemes**

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme.

Certain non-teaching staff are auto enrolled into a defined contribution group personal pension scheme, which meets the Pensions' Regulator's rules for a qualifying pension scheme.

**(j) Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured and amortised with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

	Year ended 31 July 2020	Year ended 31 July 2019
	£	£
<b>2. SCHOOL FEES</b>		
Fees receivable	3,575,235	3,321,416
Less Bursaries and Awards provided by the School	(151,949)	(124,957)
Covid-19 fee discounts	(266,918)	-
	<u>3,156,368</u>	<u>3,196,459</u>

During the year ended July 2020 means tested bursaries and hardship support totalling £77,938 were awarded to 14 pupils (2019: £62,764 means tested bursaries awarded to 10 pupils).

**3. SUNDRY INCOME**

	Year ended 31 July 2020	Year ended 31 July 2019
	£	£
Hire of premises	5,175	10,304
Income from additional activities	2,789	4,452
Government furlough grant Income	97,869	-
	<u>105,833</u>	<u>14,756</u>

**4. ANALYSIS OF TOTAL EXPENDITURE**

	Note	Staff £	Depreciation £	Other £	Year ended 31 July 2020 Total £	Year ended 31 July 2019 Total £
<b>Charitable activities</b>						
<b>School operating costs:</b>						
Teaching costs		1,888,328	68,468	134,008	2,091,803	1,895,950
Welfare costs		-	-	248,864	248,864	300,344
Premises costs		75,235	146,183	165,861	387,279	375,635
Support costs for schooling		321,505	6,250	214,492	542,247	560,172
		<u>2,286,068</u>	<u>220,901</u>	<u>763,225</u>	<u>3,270,193</u>	<u>3,132,101</u>
Financing costs		-	-	85,074	85,074	89,747
Governance costs	5	-	-	8,234	8,234	10,272
		<u>2,286,068</u>	<u>220,901</u>	<u>856,533</u>	<u>3,363,501</u>	<u>3,232,120</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

5. GOVERNANCE COSTS	Year ended 31 July 2020	Year ended 31 July 2019
	£	£
Trustee insurance	375	269
Audit fees	5,700	6,000
Governor training	2,159	4,003
	<u>8,234</u>	<u>10,272</u>

6. EXPENDITURE DISCLOSURES	Year ended 31 July 2020	Year ended 31 July 2019
	£	£
<b>Direct charitable expenditure includes:</b>		
Auditors' remuneration - for audit of financial statements	5,700	6,000
Depreciation - owned assets	220,901	208,684
Operating lease rentals	<u>7,106</u>	<u>4,121</u>

7. STAFF COSTS	Year ended 31 July 2020	Year ended 31 July 2019
	£	£
The aggregate payroll costs were:		
Wages and salaries	1,822,537	1,692,158
Social security costs	173,437	160,012
Pension contributions	<u>290,094</u>	<u>207,787</u>
	<u>2,286,068</u>	<u>2,059,957</u>

During the year ended 31 July 2020 one employee received emoluments within the £70,000 to £80,000 band and one employee received emoluments within the £60,000 to £70,000 band. These employees were members of the Government's Teachers Pension Defined Benefit Scheme and the Group Personal Pension Scheme respectively. Contributions totalling £21,542 were made by the School for these employees to these pension schemes. (2019: One employee received emoluments within the £70,000 to £80,000 band).

The aggregate employee benefits of key management personnel were:

	2020	2019
	£	£
	<u>389,734</u>	<u>344,923</u>

The average number of employees during the year ended 31 July 2020 was as follows:

	Year ended 31 July 2020	Year ended 31 July 2019
Teaching staff	52	49
Administrative Staff	<u>10</u>	<u>12</u>
	<u>62</u>	<u>61</u>

The School also has a number of parent volunteers who between them provide around 10 hours of support per week, when the School is physically in session, throughout the School year.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

## 8. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH GENERATED FROM OPERATIONS

	Year ended 31 July 2020 £	Year ended 31 July 2019 £
Net incoming resources	70,868	219,612
Adjustments:		
Finance costs payable	85,074	89,747
Depreciation	220,901	208,684
Net cash generated from operating activities	376,843	518,043
Movement in working capital		
Decrease/(increase) in debtors	14,702	(15,720)
(Decrease)/ increase in creditors	(56,339)	6,908
(Decrease)/increase in fees in advance	(14,744)	23,987
(Decrease)/ increase in deposits received	(2,200)	9,900
Net cash generated from operations	318,263	543,118

## 9. FIXED ASSETS - Tangible assets

	Freehold Land and Buildings £	Computer equipment £	Furniture and other Equipment £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 August 2019	7,444,968	234,086	306,048	74,245	8,059,347
Additions	55,728	145,620	30,506	-	231,854
At 31 July 2020	7,500,696	379,706	336,554	74,245	8,291,201
<b>Accumulated depreciation</b>					
At 1 August 2019	958,103	220,676	180,651	74,245	1,433,675
Charge for the year	146,183	39,109	35,609	-	220,901
At 31 July 2020	1,104,286	259,785	216,259	74,245	1,654,576
Net book value at 31 July 2020	6,396,410	119,921	120,294	-	6,636,625
Net book value at 31 July 2019	6,486,865	13,410	125,397	-	6,625,672

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

<b>10. DEBTORS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Fees receivable	<b>5,756</b>	13,013
Prepayments	<b>53,353</b>	57,366
Other debtors	<b>14,537</b>	17,968
	<b>73,645</b>	88,347

<b>11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans (note 13)	<b>114,469</b>	112,510
Deposits received	<b>14,500</b>	25,100
Fees received in advance	<b>90,612</b>	70,753
Trade creditors	<b>26,374</b>	86,921
Tax & Social Security	<b>53,972</b>	50,363
Other creditors	<b>23,965</b>	30,390
Accruals	<b>128,266</b>	121,242
	<b>452,158</b>	497,279

<b>12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Deposits received	<b>102,600</b>	94,200
Fees received in advance	<b>225,588</b>	260,191
Bank loans (note 13)	<b>2,625,032</b>	2,741,149
	<b>2,953,220</b>	3,095,540

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

**13. BANK LOANS**

The Company has four bank loans from the same bank secured on its freehold land and buildings, with the following summarised terms:

	Remaining term of loan	Interest rate payable per annum	Loan repayments in next year	Total amount of loan drawn at 31 July 2020	Total amount of loan drawn at 31 July 2019
			£	£	£
First loan - Founders Loan	8½ years	1%	35,000	303,333	338,333
Second loan - Palmer Hall Loan	20 years	Base + 1.8%	27,369	804,986	834,303
Third loan - 2016 Fixed Loan	21 years	3.75%	28,704	895,975	923,444
Fourth Loan - 2017 Fixed Loan	22 years	3.81%	23,396	735,207	757,579
			114,469	2,739,501	2,853,659

Due:

Within one year	114,469	112,510
After more than one year	2,625,032	2,741,149
	2,739,501	2,853,659

**14. CONTINGENCIES**

At 31 July 2020, the Company had total outstanding commitments for future minimum lease payments and other costs under non-cancellable operating leases as follows:

	2020	2019
	£	£
Not later than one year	16,059	4,121
Later than one year but not later than five years	19,714	5,296
	35,773	9,417

**15. CAPITAL COMMITMENTS**

At 31 July 2020, the School had £9,625 of commitments for future capital expenditure (2019: £nil).

**16. PENSION SCHEMES****Teachers' Pension Scheme**

During the year ended 31 July 2020 and in previous years, the School participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £232,115 (2019: £157,269).

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and this determined that employer contribution rates would increase from 16.48% to 23.68% with effect from 1 September 2019.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020**

During the year ended 31 July 2020, the School consulted with staff members who were members of TPS over the provision of alternative pension arrangements from the TPS. These consultations were concluded during March 2020 and the new pension arrangements and contributions have been fully implemented with effect from 1 September 2020.

**Group Personal Pension Scheme**

The School also contributes to a defined contribution pension scheme for the benefit of its support staff and contributions for the year ended 31 July 2020 totalled £57,979 (2019: £50,518).

**17. GOVERNORS AND RELATED PARTIES**

In accordance with the Company's Articles of Association, the Governors are granted an indemnity from the **Company to the extent permitted by law, in respect of liabilities incurred as a result of their office as Governors. The School carries insurance in respect of this indemnity and the cost for the year ended 31 July 2020 was £375 (2019: £269).** No Governors received any remuneration during the year ended 31 July 2020 (2019: £nil). There were no related party transactions during the current year.

**18. COMPANY LIMITED BY GUARANTEE AND CONTROLLING PARTY**

The Company has no share capital and is limited by guarantee. The liability of each Governor in the event of a **winding up of the Company is limited to £10 as stated in the Memorandum and Article of Association.** There is no overall controlling party of the Company.