

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 2021

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REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2021

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:	Ms E. Bickerton Mr A. Blurton Mr S. Brian – retired July 2021 Mrs S. Brocksom – retired July 2021 Mr P. Brooks Dr D. Daulton Mrs F Gibbons – appointed January 2021 Mr R. Herring Mrs A. Kearney Mrs T. Kirnig Mrs S. Maxwell Mr S. Moore Mr T. Pettit Mrs D. Whitehouse
COMPANY SECRETARY	Mrs C. Coley-Maud BSc ACA
SOLICITORS:	GBH Law 7/8 Innovation Place, Douglas Drive, Godalming, Surrey GU7 1JX
AUDITORS:	TC Group The Courtyard Shoreham Road, Upper Beeding Steyning West Sussex, BN44 3TN
BANKERS:	Lloyds Bank Plc Connaught House, Alexandra Terrace, Guildford, Surrey GU1 3DA

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2021**Introduction**

The Governors are pleased to present their report and the audited financial statements for the year ended 31 July 2021.

Objectives of the Charity

The objectives of the charity are to provide education at a day school in Shamley Green, Surrey, for children aged 2 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 12 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 wellbeing at the centre of its ethos, 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. Longacre 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 2020/21 academic year, the School reduced the age that children can attend Longacre's Nursery from 2½ to 2 years old to enable more children to benefit from the Early Years provision. At the same time, the minimum number of sessions children in Nursery and Kindergarten can attend will be increased from January 2022, from 3 to 4 per week in Nursery, and 5 to 6 per week in Kindergarten. This increase enables the School to provide children in these earlier year groups with more opportunities and time to consolidate their learning around their weekly focus; enabling greater depth of experiences and mastery for each of their learning journeys.

As is well-known the 2020/21 academic year was materially affected by the Government's requirement for all schools to be substantially closed between 5 January 2021 and 8 March 2021 to stem the Covid-19 pandemic. Similar to the previous year's lockdowns, this meant that subject delivery was adapted and communication with children was varied to give them the best education that the School considered possible during these continually unprecedented times. The Board was pleased with the proactive work of its whole school body in ensuring a continued and successful educational experience for all its pupils during this time.

The School continues to promote good citizenship and to enable pupils to develop a caring, tolerant and supportive way in their lives. 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 undertaken virtually during the 2020/21 academic year due to covid restrictions; these visits are now taking

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2021

place in person on a weekly basis. 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 this was extended during the year by donations to additional charities chosen by the pupils. It also 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 organised a Green Team Car Boot Sale, planted flowering bulbs in the School grounds, organised recycling stations at the School for many different items of waste, as well as promoting learning about the animals and plants within our School site. The team has also been involved with the new bee colony at Longacre, major elements of which were purchased with funds donated by the PTA.

Longacre continues to put mental health and wellbeing at the forefront of school life. In addition to activities started within previous academic years, a new Senior Leadership Team position of Assistant Head (Wellbeing) was appointed during the year. The Governors were very pleased to appoint Mrs Tara Pandey to this role in Summer Term 2021, with the role formally starting in Michaelmas Term 2021. In addition, the School has appointed a Counsellor and Listener to support pupils and staff. The School Bear Hut continues to provide a tangible and visible focal point for our commitment to mental health, which gives pupils of all ages space and time to express their feelings, whatever the background.

Governing Body

At the date of approval of this report, there are 12 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, property, 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 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. During the year ended 31 July 2021 while the effects of the covid-19 pandemic continued, Full Board and Committee meetings were held virtually via on-line platforms. These meetings have continued to operate effectively for the leadership and strategic direction of the School.

The Governance Committee has a wide remit which includes 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. One new Governor joined the Board during the year. Two Governors retired at the end of the 2020/21 academic year, one after over 11 years' devoted service and one to take up Headship at a School in Scotland. Two further Governors will be joining the Board in Lent Term 2022. 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 for every pupil to succeed. The School's physical and operational 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

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2021

academic success. For the year ended 31 July 2021, Longacre pupils once again received many awards to senior schools.

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 increase their skills for their lives ahead. Longacre has progressed its Philosophy teaching, underlining a commitment to critical thinking and skill development for its pupils. Forest school and outdoor learning, as well as Teamwork and Leadership, are on the curriculum for all Longacre pupils; these add to the rich and varied range of learning opportunities that the School provides. Longacre 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.

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. Some of these co-curricular and sporting provisions were affected by the covid-19 pandemic but the opportunity was still advanced for pupils of all abilities to partake in a larger range of sports. This included the introduction of mixed gender sport, which has continued into the current academic year.

Longacre welcomes gifted, able and talented pupils, and also children requiring special educational support. The School has a programme to provide particularly gifted children with challenging and differentiated work in addition to regular lessons. This is provided 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. For those pupils that have individual educational programmes, the School works in partnership with parents to provide these pupils with additional support. The Head of Learning Support has continued to expand this important element of the School's 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 assess whether the School operates these policies and procedures effectively in managing these areas. The policies are regularly reviewed and updated, to ensure that they 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, as well as enrolling staff on a variety of external training courses.

During the year ended 31 July 2021, the School again benefitted from very generous donations from the School's Parent Teacher Association. These were used to purchase a new 16 seater minibus for the School, floodlights for increased external sports provision, and a video camera for the live streaming of children's performances to parents. The new minibus has enabled increased transportation of pupils to sports fixtures as well as being used on educational visits. Furthermore, more children can come to School via the increased minibus service; an additional 'green' initiative of the School. The Governors are most grateful to the PTA for their continued help in providing additional facilities for the School.

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2021**Longacre during the covid-19 pandemic in 2020/21**

With effect from 5 January 2021, the Government required schools to physically close to all children other than those of critical workers, in order to curb the spread of the pandemic. For Longacre, this meant an immediate re-commencement of on-line teaching and learning.

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

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 continual basis.

Future plans

At the forefront of the Board's decision making at the School is the pupils' education and their welfare. The Governors, Headmaster and Senior Leadership Team work to ensure that the School is in a position to manage uncertainties, whilst noting that the School cannot always control when or how external impacts might take effect. 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 challenges as they arise, whilst continuing to provide high class education to its pupils.

The School's Masterplan for the continued development of Longacre has been progressed by the Governors, the Senior Leadership Team and by the School's architects, with the first elements being completed over the 2021 Summer holiday period. These works involved a totally new entrance format for parents and pupils to enter the school, as well as a newly formed large hard-standing play area for pupils. Work continues in relation to the implementation of Phase Two of the Masterplan.

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.

Covid-19 significantly restricted the School's ability to share its resources with local community groups. These restrictions notwithstanding, local football and cricket clubs were able to use sports facilities and video recording equipment was made available to a local primary school to allow events to be streamed online. Links with Elmbridge Retirement Village were also sustained online.

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. The School has formulated a variety of policies which improve traffic aspects and it actively promotes these for the benefit of the community; these include car sharing, a weekly walking bus, cycling bus and daily morning minibus runs. New for the Michaelmas Term 2021 the School has also introduced

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afternoon minibus runs to take pupils from Longacre to their homes which has been immediately successful with families.

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 2021, Longacre provided means tested bursaries for 10 pupils in this manner at a total cost of £84,000. It also continues to provide sibling discounts to parents of three or more children at the School. The School informs the public of the opportunity for financial support and bursary provision in the various documents that it issues and through advertisements and 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 Chairman 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 2021, Longacre received total income of £3.78 million (2020: £3.43 million). Within this, £3.52 million (2020: £3.16 million) was from School fees after bursaries, awards and discounts including the Covid-19 discount. 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 £62,000 (2020: £106,000) from Sundry Income, the majority of which in both years 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 2021 of £285,000, compared with £71,000 for the previous year. These surpluses are fully invested into the School for the benefit of pupils, both currently in the School and in the years ahead. The Board is focused on delivering annual surpluses, in order to continually enhance the Longacre educational experience.

Net assets at 31 July 2021 totalled £4.64 million, compared with £4.36 million at 31 July 2020, reflecting the surplus for the year that has once again been reinvested in the School. Free Reserves at 31 July 2021, comprising Net Assets less fixed assets and related loans, stood at £770,000 (2020: £461,000). Unrestricted reserves at 31 July 2021 stood at £4.64 million (2020: £4.36 million), which provide a firm foundation from which the School operates.

Fixed assets

At 31 July 2021, the net asset value of fixed assets totalled £6.49 million (2020: £6.64 million), primarily comprising the School's educational facilities. Further details of the School's properties are set out in note 9 to the financial statements.

Loan finance

At 31 July 2021, the School had drawn bank facilities totalling £2.62 million (2020: £2.74 million). These are repayable over the longer term, providing annual financial security for the School. The loans were drawn to finance additions to the School's facilities, including construction of the Palmer Hall and major improvements

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to the kitchens and dining room. These facilities are secured on the School's Freehold Land and Buildings. Loan repayments and interest totalling £197,000 were paid during the year ended 31 July 2021. The majority of these loans are of a fixed rate nature, thereby protecting the financial standing of the School and limiting exposure to escalating repayments or interest rate changes. Similar loan repayments and interest will be payable during the year ending 31 July 2022. The School had cash balances at 31 July 2021 of £1.28 million, providing sufficient financial resources for its present requirements.

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 2021, this stood at £4.64 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.

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) October 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 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

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- 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 15 to 26 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 3 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 1st December 2021

TO THE MEMBERS OF LONGACRE SCHOOL FOR THE YEAR ENDED 31 JULY 2021**Opinion**

We have audited the financial statements of Longacre School (the 'charitable company') for the year ended 31 July 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 19. 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 July 2021 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 governors are responsible for the other information. The other information comprises the information included in the Governors' Annual Report, other than the financial statements and our auditors report thereon. 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

TO THE MEMBERS OF LONGACRE SCHOOL FOR THE YEAR ENDED 31 JULY 2021

whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

the information given in the Governors' Annual Report, which includes the Directors' 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 Directors' Report included within the Governors' Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

the financial statements are not in agreement with the accounting records and returns; or

certain disclosures of governors' remuneration specified by law are not made; or

we have not received all the information and explanations we require for our audit; or

the governors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Governors' Annual Report and from the requirement to prepare a strategic report.

Responsibilities of Governors

As explained more fully in the governors' responsibilities statement set out on page 9, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the governors are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance 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

TO THE MEMBERS OF LONGACRE SCHOOL FOR THE YEAR ENDED 31 JULY 2021

opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

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

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

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the governors and other management (as required by auditing standards), and discussed with the governors and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption; and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the governors and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the charity's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of

TO THE MEMBERS OF LONGACRE SCHOOL FOR THE YEAR ENDED 31 JULY 2021

management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

USE OF OUR REPORT

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



Mark Cummins FCCA (Senior Statutory Auditor)

For and on behalf of TC Group

Statutory Auditor

Office: Steyning

TC Group is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Dated: **23** December 2021

**STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2021**

	Notes	Year ended 31 July 2021 £	Year ended 31 July 2020 £
INCOME AND ENDOWMENTS FROM:			
INCOME			
Donations		29,633	25,685
Income from charitable activities			
School fees	2	3,516,974	3,156,368
Other educational income		10,200	6,500
Other ancillary trading income		163,223	139,982
Sundry income	3	62,064	105,833
Total Income		3,782,094	3,434,369
EXPENDITURE ON:			
Raising funds			
School financing costs		78,489	85,074
Charitable activities			
Education		3,419,212	3,278,427
Total expenditure	4	3,497,701	3,363,501
Net Income and Net Movement in funds for the year		284,393	70,867
Reconciliation of Funds:			
Fund Balance at 1 August 2020		4,358,135	4,287,268
Fund balance at 31 July 2021		4,642,529	4,358,135

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 18 to 26 form part of these financial statements.

BALANCE SHEET AT 31 JULY 2021

Company Registration Number 04680792

	Notes	2021 £	2020 £
Fixed Assets	9	<u>6,493,208</u>	<u>6,636,625</u>
Current Assets			
Debtors	10	90,433	73,645
Cash at bank and in hand		<u>1,282,827</u>	<u>1,053,244</u>
		1,373,260	1,126,889
Creditors: amounts falling due within one year	11	<u>(562,812)</u>	<u>(452,158)</u>
NET CURRENT ASSETS		<u>810,448</u>	<u>674,731</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,303,657	7,311,356
Creditors: amounts falling due after more than one year	12	<u>(2,661,127)</u>	<u>(2,953,220)</u>
NET ASSETS		<u>4,642,529</u>	<u>4,358,135</u>
THE FUNDS OF THE CHARITY			
Unrestricted Funds		<u>4,642,529</u>	<u>4,358,135</u>

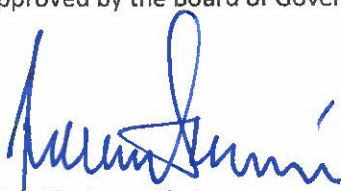
The notes on pages 18 to 26 form part of these financial statements.

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 2021 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 1st December 2021.


Mr A Blurton – Chairman


Mr T. Pettit – Governor

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2021

	Notes	Year ended 31 July 2021 £	Year ended 31 July 2020 £
Net cash inflow from operations			
Net cash generated from operations	8	<u>537,370</u>	<u>318,263</u>
Cash flows from investing activities:			
Payments for tangible assets	9	<u>(110,704)</u>	<u>(231,854)</u>
Net cash used in investing activities		<u>(110,704)</u>	<u>(231,854)</u>
Cash flows from financing activities:			
Net loans repaid		<u>(118,592)</u>	<u>(114,159)</u>
Finance costs paid		<u>(78,489)</u>	<u>(85,074)</u>
Net cash utilised in financing activities		<u>(197,081)</u>	<u>(199,233)</u>
Net change in cash and cash equivalents during the year		<u>229,585</u>	<u>(112,824)</u>
Cash and cash equivalents at beginning of year		<u>1,053,244</u>	<u>1,166,068</u>
Cash and cash equivalents at end of year		<u>1,282,829</u>	<u>1,053,244</u>

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

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 2021**(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

In previous years, the School contributed to the Teachers' Pension Defined Benefits Scheme ("TPS") 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 the scheme is therefore accounted for as a defined contribution scheme. During the year ended 31 July 2020, the School consulted with staff who were members of TPS. These consultations resulted in new defined contribution pension arrangements being implemented with effect from 1 September 2020. 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. The School's contributions in respect of these pension arrangements are reflected in these financial statements.

(j) Debtors

Trade and other debtors are recognised at the settlement amount due. A specific provision is made for debts where recoverability is in doubt.

(k) Cash at bank in hand

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

Cash at bank and in hand includes cash held in instant access bank accounts and cash used as working capital. Short term deposits and cash offsetting arrangements on loans are used where possible to reduce interest costs and to manage cash flow.

(l) Creditors and provisions

Creditors and provisions are recognised where the charitable company has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

(m) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction, it is measured at present value.

(n) Financial instruments

The charitable company has financial assets and liabilities of a kind that qualify as basic financial instruments which are initially recognised at transaction value and subsequently at their settlement value.

	Year ended 31 July 2021	Year ended 31 July 2020
	£	£
2. SCHOOL FEES		
Fees receivable	3,724,574	3,575,235
Less Bursaries and Awards provided by the School	(153,036)	(151,949)
Covid-19 fee discounts	(54,564)	(266,918)
	<u>3,516,974</u>	<u>3,156,368</u>

During the year ended July 2021 means tested bursaries and hardship support totalling £83,833 were awarded to 10 pupils (2020: £77,838 means tested bursaries awarded to 14 pupils).

3. SUNDRY INCOME

	Year ended 31 July 2021	Year ended 31 July 2020
	£	£
Hire of premises	2,994	5,175
Income from additional activities	3,819	2,789
Government furlough grant Income	55,251	97,869
	<u>62,064</u>	<u>105,833</u>

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

4. ANALYSIS OF TOTAL EXPENDITURE

	Note	Staff £	Depreciation £	Other £	Year ended 31 July 2021 Total £	Year ended 31 July 2020 Total £
Charitable activities						
School operating costs:						
Teaching costs		1,853,992	93,973	168,895	2,116,860	2,091,803
Welfare costs		-	4,630	247,808	252,438	248,864
Premises costs		80,523	149,268	213,578	443,369	387,279
Support costs for schooling		341,252	6,250	246,479	593,981	542,247
		<u>2,275,767</u>	<u>254,121</u>	<u>876,760</u>	<u>3,406,648</u>	<u>3,270,193</u>
Financing costs		-	-	78,489	78,489	85,074
Governance costs	5	-	-	12,564	12,564	8,234
		<u>2,275,767</u>	<u>254,121</u>	<u>967,813</u>	<u>3,497,701</u>	<u>3,363,501</u>

Note

7

5. GOVERNANCE COSTS

	Year ended 31 July 2021 £	Year ended 31 July 2020 £
Trustee insurance	751	375
Audit fees	9,000	5,700
Governor training	2,813	2,159
	<u>12,564</u>	<u>8,234</u>

6. EXPENDITURE DISCLOSURES

	Year ended 31 July 2021 £	Year ended 31 July 2020 £
Direct charitable expenditure includes:		
Auditors' remuneration - for audit of financial statements	9,000	5,700
Fees for other services provided by auditors	1,200	-
Depreciation - owned assets	254,121	220,901
Operating lease rentals	<u>17,321</u>	<u>7,160</u>

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

7. STAFF COSTS	Year ended 31 July 2021	Year ended 31 July 2020
	£	£
The aggregate payroll costs were:		
Wages and salaries	1,905,796	1,822,537
Social security costs	171,528	173,437
Pension contributions (Note 16)	198,444	290,094
	<u>2,275,767</u>	<u>2,286,068</u>

The following number of staff received remuneration in excess of £60,000 in the year:

	Year ended 31 July 2021	Year ended 31 July 2020
	No	No
£60,001 to £70,000	1	1
£70,001 to £80,000	-	1
£80,000 to £90,000	1	-
£90,000 to £100,000	1	-

During the year ended 31 July 2021, all of the above employees were members of the Group Personal Pension Scheme and two were also within the Government's Teachers' Pension Scheme for one month. Contributions totalling £22,047 were made by the School for these employees to these pension schemes.

Key Management Personnel

	Year ended 31 July 2021	Year ended 31 July 2020
	£	£
The aggregate employee benefits of key management personnel were:	<u>421,268</u>	<u>389,734</u>

The average number of employees during the year ended 31 July 2021 was as follows:

	Year ended 31 July 2021	Year ended 31 July 2020
Teaching staff	54	52
Administrative Staff	11	10
	<u>65</u>	<u>62</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 2021

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

	Year ended 31 July 2021 £	Year ended 31 July 2020 £
Net incoming resources	284,393	70,868
Adjustments for non-cash items:		
Finance costs payable	78,489	85,074
Depreciation	254,121	220,901
Fees received in advance in prior years credited to Income	(90,612)	-
Net cash generated from operating activities	526,391	376,843
Movement in working capital		
Decrease/(increase) in debtors	(16,788)	14,702
(Decrease)/ increase in creditors	60,240	(56,339)
(Decrease) in fees in advance	(37,673)	(14,744)
(Decrease)/ increase in deposits received	5,200	(2,200)
Net cash generated from operations	537,370	318,263

9. FIXED ASSETS - Tangible assets

	Freehold Land and Buildings £	Computer equipment £	Furniture and other Equipment £	Motor Vehicles £	Total £
Cost					
At 1 August 2020	7,500,696	379,706	336,554	74,245	8,291,201
Additions	28,984	34,608	12,387	34,725	110,704
Disposals	(34,662)	(136,517)	(86,859)	-	(258,038)
At 31 July 2021	7,495,018	277,797	262,082	108,970	8,143,867
Accumulated depreciation					
At 1 August 2020	1,104,286	259,786	216,259	74,245	1,654,576
Charge for the year	148,877	63,457	37,157	4,630	254,121
Disposals	(34,662)	(136,517)	(86,859)	-	(258,038)
At 31 July 2021	1,218,501	186,726	166,557	78,875	1,650,659
Net book value at 31 July 2021	6,276,517	91,071	95,525	30,095	6,493,208
Net book value at 31 July 2020	6,396,410	119,921	120,294	-	6,636,625

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

10. DEBTORS	2021	2020
	£	£
Fees receivable	8,794	5,756
Prepayments	65,065	53,353
Other debtors	16,574	14,537
	<u>90,433</u>	<u>73,645</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2021	2020
	£	£
Bank loans (note 14)	119,197	114,469
Deposits received	15,100	14,500
Fees received in advance	135,700	90,612
Trade creditors	69,371	26,374
Tax & Social Security	54,516	53,972
Other creditors	12,897	23,965
Accruals	156,031	128,266
	<u>562,812</u>	<u>452,158</u>

Fees received in advance includes fees for the Michaelmas Term received before year end, as well as funds through the FIA Scheme

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2021	2020
	£	£
Deposits received	107,200	102,600
Fees received in advance (note 13)	52,215	225,588
Bank loans (note 14)	2,501,712	2,625,032
	<u>2,661,127</u>	<u>2,953,220</u>

13. FIA SCHEME

Parents may pay school fees in advance. Assuming pupils remain in the school, fees in advance will be applied as below.

	Year ended 31 July 2021	Year ended 31 July 2020
	£	£
Within one year	67,850	90,612
Between one and two years	30,873	59,384
Between two and five years	21,342	60,681
	<u>120,065</u>	<u>210,677</u>

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

The balance represents the accrued liability under the contracts. The movements during the year were:

	Year ended 31 July 2021	Year ended 31 July 2020
	£	£
Balance at 1 August 2020	210,677	303,036
Amounts credited to pupils accounts for fees	90,612	92,359
Balance at 31 July 2021	120,065	210,677

14. 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 2021 £	Total amount of loan drawn at 31 July 2020 £
First loan - Founders Loan	7½ years	1%	35,000	268,333	303,333
Second loan - Palmer Hall Loan	19 years	Base + 1.8%	30,119	773,494	804,986
Third loan - 2016 Fixed Loan	20 years	3.75%	29,786	867,271	895,975
Fourth Loan - 2017 Fixed Loan	21 years	3.81%	24,292	711,811	735,207
			119,197	2,620,909	2,739,501

Due:

Within one year	119,197	114,469
After more than one year	2,501,712	2,625,032
	2,620,909	2,739,501

15. CONTINGENCIES

At 31 July 2021, the Company had total outstanding commitments for future minimum lease payments and other costs under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than one year	11,806	16,059
Later than one year but not later than five years	12,100	19,714
	23,906	35,773

15. CAPITAL COMMITMENTS

At 31 July 2021, the School had £135,522 of commitments for future capital expenditure (2020: £9,625).

16. PENSION SCHEMES

Teachers' Pension Scheme

During the year ended 31 July 2021 and in previous years, the School participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff. During the year ended 31 July 2020, the School consulted with staff

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

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 were fully implemented with effect from 1 September 2020. The pension charge for the year includes contributions payable to the TPS of £20,039 (2020: £232,115).

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 totalled £178,405 (2020: £57,979). This has been included in the Statement of Financial Activities.

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 2021 was £751 (2020: £375). No Governors received any remuneration during the year ended 31 July 2021 (2020: £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.