

LUDGROVE SCHOOL TRUST LIMITED

England & Wales · Charity number 309100

Details

Status Registered

Legal form Charitable company

Company number [01053039](#)

Registered 1972-09-01

Register [View on the Charity Commission register](#)

Contact

Address Ludgrove Preparatory School
Ludgrove
Wokingham
RG40 3AB

Phone 01189789881

Email office@ludgroveschool.co.uk

Website www.ludgrove.net

Activities

Objects: THE OBJECTS FOR WHICH THE TRUST IS ESTABLISHED ARE TO PROMOTE AND PROVIDE FOR THE ADVANCEMENT OF EDUCATION INCLUDING, BUT NOT BY WAY OF LIMITATION, TO CONDUCT CARRY ON ACQUIRE AND DEVELOP IN THE UNITED KINGDOM ANY BOARDING OR DAY SCHOOL OR SCHOOLS FOR THE EDUCATION OF CHILDREN OF EITHER SEX OR BOTH SEXES, INCLUDING THE SCHOOL KNOWN AS LUDGROVE SCHOOL, WOKINGHAM, BERKSHIRE, AND ANY OTHER PURPOSE ANCILLARY OR INCIDENTAL TO THE FOREGOING.

Activities: The provision of education at Ludgrove, a boarding school for boys aged between eight and thirteen years of age.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- Wokingham

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£9,201,393	£6,506,309	£18,861,002	108
2024-08-31	£6,939,704	£6,359,592	£16,335,859	110
2023-08-31	£6,079,620	£6,081,573	£15,095,533	114
2022-08-31	£5,834,428	£5,724,325	£14,351,041	118
2021-08-31	£5,276,619	£5,276,662	£12,324,015	119
2020-08-31	£5,100,693	£4,919,826	£11,715,364	106

Trustees

Name	Role	Appointed
Andrew John Hinchliff		2020-02-12
Charles Edward Rodney Scott-Malden		2024-06-17
D'Arcy Donna Vigors		2017-12-09
James Dominic Peers Carter		2026-01-26
Logie Charles Lloyd Fitzwilliams		2021-04-24
Ruth Michelle den Besten		2020-06-24
Vanessa Jane Morphet		2022-12-14

LUDGROVE SCHOOL TRUST LIMITED

England & Wales - Charity number 309100

Accounts



Ludgrove School Trust Limited

(A company limited by guarantee)

Registered number: 01053039

Charity registration no. 1153790

Trustees' annual report and consolidated financial statements

For the year ended 31 August 2025

Ludgrove School Trust Limited

Reference and administrative details of the charity, its directors and advisers

Directors

C L Butterworth, Chair (resigned 25 November 2025)
V J Morphet, Chair
J D P Carter (appointed 26 January 2026)
R N T Cormack
R M den Besten
L C L Fitzwilliams
J E Floyd (appointed on 7 February 2025)
A B Henshilwood (resigned 25 November 2025)
A J Hinchcliff
C E R Scott-Malden
M A Smyth-Osbourne (resigned 23 June 2025)
D D Vigors

Company secretary M E Brittain

Company registered number 1053039

Charity number 309100

Registered office

Ludgrove School
Wokingham
Berkshire
RG40 3AB

Auditor

S&W Audit
Statutory Auditor
Chartered Accountants
Onslow House
Onslow Street
Guildford
Surrey
GU1 4TL

Bankers

Barclays Bank Plc
P O Box 61
Bracknell
Berkshire
RG12 1GJ

Natwest Bank Plc
5 High Street
Bracknell
Berkshire
RG12 1DH

Ludgrove School Trust Limited

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Ludgrove School Trust Limited

Trustees' annual report (incorporating the strategic report) for the year ended 31 August 2025

The directors present their annual report and the financial statements for the year ended 31 August 2025. The financial statements consolidate the results of the School and Ludgrove School Foundation Limited.

Legal and administrative details

The School is a private company limited by guarantee incorporated under the Companies Acts 1948 to 1967, registered number 01053039, and a registered charity, number 309100. The Company was incorporated on 4 May 1972 and its governing document is the Memorandum and Articles of Association.

Directors

The directors, who are also governors and trustees, of the School at 31 August 2025 and up to the date of approval of these financial statements were:

C L Butterworth, Chair (resigned 25 November 2025)

V J Morphet, Chair

J D P Carter (appointed 26 January 2026)

R N T Cormack

R M den Besten

L C L Fitzwilliams

J E Floyd (appointed on 7 February 2025)

A B Henshilwood (resigned 25 November 2025)

A J Hinchliff

C E R Scott-Malden

M A Smyth-Osbourne (resigned 23 June 2025)

D D Vigors

R M den Besten and L C L Fitzwilliams have boys who attended the School during the year. Fees were paid on normal commercial terms.

There are no trustees other than the directors. Meetings of the full board of directors were held three times during the year. As well as these meetings, there is frequent communication between the directors and there are sub-committee meetings with appropriate professional advisors in attendance. Regular contact is maintained with the headmaster between full board meetings. Details of new legislation, new regulations and news of other significant developments which will affect the School, together with appropriate training material, are sent to the directors as they arise.

The Board is responsible for identifying, recruiting and appointing new directors. New directors are inducted by individual board members, the headmaster and company secretary. The day to day running of the School is delegated to the headmaster, S W T Barber and deputy headmasters, J G Pinchin-Hughes and T B Wilson.

Objectives and activities

The principal aim and activity of the Company continues to be the provision and promotion of a first class education. Ludgrove seeks to be a school where boys can grow and develop in a happy, caring environment, learn an awareness and concern for others around them and achieve their full potential, at the same time as providing facilities, employment and resources for the local community of Wokingham. The Company's strategies for achieving its aims include the recruitment, employment and training of a high quality, caring and professional workforce; the maintenance of a high standard of academic, moral and personal education; the maintenance, continual improvement and, when necessary, the addition of facilities at the School; and making available and seeking opportunities for the use of the School's grounds and facilities by other schools, clubs and other organisations in the local community.

Ludgrove School Trust Limited

Trustees' annual report (incorporating the strategic report) for the year ended 31 August 2025

The School had 193 (2024: 188) pupils on the register at the year end and has had a successful year with academic, sporting and cultural achievements as strong as ever.

Achievements and performance

As always we remain unashamedly ambitious for our boys in whatever they do, particularly on the academic front and it is a fact that every year, with a non-selective intake in Year 4, our boys achieve incredible academic success. We were delighted that all the top year boys gained entry to seven distinguished schools, including eighteen to Eton, ten to Radley, three to Harrow, two each to Marlborough and Wellington and one each to Rugby and Tonbridge.

When one thinks of a curriculum it is very easy to focus on the academic side of things. However, life outside the classroom is just as much a part of a child's education and sporting activity, cultural, musical and artistic studies continue to be an important part of life at the school. Team games of football and rugby were played against other schools at all ages and at all levels of ability. Additional matches were arranged in hockey, tennis, squash, fives, swimming, golf, chess, general knowledge, judo and athletics. Music and drama continue to play an important role in school life and all the boys take part in public speaking and poetry reciting events as well as in debates. The theatre continues to provide a wonderful space for the performing arts and it has without doubt enhanced the confidence and character of the boys. It is also a venue which attracts high quality speakers and the lectures enjoyed this year have significantly enriched us all.

Public benefit

Ludgrove strives to fulfil its charitable objects to promote and provide for the advancement of education for the benefit of both its pupils and the wider community. The Governors, as charity trustees, have a duty to report in their Annual Report on the public benefit provided by the school.

The Governors have given consideration to the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on running a charity and charging for services, and have concluded:

1. That there are clearly identifiable benefits from the School's work which relate directly to its aims as set out above.
2. There is no significant detriment flowing directly from the School's work which we consider needs to be balanced against those benefits.
3. That the benefits which the school provides are widely available. A bursary policy has been established and funds put aside to provide a genuine opportunity for those who cannot afford the School's fees to benefit from it.

Bursary policy

The School has a subsidiary charitable foundation to raise money to be available for the funding and advertising of scholarships and bursaries to be offered by the School. Until the foundation has raised sufficient funds to be able to provide such funding, the School makes a budgetary provision of an appropriate and affordable proportion of gross fee income to be applied to means tested bursaries (ranging up to 100% remission of fees). This bursary funding is available for all prospective and existing pupils including those in receipt of Continuity of Education Allowance and those supported by the Royal National Children's SpringBoard Foundation. Ludgrove is proud to be a RNCSF approved school. A bursary policy is in operation and is available to be viewed on the School's website.

Ludgrove School Trust Limited

Trustees' annual report (incorporating the strategic report) for the year ended 31 August 2025

Ancillary or incidental educational and other associated activities

Locally Ludgrove does not exist in isolation and is part of the wider community. It offers educational support to members of the public on different levels, employs many local people and wherever possible supports local suppliers and businesses. During the year the school facilities were used on numerous occasions for the educational benefit of teachers and pupils from other schools. It is our intention to build on existing relationships to forge stronger links with local community schools, in particular:

- Ludgrove has entered into a partnership with a cluster of six local state schools and employs a part-time administrator who is responsible for identifying and implementing opportunities for collaborative working with those schools. In addition, Ludgrove provides a budget to allow the organisation of a range of curriculum enrichment events, ranging from large scale events reaching 1,000 + students to targeted activities designed to focus on small groups with specific needs.
- Ludgrove has established a Community Education Support Fund to make grants available to local schools. The Fund is currently providing financial support for music, literacy and mental health projects.
- There is a dedicated sub-committee of Governors, the Social Impact Committee, which oversees and promotes these partnerships and grants.

In addition to the above, the minibuses, swimming pool and sports hall are all used by the wider community.

Three members of staff are currently serving on the governing bodies of local state schools.

The School will continue to further foster links with the local community and Local Authority funded schools focusing on the provision of access to the School's facilities and opportunities to share expertise in academic, cultural and sporting activities as well as regularly reviewing how it can best deliver its charitable objectives.

Fundraising

All fundraising activities for the School are carried out by our staff with assistance from parents for specific fundraising events. The School does not use professional fundraisers. All fundraising activities are managed by the School and monitored by the directors. The School's subsidiary charity, The Ludgrove School Foundation, carries out fundraising activity for the Group and during the year raised £552,387 (2024: £276,608) in donations.

No complaints relating to fundraising activities have been received by the School during this financial year. The School does not currently subscribe to any specific fundraising standards or schemes but considers that it has set appropriate standards for the operations and management of its fundraising activities. In particular the School considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion.

Reserves policy

The Group's reserves of £18,861,002 (2024: £16,335,859) are held to enable the School to meet its objectives. The unrestricted reserves are substantially represented by fixed assets enabling the School to provide its services. The Group had £541,040 (2024: £240,345) in restricted funds at the end of the year.

The designated funds are made up of the strategic reserve, long term investment reserve and special projects reserve. These funds are held to ensure the School has enough funds for unforeseen circumstances and capital projects. The School intends to proceed with significant investment in infrastructure and has commenced the planning for a major refurbishment and capital project. Please see additional detail on page 30.

Ludgrove School Trust Limited

Trustees' annual report (incorporating the strategic report) for the year ended 31 August 2025

Investment policy

Some of the Company's investments are held as cash with remainder being held in an investment portfolio. This cash and the Company's unrestricted funds are held by two different banks and the portfolio is managed by Cazenove Capital.

Market value of land and buildings

The directors do not consider it possible to quantify the difference between the net book value and the market value of the Group's fixed assets without a professional valuation.

Guarantee

Each of the directors has guaranteed to contribute to the assets of the Company a sum of £1 in the event of a deficiency on winding up.

Voluntary help

During the year various individuals gave their time in supporting the School's activities. The value of this substantial support cannot be readily quantified and has not been included in the financial statements.

Financial Review

The consolidated surplus for the year amounted to £2,762,143 (2024: £850,326). This surplus includes £1,385,949 (2024: £nil) profit on sale of land and is before actuarial gains and losses on the defined benefit pension scheme. The actuarial loss for 2025 was £237,000 (2024: gain of £390,000) and the net increase in funds totals £2,525,143 (2024: £1,240,326). At the year end, the Group had retained reserves of £18,861,002 (2024: £16,335,859) of which £9,277,987 (2024: £9,453,128) relates to tangible fixed assets in the school and £1,800,000 (2024: £1,955,000) relates to pension assets. The balance of these funds is to be used in financing current and future developments. During the year there was capital expenditure of £125,817 (2024: £59,489).

The principal key financial performance indicators monitored by the governors are number of boys in the school. At the year end the number of boys in the school was 193 (2024: 188); the directors consider this to be satisfactory.

The directors are satisfied with the performance of the group's investment portfolio, which increased in value from £2,573,509 at 31 August 2024 to £2,676,127 at the year end.

The Ludgrove School Foundation

The Ludgrove School Foundation, a wholly owned subsidiary of Ludgrove School Trust Limited and a registered charity with the objects of the advancement of education, in particular by the support and promotion of Ludgrove School, had a surplus for the year of £1,464,580, after making a grant of £52,947 to the School (2024: surplus of £228,968 after a grant of £13,320) and is consolidated in these accounts.

Remuneration of Key Management Personnel

The remuneration of staff is set by the board with the objective of providing appropriate incentives to encourage first class performance and of rewarding members of staff fairly for their contributions to the success of the School. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single component of the School's charitable expenditure.

Staff remuneration is reviewed annually, with benchmarking exercises against other comparable independent schools carried out as appropriate to ensure the School remains aware of the broader issues of pay and employment conditions elsewhere.

Ludgrove School Trust Limited

Trustees' annual report (incorporating the strategic report) for the year ended 31 August 2025

Plans for future periods

The School is undertaking an estate master-planning exercise to ensure that the physical development of the school site over the next 10+ years is aligned with the strategic development objectives of the School. Post year end the School has registered for VAT in order to comply with the change in VAT regulation which requires fees for education to incur VAT at 20%. The School will apply VAT to fees as from 1 January 2025.

Principal risks and uncertainties

The board has assessed the major risks to which the School is exposed, in particular those related to the operations and finances of the School and is satisfied that systems are in place to mitigate exposure to the major risks. The directors' risk assessment process has identified those risks standard in owning and operating any private school. These include inter alia financial/fiscal, operational, legal/regulatory, strategic, and reputational risks.

These are regularly and carefully monitored by the directors and appropriate risk management measures implemented.

The Company keeps a risk register, to which newly identified risks are added as and when they are noted. Consideration is given to appropriate mitigation of all risks identified. The whole register is reviewed annually by the directors.

The principal risks to the school arise as a result of the importance of maintaining its outstanding reputation. This ensures that that school is able to attract sufficient boys and to recruit and retain the highest quality staff. This is of paramount importance to the directors who closely monitor all the factors that influence these areas to ensure that any risk to the school is minimal. The high level of demand for places and the school's excellent track record of supporting boys with gaining places at their first choice of public school are testament to their success in managing these risks.

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

This report, incorporating the Group Strategic Report, was approved by the directors on 24/04/2026.



Vanessa Morphet (Apr 24, 2026 16:01:30 GMT+1)

.....
V Morphet

Chairman

Ludgrove School Trust Limited

Trustees' responsibilities statement

The trustees (who are also directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Annual Report (incorporating the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Ludgrove School Trust Limited

Independent auditors' report to the members and trustees of Ludgrove School Trust Limited

Opinion

We have audited the financial statements of Ludgrove School Trust Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 August 2025 which comprise the Consolidated Statement of Financial Activities, Consolidated Statement of Financial Position, Company Statement of Financial Position, the Consolidated Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2025 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice: and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Ludgrove School Trust Limited

Independent auditors' report to the members and trustees of Ludgrove School Trust Limited

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report, which includes the Strategic Report and 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 Strategic Report and the Directors' Report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Annual Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees (who are directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and under section 151 of the Charities Act 2011, and report in accordance with those Acts and relevant regulations made or having effect thereunder.

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.

Ludgrove School Trust Limited

Independent auditors' report to the members and trustees of Ludgrove School Trust Limited

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

We obtained a general understanding of the Group's and the Parent Charitable Company's legal and regulatory framework through enquiry of management concerning: their understanding of relevant laws and regulations; the entities' policies and procedures regarding compliance; and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the Group's and the Parent Charitable Company's industry and regulation.

We understand that the Group and the Parent Charitable Company comply with the framework through:

- Outsourcing financial statement preparation and tax compliance to external experts;
- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change; and
- Management's oversight through regular meetings and compliance reporting.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the Group's and the Parent Charitable Company's ability to conduct its business, and where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Group's and the Parent Charitable Company's activities:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements; and
- The Charities Act 2011.

Based on our understanding we performed the following specific procedures to gain evidence about compliance with the significant laws and regulations above:

- We identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience of the sector;
- Making enquiries of management and those charged with governance to understand their awareness of any non-compliance of laws and regulations;
- Reviewing minutes of meetings of those charged with governance to identify any instances of non-compliance.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements via fraudulent journal entries

The procedures we carried out to gain evidence in the above areas included:

- Testing a sample of journal entries, selected through applying specific risk assessments based on the group's processes and controls surrounding manual journal entries

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

Ludgrove School Trust Limited

Independent auditors' report to the members and trustees of Ludgrove School Trust Limited

Use of our report

This report is made solely to the parent 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 parent charitable company's members and trustees, 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 parent charitable company, and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Craig Henderson

Craig Henderson (Apr 29, 2026 13:05:10 GMT+1)

Craig Henderson

Senior Statutory Auditor, for and on behalf of S&W Audit
Chartered Accountants

Onslow House
Onslow Street
Guildford
Surrey
GU1 4TL

Date: 29/04/2026

Ludgrove School Trust Limited

Consolidated statement of financial activities (incorporating income and expenditure account) for the year ended 31 August 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Designated funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:						
Donations	3	199,745	353,642	-	553,387	287,343
Charitable activities	4	6,801,570	-	-	6,801,570	6,425,809
Other trading activities	5	1,601,866	-	-	1,601,866	83,096
Investments	6	244,570	-	-	244,570	143,456
Total income		8,847,751	353,642	-	9,201,393	6,939,704
Expenditure on:						
Raising funds	7	74,745	-	-	74,745	46,748
Charitable activities	8	6,431,564	-	-	6,431,564	6,312,844
Total expenditure		6,506,309	-	-	6,506,309	6,359,592
Net gains on fixed asset investments		67,059	-	-	67,059	270,214
Net income		2,408,501	353,642	-	2,762,143	850,326
Transfers between funds		(49,671)	(52,947)	102,618	-	-
Other recognised gains and losses:						
Actuarial (losses)/gains on defined benefit pension schemes		(237,000)	-	-	(237,000)	390,000
Net income / movement in funds for the year		2,121,830	300,695	102,618	2,525,143	1,240,326
Reconciliation of funds						
Fund balances brought forward at 1 September 2024		13,522,005	240,345	2,573,509	16,335,859	15,095,533
Fund balances carried forward at 31 August 2025		15,643,835	541,040	2,676,127	18,861,002	16,335,859

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The notes on pages 15 to 34 form part of the financial statements.

Ludgrove School Trust Limited

Consolidated statement of financial position as at 31 August 2025

	Notes	£	2025 £	£	2024 £
Non current assets					
Property, plant and equipment	14		9,277,987		9,453,128
Investments	15		2,676,127		2,573,509
Pension assets	21		1,800,000		1,955,000
			<u>13,754,114</u>		<u>13,981,637</u>
Current assets					
Trade and other receivables	16	2,287,934		1,395,577	
Cash at bank and in hand		6,881,563		5,955,616	
			<u>10,073,013</u>	<u>7,351,193</u>	
Current liabilities					
Trade and other payables	17	(3,768,457)		(4,067,447)	
Net current assets			<u>5,401,040</u>		<u>3,283,746</u>
Net assets			<u>19,155,154</u>		<u>17,265,383</u>
Creditors: amounts falling due after more than one year	17		<u>(294,152)</u>		<u>(929,524)</u>
Net assets			<u>18,861,002</u>		<u>16,335,859</u>
Consolidated funds					
Designated funds	19		2,676,127		2,573,509
Restricted funds	19		541,040		240,345
Unrestricted funds	19		15,643,835		13,522,005
Total funds			<u>18,861,002</u>		<u>16,335,859</u>

The financial statements were approved by the trustees and signed on their behalf by:



Vanessa Morphet (Apr 24, 2026 16:01:30 GMT+1)

V Morphet

Chairman of Trustees

24/04/2026

Dated:

The notes on pages 15 to 34 form part of the accounts.

Ludgrove School Trust Limited

(A company limited by guarantee - Registered number: 01053039)

Company statement of financial position as at 31 August 2025

	Notes	£	2025 £	£	2024 £
Non current assets					
Property, plant and equipment	14		9,277,987		9,453,128
Investments	15		2,676,127		2,573,509
Pension assets	21		1,800,000		1,955,000
			<u>13,754,114</u>		<u>13,981,637</u>
Current assets					
Trade and other receivables	16	2,170,186		1,354,410	
Cash at bank and in hand		5,696,479		5,255,015	
		<u>7,866,665</u>		<u>6,609,425</u>	
Current liabilities					
Trade and other payables	17	(4,652,915)		(4,048,389)	
			<u>3,213,750</u>		<u>2,561,036</u>
Net current assets					
				<u>(294,152)</u>	<u>(929,524)</u>
Creditors: amounts falling due after more than one year					
Net assets					
			<u>16,673,712</u>		<u>15,613,149</u>
Consolidated funds					
Designated funds	19		2,676,127		2,573,509
Restricted funds	19		10,456		10,456
Unrestricted funds	19		13,987,129		13,029,184
			<u>16,673,712</u>		<u>15,613,149</u>
Total funds					

The unconsolidated net surplus of Ludgrove School Trust Limited for the year was £1,060,563 (2024: £1,011,357).

The financial statements were approved by the trustees and signed on their behalf by:



Vanessa Morphet (Apr 24, 2026 16:01:30 GMT+1)

V Morphet

Chairman of Trustees

Dated: 24/04/2026

The notes on pages 15 to 34 form part of the accounts.

Ludgrove School Trust Limited

Consolidated statement of cash flows for the year ended 31 August 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash generated from operating activities	A	858,301	3,330,085
Cash flows from investing activities			
Purchase of property, plant and equipment		(125,817)	(59,489)
Interest received		193,463	92,377
Net cash from investing activities		67,646	32,888
Change in cash and cash equivalents in the reporting period		925,947	3,362,973
Cash and cash equivalents at the beginning of the reporting period		5,955,616	2,592,643
Cash and cash equivalents at the end of the reporting period		6,881,563	5,955,616

Note to the statement of cash flows

A. Reconciliation of net income to net cash generated from operating activities

	2025 £	2024 £
Analysis of net funds		
Net income before other recognised gains and losses	2,762,143	850,326
Non cash expenses	15,548	14,286
Depreciation of property, plant and equipment	300,958	307,473
Interest received	(244,570)	(143,456)
(Increase)/decrease in trade and other receivables	(892,357)	595,139
(Decrease)/increase in trade and other payables	(934,362)	2,052,531
Gains on investments	(67,059)	(270,214)
Defined benefit pension scheme adjustments	(82,000)	(76,000)
Net cash generated from operating activities	858,301	3,330,085

The cash flow statement has been re-presented to remove the effect of movements on the investment portfolio as these do not represent changes in cash and cash equivalents.

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

1 Accounting policies

1.1 Basis of preparation of financial statements

The consolidated accounts are prepared under the Companies Act 2006 and the historical cost convention unless otherwise stated, in accordance with applicable United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS 102) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with FRS 102 (effective 1 January 2019) - (Charities SORP (FRS 102)).

Ludgrove School Trust Limited is a school offering education to boys aged 8 to 13, which meets the definition of a public benefit entity under FRS 102.

The Parent Company has taken advantage of the exemption available to qualifying entities under FRS 102 from preparing a Statement of Cash Flows

1.2 Basis of consolidation

The consolidated financial statements present the results of Ludgrove School Trust Limited and its subsidiary undertaking ('the Group'). The Company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.3 Going concern

Directors have reviewed the funds available to the School together with the expected ongoing demand for places and the future projected cash flows, and have concluded that the school has adequate resources to continue its activities for the foreseeable future. Additionally, despite the current uncertainty in the wider economy, the strength of the School's Statement of financial position is such that the directors consider that there is currently no material uncertainty over the school's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.4 Company status

The School is a registered charity and a private company limited by guarantee incorporated in England and Wales. The members of the Company are the directors named on page 1. The registered office is Ludgrove School, Wokingham, Berkshire, RG40 3AB. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company.

1.5 Fund accounting

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

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

Restricted funds represent unspent monies received for a particular donor-specified purpose, as explained in the notes to the financial statements.

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

(Continued)

1 Accounting policies

1.6 Income

All incoming resources are included in the Consolidated Statement of Financial Activities when the Company has entitlement to the funds, it is probable that monies will be received, and the amount can be measured with sufficient reliability.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Fee income represents fees, extras and disbursements, received for the education of the pupils attending the school, less discounts. Income received from the rendering of tuition services is recognised over the period the service is provided.

1.7 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

All resources expended are inclusive of irrecoverable VAT.

1.8 Property, plant and equipment

All assets costing more than £2,000 are capitalised.

Property, plant and equipment are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	2% straight-line
Leasehold buildings	over the term of the lease
Freehold land	not depreciated
Plant and machinery	15% straight-line
Motor vehicles	25% reducing balance

Included in leasehold properties are buildings held under short leases which are being depreciated at the rate of 2% per annum. In the directors' opinion the leases will be renewed indefinitely.

1.9 Operating leases

Rentals under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

(Continued)

1 Accounting policies

1.10 Taxation

As a charity, the Company and its subsidiary are exempt from tax on income and gains under current tax legislation to the extent that these are applied to charitable objects. No tax charges have arisen in the Group.

The Group is unable to recover the input VAT associated with the supply of goods and services as the provision of education is exempt from VAT. The irrecoverable VAT is included in the total cost applicable to each expense heading.

1.11 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

The Company additionally maintains a funded defined benefit pension scheme called the Ludgrove School Staff Pension Scheme. This scheme ceased to accrue benefits for active members as from 31 August 2011. Under the provisions of FRS 102, any surplus or deficit on the pension scheme is included in the Company's Statement of financial position.

A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. The liability recognised in the Statement of financial position in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Group engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other recognised gains/losses. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Actuarial gains on defined benefit scheme'.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in the Income and expenditure account as 'Finance expense'.

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

(Continued)

1 Accounting policies

1.12 Financial instruments

The charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

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

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial liabilities are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability.

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

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

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

1.13 Trade receivables

Trade receivables are recognised at the point at which the invoice is raised and there is an unconditional right to receive payment.

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

2 Key sources of estimation uncertainty and judgements

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the Statement of financial position date and the reported amounts of revenues and expenses during the reporting period.

Defined benefit pension scheme

The Charity has an obligation to pay pension benefits to employees. The costs of these benefits and the present value of the obligation depend on a number of factors including life expectancy, salary and pension increases, and the discount rate on corporate bonds. The directors make appropriate judgements and estimates based on professional advice received from the scheme's actuary. Assumptions are set out in note 21.

3 Income from donations

	Unrestricted funds 2025 £	Restricted funds 2025 £	Designated funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	199,745	353,642	-	553,387	287,343

Included in donations income of £287,343 for the year ended 31 August 2024 is £194,976 which relates to restricted funds and the balance of £92,367 relates to unrestricted funds.

4 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Designated funds £	Total Funds 2025 £	Total Funds 2024 £
Fees receivable	6,457,582	-	-	6,457,582	6,171,600
Extras	597,979	-	-	597,979	500,062
Non-refundable registration fees	8,369	-	-	8,369	9,674
Discounts and bursaries	(262,360)	-	-	(262,360)	(255,527)
	6,801,570	-	-	6,801,570	6,425,809

All income from other charitable activities in 2024 relates to unrestricted funds.

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

5 Income from other trading activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Designated funds 2025 £	Total funds 2025 £	Total funds 2024 £
Rent receivable	3,222	-	-	3,222	5,313
Other income	1,516,644	-	-	1,516,644	1,783
Net interest on pension asset (note 13)	82,000	-	-	82,000	76,000
	<u>1,601,866</u>	<u>-</u>	<u>-</u>	<u>1,601,866</u>	<u>83,096</u>

All income from other trading activities in 2024 relates to unrestricted funds.

Other income above includes profit on sale of agricultural land of £1,385,949.

6 Income from investments

	Unrestricted funds 2025 £	Restricted funds 2025 £	Designated funds 2025 £	Total funds 2025 £	Total funds 2024 £
Investment income	244,570	-	-	244,570	143,456

All investment income in 2024 relates to unrestricted funds.

7 Expenditure on raising funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Designated funds 2025 £	Total funds 2025 £	Total funds 2024 £
Bank charges	142	-	-	142	221
Fundraising events	54,364	-	-	54,364	26,688
Fundraising administration	20,239	-	-	20,239	19,839
	<u>74,745</u>	<u>-</u>	<u>-</u>	<u>74,745</u>	<u>46,748</u>

All expenditure on raising funds in 2024 relates to unrestricted funds.

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

8 Expenditure on charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Designated funds 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs (note 11)	3,669,485	-	-	3,669,485	3,497,901
Direct costs	1,119,555	-	-	1,119,555	1,151,978
Depreciation	300,958	-	-	300,958	307,473
Irrecoverable VAT	1,577	-	-	1,577	-
Support costs (note 9)	1,339,989	-	-	1,339,989	1,355,492
	6,431,564	-	-	6,431,564	6,312,844

All expenditure on charitable activities in 2024 relates to unrestricted funds.

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

9 Support costs

	Basis of allocation	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Premises	Direct	951,384	951,384	910,007
Garden & grounds	Direct	122,660	122,660	49,780
Professional fees	Direct	68,018	68,018	108,682
Other support costs	Direct	119,344	119,344	170,412
Donations payable	Direct	376	376	1,771
Governance costs	Direct	71,442	71,442	89,997
Bad debt provision	Direct	6,765	6,765	24,843
		<u>1,339,989</u>	<u>1,339,989</u>	<u>1,355,492</u>

All expenditure on support costs relates to unrestricted funds.

10 Net income

This is stated after charging:

	2025 £	2024 £
Depreciation of tangible fixed assets: - owned by the Charitable Group	300,958	307,473
Auditor's remuneration: - statutory audit of the Group	31,500	23,100
- statutory audit of the subsidiary	13,400	12,750
- accounting services	48,020	51,000
- tax advisory	24,275	10,350
Operating lease rentals	118,514	133,186

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

(Continued)

11 Staff costs

Staff costs were as follows:

	2025	2024
	£	£
Wages and salaries	2,777,732	2,689,031
Social security costs	292,117	258,467
Pension costs	599,636	550,403
	3,669,485	3,497,901

The average monthly number of employees during the year was as follows:

	2025	2024
	No.	No.
Teaching, pastoral and household	93	94
Maintenance	7	8
Administration	8	8
	108	110

The number of higher paid employees was:

	2025	2024
	No.	No.
In the band £60,001 - £70,000	4	7
In the band £70,001 - £80,000	4	2
In the band £110,001 - £120,000	-	-
In the band £120,001- £130,000	-	1
In the band £130,001- £140,000	1	-
	9	10

Key management personnel ("KMP") comprises the directors, the headmaster, the bursar and the deputy headmasters. Total remuneration paid to KMP was £328,003 (2024: £302,437).

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

12 Directors' remuneration

During the year, no directors received any remuneration (2024: none).

During the year, no directors received any benefits in kind (2024: none).

During the year retirement benefits were accruing to no directors (2024: none) in respect of defined benefit pension schemes.

During the year, no directors were reimbursed expenses (2024: none).

13 Net interest on pension scheme asset

	2025	2024
	£	£
Interest income on pension scheme assets	378,000	403,000
Interest on pension scheme liabilities	(296,000)	(327,000)
	<hr/>	<hr/>
Net interest on net defined benefit asset	82,000	76,000
	<hr/> <hr/>	<hr/> <hr/>

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

14 Group and compay tangible fixed assets

	Land & Buildings £	Plant & Machinery £	Motor Vehicles £	Total £
Cost				
At 1 September 2024	13,048,856	1,709,206	38,763	14,796,825
Additions	84,101	41,716	-	125,817
Disposals	-	(193,872)	-	(193,872)
At 31 August 2025	13,132,957	1,557,050	38,763	14,728,770
Depreciation				
At 1 September 2024	3,785,859	1,529,011	28,827	5,343,697
Charge for the year	230,566	67,909	2,483	300,958
On disposals	-	(193,872)	-	(193,872)
At 31 August 2024	4,016,425	1,403,048	31,310	5,450,783
Net book value				
At 31 August 2025	9,116,532	154,002	7,453	9,277,987
At 31 August 2024	9,262,997	180,195	9,936	9,453,128

Included in net book value of land and buildings is:

	2025 £	2024 £
Freehold land and buildings	8,830,209	8,962,940
Long leasehold	58,156	59,121
Short leasehold	228,168	240,935

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

15 Fixed asset investments

	Cash	Listed investments	Total
Group and company	£	£	£
Market value			
At 1 September 2024	138,496	2,435,013	2,573,509
Additions	98,817	1,241,338	1,340,155
Disposals	-	(1,330,533)	(1,330,533)
Revaluation	-	92,996	92,996
At 31 August 2025	237,313	2,438,814	2,676,127

Total investment gains of £67,059 (2024: £270,214) as shown on the Statement of Financial Activities comprise unrealised gains of £92,996 (2024: £224,138) and realised losses of £25,937 (2024: gains of £46,076).

Investments at 31 August 2025 comprise:

	2025 £	2024 £
Equities	1,365,024	1,338,731
Bonds	643,335	647,795
Alternatives	430,455	448,487
Cash	237,313	138,496
	2,676,127	2,573,509

16 Trade and other receivables

	Group		Company	
	2025 £	2024 £	2025 £	2024 £
Trade receivables	1,961,738	1,248,406	1,843,990	1,200,776
Amounts owed by group undertakings	-	-	-	6,463
Prepayments and accrued income	317,695	127,064	317,695	127,064
Other receivables	8,501	20,107	8,501	20,107
	2,287,934	1,395,577	2,170,186	1,354,410

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

17 Trade and other payables

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Trade payables	384,129	92,529	384,129	92,529
Amounts owed to group undertakings	-	-	903,516	-
Other payables	545,204	288,884	545,204	288,884
Pensions payable	54,309	47,122	54,309	47,122
Social security payable	78,447	66,989	78,447	66,989
Accruals	112,711	196,044	93,653	176,986
Deferred income (note 18)	2,593,657	3,375,879	2,593,657	3,375,879
	3,768,457	4,067,447	4,652,915	4,048,389

Amounts falling due after one year

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Deferred income (note 18)	294,152	929,524	294,152	929,524
	294,152	929,524	294,152	929,524

18 Deferred income

Deferred income relates to school fees paid in advance.

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
As at 1 September	4,305,403	2,256,693	4,305,403	2,256,693
Amounts released to SOFA	(4,011,251)	(2,256,693)	(4,011,251)	(2,256,693)
Amounts refunded	(100,011)	-	(100,011)	-
Amounts deferred in the year	2,693,668	4,305,403	2,693,668	4,305,403
As at 31 August	2,887,809	4,305,403	2,887,809	4,305,403

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

19 Statement of funds - Group

	Brought forward 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (losses) £	Carried forward 31 August 2025 £
General funds - all funds	13,522,005	8,847,751	(6,506,309)	(49,671)	(169,941)	15,643,835
Designated funds						
Strategic reserve	750,000	-	-	-	-	750,000
Long-term investment reserve	750,000	-	-	-	-	750,000
Special projects reserve	1,073,509	-	-	102,618	-	1,176,127
Total designated funds	2,573,509	-	-	102,618	-	2,676,127
Restricted funds						
Learning support	10,456	-	-	-	-	10,456
Bursary fund	229,889	353,642	-	(52,947)	-	530,584
Total restricted funds	240,345	353,642	-	(52,947)	-	541,040
Total funds	16,335,859	9,201,393	(6,506,309)	-	(169,941)	18,861,002

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

(Continued)

19 Statement of funds (continued) - Company

	Brought forward 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (losses) £	Carried forward 31 August 2025 £
General funds - all funds	13,029,184	8,590,115	(7,359,611)	(102,618)	(169,941)	13,987,129
Designated funds						
Strategic reserve	750,000	-	-	-	-	750,000
Long-term investment reserve	750,000	-	-	-	-	750,000
Special projects reserve	1,073,509	-	-	102,618	-	1,176,127
Total designated funds	2,573,509	-	-	102,618	-	2,676,127
Restricted funds						
Learning support	10,456	-	-	-	-	10,456
Total restricted funds	10,456	-	-	-	-	10,456
Total funds	15,613,149	8,590,115	(7,359,611)	-	(169,941)	16,673,712

Designated funds

The Strategic reserve has been set up to cover possible future expenditure of an exceptional nature.

The Long-term investment reserve has been set up to cover future expenditure on the School's land and buildings.

The Special projects reserve has been set up for potential future requirements of the school.

Restricted funds

The Learning support fund was created by the donation of funds specifically for learning support.

The Bursary fund was created by the donation of funds in the subsidiary charity specifically for the purpose of providing bursaries. The transfer to unrestricted funds of £52,947 reflects amounts expended on this purpose in the year.

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

20 Analysis of net assets between funds

Group	Unrestricted funds 2025 £	Restricted funds 2025 £	Designated funds 2025 £	Total funds 2025 £	Total funds 2024 £
Tangible fixed assets	9,277,987	-	-	9,277,987	9,259,256
Fixed asset investments	-	-	2,676,127	2,676,127	2,573,509
Pension asset	1,800,000	-	-	1,800,000	1,955,000
Current assets	9,531,973	541,040	-	10,073,013	7,351,193
Creditors due within one year	(4,671,973)	-	-	(4,671,973)	(4,067,447)
Creditors due after one year	(294,152)	-	-	(294,152)	(929,524)
	15,643,835	541,040	2,676,127	18,861,002	16,141,987

All tangible fixed assets for 2024 relate to unrestricted funds. All fixed asset investments for 2024 relate to designated funds. Included within current assets for 2024 is £240,345 relating to restricted funds with the balance of £7,110,848 relating to unrestricted funds. All creditors and provisions for liabilities and charges for 2024 relate to unrestricted funds.

Company	Unrestricted funds 2025 £	Restricted funds 2025 £	Designated funds 2025 £	Total funds 2025 £	Total funds 2024 £
Tangible fixed assets	9,277,987	-	-	9,277,987	9,453,128
Fixed asset investments	-	-	2,676,127	2,676,127	2,573,509
Pension asset	1,800,000	-	-	1,800,000	1,955,000
Current assets	7,856,209	10,456	-	7,866,665	6,609,425
Creditors due within one year	(4,652,915)	-	-	(4,652,915)	(4,048,389)
Creditors due after one year	(294,152)	-	-	(294,152)	(929,524)
	13,987,129	10,456	2,676,127	16,673,712	15,613,149

All tangible fixed assets for 2024 relate to unrestricted funds. All fixed asset investments for 2024 relate to designated funds. Included within current assets for 2024 is £10,456 relating to restricted funds with the balance of £6,598,969 relating to unrestricted funds. All creditors and provisions for liabilities and charges for 2024 relate to unrestricted funds.

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

21 Pension commitments

Ludgrove School Trust Limited operates a Group Personal Pension scheme, a defined contribution scheme, for the benefit of certain employees. Contributions in the year were £599,636 (2024: £550,403)

The Group also operates a defined benefit pension scheme.

Contributions by both employees and the Company are held in director administered funds completely independent of the Company's finances. The profit and loss charge is based upon actuarial advice by a professionally qualified actuary. The Scheme's Actuary is not an employee of the sponsoring employer.

The Virgin Media Ltd v NTL Pension Trustees II decision, handed down by the High Court on 16 June 2023, considered the implications of section 37 of the Pension Schemes Act 1993. This section was in force between April 1997 and April 2016, and required that benefit changes could only be made in contracted-out defined benefit schemes if the scheme actuary had confirmed in writing that the scheme would still meet a minimum benefit test after the benefit changes had been made. In a judgment delivered on 25 July 2024, the Court of Appeal unanimously upheld the decision of the High Court that amendments made to the NTL Pension Plan were void because this written confirmation from the actuary could not be found. This case has the potential to cause significant issues in the pensions industry. The trustees of the Ludgrove School Defined Benefit pension scheme will investigate the possible implications with its advisers in due course, but it is not possible at present to estimate the potential impact, if any, on the Scheme.

The amounts recognised in the Statement of financial position are as follows:

	2025 £	2024 £
Present value of funded obligations	(5,505,000)	(6,514,000)
Fair value of scheme assets	7,305,000	8,469,000
Net balance	1,800,000	1,955,000

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2025 £	2024 £
Net interest income	82,000	76,000

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

21 Pension commitments

(Continued)

Movements in the present value of the defined benefit obligation and the fair value of scheme assets were as follows:

	Assets £	Liabilities £	Total £
At 1 September 2024	8,469,000	(6,514,000)	1,955,000
Interest income on scheme assets	392,000	-	392,000
Return less interest income on scheme assets	(580,000)	-	(580,000)
Interest cost	-	(296,000)	(296,000)
Benefits paid	(962,000)	962,000	-
Actuarial gains/(losses)	-	343,000	343,000
Administration expenses	(14,000)	-	14,000
At 31 August 2025	7,305,000	(5,505,000)	1,800,000

The date of the most recent actuarial valuation of the scheme assets and liabilities was 5 April 2022.

The Group expects to contribute £nil(2024: £nil) to its defined benefit pension scheme in 2026.

Principal actuarial assumptions at the Statement of financial position date (expressed as weighted averages):

	2025	2024
Pension revaluation in deferment (CPI, maximum 5% with effect from 6 April 1999 to 5 April 2009)	2.20%	2.70%
Pension revaluation in deferment (CPI, maximum 2.5% with effect from 6 April 2009)	2.20%	2.50%
Discount rate	5.90%	4.90%
Pension escalation in payment (RPI, max 2.5% with effect from 1 August 2007)	2.10%	2.10%
Pension escalation in payment (RPI, max 5% with effect from 6 April 1999 to 31 July 2007)	2.90%	3.00%
RPI inflation	3.00%	3.10%
CPI inflation	2.20%	2.70%

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

22 Operating lease commitments

At 31 August 2025 the Group had commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2025	2024	2025	2024
	£	£	£	£
Group and company				
Expiry date:				
Less than 1 year	95,321	94,408	35,662	72,762
Between 1 and 5 years	57,670	110,904	50,038	84,690
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

23 Capital commitments

There are no capital commitments as at 31 August 2025 (2024: £Nil).

24 Contingent liability

As described in note 21, the implications of the High Court ruling in respect of section 37 of the Pension Schemes Act 1993 on the School's defined benefit pension scheme have not been determined. This has the potential to create an additional obligation in respect of scheme liabilities, but it is not possible to reliably estimate the potential impact of this judgement on the scheme without further investigation. The trustees of the scheme intend to take legal advice before taking next steps.

25 Related parties

The Foundation made bursary grants of £52,947 (2024: £13,320) to the School during the year. During the year the School has settled expenses related to Foundation of £74,603 (2024: £41,897) and the School pledged donations of £1,025,927 to the Foundation during the year (2024: £nil). As at the year end £903,516 is due to be paid to the Foundation (2024: £6,463 due from Foundation to School).

R M Besten and LC L Fitzwilliams have boys who attended the School during the year. Fees were paid on normal commercial basis.

Close family members of key management personnel received remuneration of £73 (2024: £nil) during the year.

There were no other related party transactions during the year that require disclosure.

26 Controlling party

There is considered to be no ultimate controlling party.

Ludgrove School Trust Limited

Notes to the financial statements for the year ended 31 August 2025

28 Subsidiary

Company name	Country	Percentage shareholding	Description
The Ludgrove School Foundation	United Kingdom	100%	Charitable foundation

The Charity is the ultimate controlling party of The Ludgrove School Foundation Limited as established by its memorandum and articles of association dated 7 August 2012, company number 08170775 and charity number 1149573. The objective of The Ludgrove School Foundation Limited is to distribute funds available to it in support of charitable purposes approved by its directors. The assets and liabilities of the subsidiary which have been included in the consolidated accounts are shown below as are a summary of its income and expenditure. The registered office of The Ludgrove School Foundation is Ludgrove, Wokingham, RG40 3AB.

Summary of subsidiary assets and liabilities

	2025 £	2024 £
Debtors	1,021,264	47,630
Cash	1,185,084	700,601
Creditors	(19,058)	(25,521)
Net assets	2,187,290	722,710

Income and expenditure summary

	2025 £	2024 £
Voluntary income	1,591,341	276,608
Costs of generating voluntary income	(60,435)	(26,688)
Grant to Ludgrove School	(52,947)	(13,320)
Professional fees	(142)	(221)
Governance costs	(20,239)	(19,839)
Investment income	7,002	12,428
Surplus	1,464,580	228,968
Funds brought forward	722,710	493,742
Total	2,187,290	722,710

LUDGROVE SCHOOL TRUST LIMITED

England & Wales - Charity number 309100

Accounts

Registered number: 01053039
Charity number: 309100

LUDGROVE SCHOOL TRUST LIMITED
(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

LUDGROVE SCHOOL TRUST LIMITED
(A company limited by guarantee)

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LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2024

Directors

C L Butterworth, Chairman
N R Brooks (resigned on 17 June 2024)
R N T Cormack
R M den Besten
L C L Fitzwilliams
J E Floyd (appointed on 7 February 2025)
A B Henshilwood
A J Hinchliff
B J Holden (resigned on 11 March 2024)
V J Morphet
C E R Scott-Malden (appointed on 17 June 2024)
M A Smyth-Osbourne
D D Vigors

Company secretary

M E Brittain

Company registered number

01053039

Charity registered number

309100

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2024

Registered office

Ludgrove School
Wokingham
Berkshire
RG40 3AB

Auditor

S&W Partners Audit Limited
Statutory Auditor
Chartered Accountants
Onslow House
Onslow Street
Guildford
Surrey
GU1 4TL

Bankers

Barclays Bank Plc
P O Box 61
Bracknell
Berkshire
RG12 1GJ

NatWest Bank Plc
5 High Street
Bracknell
RG12 1DH

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2024

The directors present their annual report and the financial statements for the year ended 31 August 2024. The financial statements consolidate the results of the School and Ludgrove School Foundation Limited.

Legal and administrative details

The School is a private company limited by guarantee incorporated under the Companies Acts 1948 to 1967, registered number 01053039, and a registered charity, number 309100. The Company was incorporated on 4 May 1972 and its governing document is the Memorandum and Articles of Association.

Directors

The directors, who are also governors and trustees, of the School at 31 August 2024 and up to the date of approval of these financial statements were:

C L Butterworth, Chairman
N R Brooks (resigned on 17 June 2024)
R N T Cormack
R M den Besten
L C L Fitzwilliams
J E Floyd (appointed on 7 February 2025)
A B Henshilwood
A J Hinchliff
B J Holden (resigned on 11 March 2024)
V J Morphet
C E R Scott-Malden (appointed on 17 June 2024)
M A Smyth-Osbourne
D D Vigors

R M den Besten and L C L Fitzwilliams have boys who attended the School during the year. Fees were paid on normal commercial terms.

There are no trustees other than the directors. Meetings of the full board of directors were held three times during the year, virtually in the summer term. As well as these meetings, there is frequent communication between the directors and there are sub-committee meetings with appropriate professional advisors in attendance. Regular contact is maintained with the headmaster between full board meetings. Details of new legislation, new regulations and news of other significant developments which will affect the School, together with appropriate training material, are sent to the directors as they arise.

The Board is responsible for identifying, recruiting and appointing new directors. New directors are inducted by individual board members, the headmaster and company secretary. The day to day running of the School is delegated to the headmaster, S W T Barber and deputy headmasters, J G Pinchin-Hughes and T B Wilson.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2024

Objectives and activities

The principal aim and activity of the Company continues to be the provision and promotion of a first class education. Ludgrove seeks to be a school where boys can grow and develop in a happy, caring environment, learn an awareness and concern for others around them and achieve their full potential, at the same time as providing facilities, employment and resources for the local community of Wokingham. The Company's strategies for achieving its aims include the recruitment, employment and training of a high quality, caring and professional workforce; the maintenance of a high standard of academic, moral and personal education; the maintenance, continual improvement and, when necessary, the addition of facilities at the School; and making available and seeking opportunities for the use of the School's grounds and facilities by other schools, clubs and other organisations in the local community.

The School had 188 (2023: 189) pupils on the register at the year end and has had a successful year with academic, sporting and cultural achievements as strong as ever.

Achievements and performance

As always we remain unashamedly ambitious for our boys in whatever they do, particularly on the academic front and it is a fact that every year, with a non-selective intake in Year 4, our boys achieve incredible academic success. We were delighted that all the top year boys gained entry to nine distinguished schools, including twenty to Eton, seven to Radley, six to Winchester, three to Harrow, two each to Ampleforth, Marlborough and Sherborne, and one each to Cheltenham, Sevenoaks, Thomas's and Tonbridge.

When one thinks of a curriculum it is very easy to focus on the academic side of things. However, life outside the classroom is just as much a part of a child's education and sporting activity, cultural, musical and artistic studies continue to be an important part of life at the school. Team games of football and rugby were played against other schools at all ages and at all levels of ability. Additional matches were arranged in hockey, tennis, squash, fives, swimming, golf, chess, general knowledge, judo and athletics. Music and drama continue to play an important role in school life and all the boys take part in public speaking and poetry reciting events as well as in debates. The theatre continues to provide a wonderful space for the performing arts and it has without doubt enhanced the confidence and character of the boys. It is also a venue which attracts high quality speakers and the lectures enjoyed this year have significantly enriched us all.

LUDGROVE SCHOOL TRUST LIMITED

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2024

Public Benefit

Ludgrove strives to fulfil its charitable objects to promote and provide for the advancement of education for the benefit of both its pupils and the wider community. The Governors, as charity trustees, have a duty to report in their Annual Report on the public benefit provided by the school.

The Governors have given consideration to the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on running a charity and charging for services, and have concluded:

1. That there are clearly identifiable benefits from the School's work which relate directly to its aims as set out above;
2. There is no significant detriment flowing directly from the School's work which we consider needs to be balanced against those benefits;
3. That the benefits which the school provides are widely available. A bursary policy has been established and funds put aside to provide a genuine opportunity for those who cannot afford the School's fees to benefit from it.

Bursary policy

The School has a subsidiary charitable foundation to raise money to be available for the funding and advertising of scholarships and bursaries to be offered by the School. Until the foundation has raised sufficient funds to be able to provide such funding, the School makes a budgetary provision of an appropriate and affordable proportion of gross fee income to be applied to means tested bursaries (ranging up to 100% remission of fees). This bursary funding is available for all prospective and existing pupils including those in receipt of Continuity of Education Allowance and those supported by the Royal National Children's SpringBoard Foundation. Ludgrove is proud to be a RNCSF approved school. A bursary policy is in operation and is available to be viewed on the School's website. In addition, the School has arrangements in place with certain public schools for the identification of potential bursary candidates.

Ancillary or incidental educational and other associated activities

Locally Ludgrove does not exist in isolation and is part of the wider community. It offers educational support to members of the public on different levels, employs many local people and wherever possible supports local suppliers and businesses. During the year the school facilities were used on numerous occasions for the educational benefit of teachers and pupils from other schools. It is our intention to build on existing relationships to forge stronger links with local community schools, in particular:

- Following the success of the partnership with the Grub Club, a local organisation set up to feed children in receipt of free school meals during the school holidays, we were pleased to be able to provide fresh fruit and vegetables for weekly food parcels delivered during the school holidays
- Ludgrove has entered into a partnership with a cluster of six local state schools and employs a part-time administrator who is responsible for identifying and implementing opportunities for collaborative working with those schools. In addition, Ludgrove provides a budget to allow the organisation of a range of curriculum enrichment events, ranging from large scale events reaching 1,000 + students to targeted activities designed to focus on small groups with specific needs.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

- Ludgrove has established a Community Education Support Fund to make grants available to local schools. The Fund is currently providing financial support for music, literacy and mental health projects.
- There is a dedicated sub-committee of Governors, the Social Impact Committee, which oversees and promotes these partnerships and grants.

In addition to the above, the minibuses, swimming pool and sports hall are all used by the wider community.

Three members of staff are currently serving on the governing bodies of local state schools.

The School will continue to further foster links with the local community and Local Authority funded schools focusing on the provision of access to the School's facilities and opportunities to share expertise in academic, cultural and sporting activities as well as regularly reviewing how it can best deliver its charitable objectives.

Fundraising

All fundraising activities for the School are carried out by our staff with assistance from parents for specific fundraising events. The School does not use professional fundraisers. All fundraising activities are managed by the School and monitored by the directors. The School's subsidiary charity, The Ludgrove School Foundation, carries out fundraising activity for the Group and during the year raised £276,608 (2023: £119,817) in donations.

No complaints relating to fundraising activities have been received by the School during this financial year. The School does not currently subscribe to any specific fundraising standards or schemes but considers that it has set appropriate standards for the operations and management of its fundraising activities. In particular the School considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion.

Reserves policy

The Group's reserves of £16,335,859 (2023: £15,095,533) are held to enable the School to meet its objectives. The unrestricted reserves are substantially represented by fixed assets enabling the School to provide its services. The Group also had £90,765 (2023: £33,442) in restricted funds at the beginning of the year. Restricted funds at the end of the year were £240,345.

The designated funds are made up of the strategic reserve, long term investment reserve and special projects reserve. These funds are held to ensure the School has enough funds for unforeseen circumstances and capital projects around the school. Please see additional detail on page 33. There is currently no known date for the expected expenditure of these funds.

Investment policy

Some of the Company's investments are held as cash with remainder being held in an investment portfolio. This cash and the Company's unrestricted funds are held by two different banks and the portfolio is managed by Cazenove Capital.

Market value of land and buildings

The directors do not consider it possible to quantify the difference between the net book value and the market value of the Group's fixed assets without a professional valuation.

LUDGROVE SCHOOL TRUST LIMITED

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2024

Guarantee

Each of the directors has guaranteed to contribute to the assets of the Company a sum of £1 in the event of a deficiency on winding up.

Voluntary help

During the year various individuals gave their time in supporting the School's activities. The value of this substantial support cannot be readily quantified and has not been included in the financial statements.

Financial Review

The surplus for the year amounted to £850,326 (2023: £87,492). This surplus is before actuarial gains and losses on the defined benefit pension scheme. The actuarial gain for 2024 was £390,000 (2023: £657,000) and the net increase in funds totals £1,240,326 (2023: £744,492). At the year end, the Group had retained reserves of £16,335,859 (2023: £15,095,533) of which £9,453,128 (2023: £9,701,112) relates to tangible fixed assets in the school and £1,955,000 (2023: £1,489,000) relates to pension assets. The balance of these funds is to be used in financing current and future developments. During the year there was capital expenditure of £59,489 (2023: £45,924).

The principal key financial performance indicators monitored by the governors are number of boys in the school. At the year end the number of boys in the school was 188 (2023: 189); the directors consider this to be satisfactory.

The directors are satisfied with the performance of the group's investment portfolio, which increased in value from £2,266,502 at 31 August 2023 to £2,573,509 at the year end.

The Ludgrove School Foundation

The Ludgrove School Foundation, a wholly owned subsidiary of Ludgrove School Trust Limited and a registered charity with the objects of the advancement of education, in particular by the support and promotion of Ludgrove School, had a surplus for the year of £228,968, after making a grant of £13,320 to the School (2023: surplus of £55,203 after a grant of £12,360) and is consolidated in these accounts.

Remuneration of Key Management Personnel

The remuneration of staff is set by the board with the objective of providing appropriate incentives to encourage first class performance and of rewarding members of staff fairly for their contributions to the success of the School. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single component of the School's charitable expenditure.

Staff remuneration is reviewed annually, with benchmarking exercises against other comparable independent schools carried out as appropriate to ensure the School remains aware of the broader issues of pay and employment conditions elsewhere.

LUDGROVE SCHOOL TRUST LIMITED

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2024

Plans for future periods

The School is undertaking an estate master-planning exercise to ensure that the physical development of the school site over the next 10+ years is aligned with the strategic development objectives of the School. Post year end the School has registered for VAT in order to comply with the change in VAT regulation which requires fees for education to incur VAT at 20%. The School will apply VAT to fees as from 1 January 2025.

Principal risks and uncertainties

The board has assessed the major risks to which the School is exposed, in particular those related to the operations and finances of the School and is satisfied that systems are in place to mitigate exposure to the major risks. The directors' risk assessment process has identified those risks standard in owning and operating any private school. These include inter alia financial/fiscal, operational, legal/regulatory, strategic, and reputational risks.

These are regularly and carefully monitored by the directors and appropriate risk management measures implemented.

The Company keeps a risk register, to which newly identified risks are added as and when they are noted. Consideration is given to appropriate mitigation of all risks identified. The whole register is reviewed annually by the directors.

The principal risks to the school arise as a result of the importance of maintaining its outstanding reputation. This ensures that that school is able to attract sufficient boys and to recruit and retain the highest quality staff. This is of paramount importance to the directors who closely monitor all the factors that influence these areas to ensure that any risk to the school is minimal. The high level of demand for places and the school's excellent track record of supporting boys with gaining places at their first choice of public school are testament to their success in managing these risks.

Change in accounting policy

During the year, the School conducted a review of its accounting policies and subsequently revised its policy for the recognition of trade debtors. Previously, trade debtors related to termly fees were not recognised until the commencement of the relevant term. Under the revised policy, trade debtors are now recognised at the point at which the invoice is raised and there is an unconditional right to receive payment. Management believes that this change provides more reliable and relevant information regarding the School's financial position. The impact of this change has been applied retrospectively and detail is provided in note 24.

LUDGROVE SCHOOL TRUST LIMITED

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2024

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

This report, incorporating the Group Strategic Report, was approved by the directors on **22/05/2025** and signed on their behalf by:



Charles Butterworth (May 22, 2025 16:15 GMT+1)

.....
C L Butterworth
Chairman

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2024

Trustees' Responsibilities Statement

The trustees (who are also directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Annual Report (incorporating the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED

Opinion

We have audited the financial statements of Ludgrove School Trust Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 August 2024 which comprise the Consolidated Statement of Financial Activities, Consolidated Statement of Financial Position, Company Statement of Financial Position, the Consolidated Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2024 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED (continued)

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report, which includes the Strategic Report and 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 Strategic Report and the Directors' Report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Annual Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, the trustees (who are directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED (continued)

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

We have been appointed as auditor under the Companies Act 2006 and under section 151 of the Charities Act 2011, and report in accordance with those Acts and relevant regulations made or having effect thereunder.

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

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

We obtained a general understanding of the Group's and the Parent Charitable Company's legal and regulatory framework through enquiry of management concerning: their understanding of relevant laws and regulations; the entities' policies and procedures regarding compliance; and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the Group's and the Parent Charitable Company's industry and regulation.

We understand that the Group and the Parent Charitable Company comply with the framework through:

- Outsourcing financial statement preparation and tax compliance to external experts;
- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change; and
- Management's oversight through regular meetings and compliance reporting.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the Group's and the Parent Charitable Company's ability to conduct its business, and where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Group's and the Parent Charitable Company's activities:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements; and
- The Charities Act 2011.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED (continued)

Based on our understanding we performed the following specific procedures to gain evidence about compliance with the significant laws and regulations above:

- We identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience of the sector;
- Making enquiries of management and those charged with governance to understand their awareness of any non-compliance of laws and regulations;
- Reviewing minutes of meetings of those charged with governance to identify any instances of non-compliance.

The senior statutory auditor led a discussion with all members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements via fraudulent journal entries
- Misstatement of deferred income

The procedures we carried out to gain evidence in the above areas included:

- Testing a sample of journal entries, selected through applying specific risk assessments based on the group's processes and controls surrounding manual journal entries
- Testing deferred income for completeness and accuracy

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

Use of our report

This report is made solely to the parent 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 parent charitable company's members and trustees, 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 parent charitable company, and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

S&W Partners Audit Limited

S&W Partners Audit Limited (May 22, 2025 16:18 GMT+1)

Julie Mutton

Senior Statutory Auditor, for and on behalf of **S&W Partners Audit Limited**

Statutory Auditor

Chartered Accountants

Onslow House
Onslow Street
Guildford
Surrey
GU1 4TL

Date: **22/05/2025**

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Designated funds 2024 £	Total funds 2024 £	Total funds 2023 £
INCOME FROM:						
Donations	3	92,367	194,976	-	287,343	116,890
Charitable activities	4	6,425,809	-	-	6,425,809	5,914,865
Other trading activities	5	83,096	-	-	83,096	38,555
Investments	6	143,456	-	-	143,456	66,633
TOTAL INCOME		6,744,728	194,976	-	6,939,704	6,136,943
EXPENDITURE ON:						
Raising funds	7	46,748	-	-	46,748	52,254
Charitable activities	8	6,312,844	-	-	6,312,844	6,029,319
TOTAL EXPENDITURE		6,359,592	-	-	6,359,592	6,081,573
Net gains on fixed asset investments		270,214	-	-	270,214	32,122
NET INCOME		655,350	194,976	-	850,326	87,492
Transfers between funds		333,640	(45,396)	(288,244)	-	-
Other recognised gains: Actuarial gains on defined benefit pension schemes		390,000	-	-	390,000	657,000
NET INCOME/MOVEMENT IN FUNDS FOR THE YEAR		1,378,990	149,580	(288,244)	1,240,326	744,492
Reconciliation of funds <i>Total funds at 1 September 2023</i>		12,143,015	90,765	2,861,753	15,095,533	14,351,041
TOTAL FUNDS AT 31 AUGUST 2024		13,522,005	240,345	2,573,509	16,335,859	15,095,533

All activities relate to continuing operations. The notes on pages 20 to 38 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2024

	Note	£	2024 £	As restated 2023 £
NON CURRENT ASSETS				
Property, plant and equipment	14		9,453,128	9,701,112
Investments	15		2,573,509	2,266,502
Pension asset	21		1,955,000	1,489,000
			<u>13,981,637</u>	<u>13,456,614</u>
CURRENT ASSETS				
Trade and other receivables	16	1,395,577		1,990,716
Cash and cash equivalents		5,955,616		2,592,643
		<u>7,351,193</u>		<u>4,583,359</u>
CURRENT LIABILITIES				
Trade and other payables	17	(4,067,447)		(2,944,440)
NET CURRENT ASSETS				
			<u>3,283,746</u>	<u>1,638,919</u>
NON-CURRENT LIABILITIES				
Trade and other payables	17	(929,524)		-
NET ASSETS				
			<u>16,335,859</u>	<u>15,095,533</u>
CONSOLIDATED FUNDS				
Designated funds	19		2,573,509	2,861,753
Restricted funds	19		240,345	90,765
Unrestricted funds	19		<u>13,522,005</u>	<u>12,143,015</u>
TOTAL FUNDS			<u>16,335,859</u>	<u>15,095,533</u>

The financial statements were approved by the directors on 22/05/2025 and signed on their behalf, by:

C Butterworth 
Charles Butterworth (May 22, 2025 16:15 GMT+1)

The notes on pages 20 to 38 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2024


		2024		As restated 2023	
	Note	£	£	£	£
NON CURRENT ASSETS					
Property, plant and equipment	14		9,453,128		9,701,112
Investments	15		2,573,509		2,266,502
Pension asset	21		1,955,000		1,489,000
			<u>13,981,637</u>		<u>13,456,614</u>
CURRENT ASSETS					
Trade and other receivables	16	1,354,410		2,018,601	
Cash and cash equivalents		5,255,015		2,057,996	
		<u>6,609,425</u>		<u>4,076,597</u>	
CURRENT LIABILITIES					
Trade and other payables	17	<u>(4,048,389)</u>		<u>(2,931,419)</u>	
NET CURRENT ASSETS					
			<u>2,561,036</u>		<u>1,145,178</u>
NON-CURRENT LIABILITIES					
Trade and other payables	17	<u>(929,524)</u>		<u>-</u>	
NET ASSETS					
			<u>15,613,149</u>		<u>14,601,792</u>
CONSOLIDATED FUNDS					
Designated funds	19		2,573,509		2,861,753
Restricted funds	19		10,456		33,442
Unrestricted funds	19		<u>13,029,184</u>		<u>11,706,597</u>
TOTAL FUNDS					
			<u>15,613,149</u>		<u>14,601,792</u>

LUDGROVE SCHOOL TRUST LIMITED
(A company limited by guarantee)

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 AUGUST 2024

The unconsolidated net surplus of Ludgrove School Trust Limited for the year was £1,011,357 (2023: £689,289).

The financial statements were approved by the directors on 22/05/2025 and signed on their behalf, by:


Charles Butterworth (May 22, 2025 16:15 GMT+1)

C Butterworth

The notes on pages 20 to 38 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash generated from operating activities	A	3,315,799	274,916
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment income		143,456	66,633
Purchase of property, plant and equipment		(59,489)	(45,928)
Proceeds on disposal of property, plant and equipment		-	5,542
Proceeds on disposal of fixed asset investments		452,729	502,767
Increase in fixed asset investments		(489,522)	(529,811)
Net cash from/(used in) investing activities		47,174	(797)
Change in cash and cash equivalents in the reporting period		3,362,973	274,119
Cash and cash equivalents at the beginning of the reporting period		2,592,643	2,318,524
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD		5,955,616	2,592,643

NOTE TO THE STATEMENT OF CASH FLOWS:

A. RECONCILIATION OF NET INCOME TO NET CASH GENERATED FROM OPERATING ACTIVITIES

	2024 £	As restated 2023 £
Net income before other recognised gains and losses	850,326	87,492
Investment income	(143,456)	(66,633)
Depreciation of property, plant and equipment	307,473	313,849
Gains on investments	(270,214)	(14,420)
Decrease/(increase) in trade and other receivables	595,139	(1,585,165)
Increase in trade and other payables	2,052,531	1,570,793
Defined benefit pension scheme adjustments	(76,000)	(31,000)
NET CASH GENERATED FROM OPERATING ACTIVITIES	3,315,799	274,916

The notes on pages 20 to 38 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The consolidated accounts are prepared under the Companies Act 2006 and the historical cost convention unless otherwise stated, in accordance with applicable United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS 102) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with FRS 102 (effective 1 January 2019) - (Charities SORP (FRS 102)).

Ludgrove School Trust Limited is a school offering education to boys aged 8 to 13, which meets the definition of a public benefit entity under FRS 102.

The Parent Company has taken advantage of the exemption available to qualifying entities under FRS 102 from preparing a Statement of Cash Flows

1.2 Basis of consolidation

The consolidated financial statements present the results of Ludgrove School Trust Limited and its subsidiary undertaking ('the Group'). The Company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.3 Going concern

Directors have reviewed the funds available to the School together with the expected ongoing demand for places and the future projected cash flows, and have concluded that the school has adequate resources to continue its activities for the foreseeable future. Additionally, despite the current uncertainty in the wider economy, the strength of the School's Statement of financial position is such that the directors consider that there is currently no material uncertainty over the school's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.4 Company status

The School is a registered charity and a private company limited by guarantee incorporated in England and Wales. The members of the Company are the directors named on page 1. The registered office is Ludgrove School, Wokingham, Berkshire, RG40 3AB. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1.5 Fund accounting

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

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

Restricted funds represent unspent monies received for a particular donor-specified purpose, as explained in the notes to the financial statements.

1.6 Income

All incoming resources are included in the Consolidated Statement of Financial Activities when the Company has entitlement to the funds, it is probable that monies will be received, and the amount can be measured with sufficient reliability.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Fee income represents fees, extras and disbursements, received for the education of the pupils attending the school, less discounts. Income received from the rendering of tuition services is recognised over the period the service is provided.

1.7 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

All resources expended are inclusive of irrecoverable VAT.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1.8 Property, plant and equipment

All assets costing more than £2,000 are capitalised.

Property, plant and equipment are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	2% straight-line
Leasehold buildings	-	over the term of the lease
Freehold land	-	not depreciated
Plant and machinery	-	15% straight-line
Motor vehicles	-	25% reducing balance

Included in leasehold properties are buildings held under short leases which are being depreciated at the rate of 2% per annum. In the directors' opinion the leases will be renewed indefinitely.

1.9 Operating leases

Rentals under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.10 Taxation

As a charity, the Company and its subsidiary are exempt from tax on income and gains under current tax legislation to the extent that these are applied to charitable objects. No tax charges have arisen in the Group.

The Group is unable to recover the input VAT associated with the supply of goods and services as the provision of education is exempt from VAT. The irrecoverable VAT is included in the total cost applicable to each expense heading.

1.11 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

The Company additionally maintains a funded defined benefit pension scheme called the Ludgrove School Staff Pension Scheme. This scheme ceased to accrue benefits for active members as from 31 August 2011. Under the provisions of FRS 102, any surplus or deficit on the pension scheme is included in the Company's Statement of financial position.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1.11 Pensions (continued)

A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. The liability recognised in the Statement of financial position in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Group engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other recognised gains/losses. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Actuarial gains on defined benefit scheme'.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in the Income and expenditure account as 'Finance expense'.

1.12 Financial instruments

The charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

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

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1.12 Financial instruments (continued)

Financial liabilities are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability.

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

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

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

1.13 Trade receivables

Trade receivables are recognised at the point at which the invoice is raised and there is an unconditional right to receive payment.

2. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the Statement of financial position date and the reported amounts of revenues and expenses during the reporting period.

Defined benefit pension scheme

The Charity has an obligation to pay pension benefits to employees. The costs of these benefits and the present value of the obligation depend on a number of factors including life expectancy, salary and pension increases, and the discount rate on corporate bonds. The directors make appropriate judgements and estimates based on professional advice received from the scheme's actuary. Assumptions are set out in note 21.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

3. INCOME FROM DONATIONS

	Unrestricted funds 2024 £	Restricted funds 2024 £	Designated funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	92,367	194,976	-	287,343	116,890

Included in donations income of £116,890 for the year ended 31 August 2023 is £57,323 which relates to restricted funds and the balance of £59,567 relates to unrestricted funds.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £	Restricted funds 2024 £	Designated funds 2024 £	Total funds 2024 £	Total funds 2023 £
Fees receivable	6,171,600	-	-	6,171,600	5,756,945
Extras	500,062	-	-	500,062	411,547
Non-refundable registration fees	9,674	-	-	9,674	9,804
Discounts and bursaries	(255,527)	-	-	(255,527)	(263,431)
	6,425,809	-	-	6,425,809	5,914,865

All income from other charitable activities in 2023 relates to unrestricted funds.

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2024 £	Restricted funds 2024 £	Designated funds 2024 £	Total funds 2024 £	Total funds 2023 £
Rent receivable	5,313	-	-	5,313	3,162
Other income	1,783	-	-	1,783	4,393
Net interest on pension asset (note 13)	76,000	-	-	76,000	31,000
	83,096	-	-	83,096	38,555

All income from other trading activities in 2023 relates to unrestricted funds.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

6. INCOME FROM INVESTMENTS

	Unrestricted funds 2024 £	Restricted funds 2024 £	Designated funds 2024 £	Total funds 2024 £	Total funds 2023 £
Investment income	143,456	-	-	143,456	66,633

All investment income in 2023 relates to unrestricted funds.

7. EXPENDITURE ON RAISING FUNDS

	Unrestricted funds 2024 £	Restricted funds 2024 £	Designated funds 2024 £	Total funds 2024 £	Total funds 2023 £
Bank charges	221	-	-	221	159
Fundraising events	26,688	-	-	26,688	30,614
Fundraising administration	19,839	-	-	19,839	21,481
	46,748	-	-	46,748	52,254

All expenditure on raising funds in 2023 relates to unrestricted funds.

8. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £	Restricted funds 2024 £	Designated funds 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs (note 11)	3,497,901	-	-	3,497,901	3,357,882
Direct costs	1,151,978	-	-	1,151,978	1,062,437
Depreciation	307,473	-	-	307,473	313,849
Support costs (note 9)	1,355,492	-	-	1,355,492	1,295,151
	6,312,844	-	-	6,312,844	6,029,319

All expenditure on charitable activities in 2023 relates to unrestricted funds.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

9. SUPPORT COSTS

	Basis of Allocation	Support costs 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Premises	Direct	910,007	910,007	845,822
Garden & grounds	Direct	49,780	49,780	97,599
Professional fees	Direct	108,682	108,682	85,922
Other support costs	Direct	170,412	170,412	175,022
Donations payable	Direct	1,771	1,771	1,713
Governance costs	Direct	89,997	89,997	89,073
Bad debt provision	Direct	24,843	24,843	-
		<u>1,355,492</u>	<u>1,355,492</u>	<u>1,295,151</u>

All expenditure on support costs relates to unrestricted funds.

10. NET INCOME

This is stated after charging:

	2024 £	2023 £
Depreciation of tangible fixed assets:		
- owned by the Charitable Group	307,473	313,849
Auditor's remuneration:		
- statutory audit of the Group	23,100	23,100
- statutory audit of the subsidiary	12,750	12,900
- statutory audit of the pension fund	-	12,180
- accounting services	51,000	52,893
- tax advisory	10,350	900
Operating lease rentals	<u>133,186</u>	<u>118,514</u>

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

11. STAFF COSTS

Staff costs were as follows:

	2024	2023
	£	£
Wages and salaries	2,689,031	2,621,866
Social security costs	258,467	248,613
Other pension costs	550,403	487,403
	<u>3,497,901</u>	<u>3,357,882</u>

The average monthly number of employees during the year was as follows:

	2024	2023
	No.	No.
Teaching, pastoral and household	94	98
Maintenance	8	8
Administration	8	8
	<u>110</u>	<u>114</u>

The number of higher paid employees was:

	2024	2023
	No.	No.
In the band £60,001 - £70,000	7	4
In the band £70,001 - £80,000	2	-
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-
	<u>10</u>	<u>5</u>

The directors have reconsidered key management personnel ("KMP") this year and concluded that the Head of Operations is also part of KMP in the current and prior years. KMP comprises the directors, the headmaster, the bursar, the head of operations and, in the prior year, the deputy headmaster. Total remuneration paid to KMP was £302,437 (2023: £338,435).

12. DIRECTORS' REMUNERATION

During the year, no directors received any remuneration (2023: none).

During the year, no directors received any benefits in kind (2023: none).

During the year retirement benefits were accruing to no directors (2023: none) in respect of defined benefit pension schemes.

During the year, no directors were reimbursed expenses (2023: none).

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

13. FINANCE INCOME

	2024 £	2023 £
Interest income on pension scheme assets	403,000	334,000
Interest on pension scheme liabilities	(327,000)	(303,000)
Net interest on net defined benefit asset	<u>76,000</u>	<u>31,000</u>

14. PROPERTY, PLANT AND EQUIPMENT

Group and Company	Land & Buildings £	Plant & Machinery £	Motor Vehicles £	Total £
Cost				
At 1 September 2023	12,995,071	1,703,502	38,763	14,737,336
Additions	53,785	5,704	-	59,489
Disposals	-	-	-	-
At 31 August 2024	<u>13,048,856</u>	<u>1,709,206</u>	<u>38,763</u>	<u>14,796,825</u>
Depreciation				
At 1 September 2023	3,556,784	1,453,576	25,864	5,036,224
Charge for the year	229,075	75,435	2,963	307,473
Depn on disposal	-	-	-	-
At 31 August 2024	<u>3,785,859</u>	<u>1,529,011</u>	<u>28,827</u>	<u>5,343,697</u>
Net book value				
At 31 August 2024	<u>9,262,997</u>	<u>180,195</u>	<u>9,936</u>	<u>9,453,128</u>
<i>At 31 August 2023</i>	<u>9,438,287</u>	<u>249,926</u>	<u>12,899</u>	<u>9,701,112</u>

Included in net book value of land and buildings is:

	2024 £	2023 £
Freehold land and buildings	8,981,085	9,124,500
Long leasehold	58,151	60,086
Short leasehold	241,900	253,701

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

15. FIXED ASSET INVESTMENTS

Group and Company	Cash £	Listed Investments £	Total £
Market value			
At 1 September 2023	120,242	2,146,260	2,266,502
Additions	18,254	471,268	489,522
Disposals	-	(406,653)	(406,653)
Revaluation	-	224,138	224,138
At 31 August 2024	<u>138,496</u>	<u>2,435,013</u>	<u>2,573,509</u>

Total investment gains of £270,214 (2023: £32,122) as shown on the Statement of Financial Activities comprise unrealised gains of £224,138 (2023: £14,420) and realised gains of £46,076 (2023: £17,702).

Investments at 31 August 2024 comprise:

	2024 £	2023 £
Equities – United Kingdom	184,544	147,589
Equities – Europe	158,193	150,663
Equities – North America	761,252	622,270
Equities – Japan	26,500	31,500
Equities – Asia ex Japan	59,766	57,320
Equities – Emerging markets	148,476	120,543
Bonds – United Kingdom	278,521	322,988
Bonds – North America	79,375	77,147
Bonds – Global	244,578	137,074
Bonds - commodities	45,321	63,279
Alternatives – hedge funds	131,037	118,898
Alternatives – commodities	149,552	136,318
Alternatives – other	167,898	160,671
Cash	138,496	120,242
	<u>2,573,509</u>	<u>2,266,502</u>

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

16. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024	As restated 2023	2024	As restated 2023
	£	£	£	£
Trade receivables	1,248,406	1,883,689	1,200,776	1,873,693
Amounts owed by group undertakings	-	-	6,463	37,881
Prepayments and accrued income	127,064	105,616	127,064	105,616
Other receivables	20,107	1,411	20,107	1,411
	1,395,577	1,990,716	1,354,410	2,018,601

17. TRADE AND OTHER PAYABLES:

Amounts falling due within one year

	Group		Company	
	2024	As restated 2023	2024	As restated 2023
	£	£	£	£
Trade payables	92,529	-	92,529	-
Other payables	288,884	217,947	288,884	217,947
Pensions payable	47,122	-	47,122	-
Social security payable	66,989	67,942	66,989	67,942
Accruals	196,044	401,858	176,986	388,837
Deferred income (note 18)	3,375,879	2,256,693	3,375,879	2,256,693
	4,067,447	2,944,440	4,048,389	2,931,419

Amounts falling due after one year

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Deferred income (note 18)	929,524	-	929,524	-
	929,524	-	929,524	-

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

18. DEFERRED INCOME

Deferred income relates to school fees paid in advance.

	Group		Company	
	2024	<i>As restated</i> 2023	2024	<i>As restated</i> 2023
	£	£	£	£
As at 1 September	2,256,693	691,499	2,256,693	691,499
Amounts released to SOFA	(2,256,693)	(691,499)	(2,256,693)	(691,499)
Amounts deferred in the year	4,305,403	2,256,693	4,305,403	2,256,693
As at 31 August	4,305,403	2,256,693	4,305,403	2,256,693

19. STATEMENT OF FUNDS - GROUP

	Brought forward 1 September 2023	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Carried forward 31 August 2024
	£	£	£	£	£	£
General Funds - all funds	12,143,015	6,744,728	(6,359,592)	333,640	660,214	13,522,005
Designated funds						
Strategic reserve	750,000	-	-	-	-	750,000
Long-term investment reserve	750,000	-	-	-	-	750,000
Special projects reserve	1,361,753	-	-	(288,244)	-	1,073,509
Total designated funds	2,861,753	-	-	(288,244)	-	2,573,509
Restricted funds						
Learning support	10,456	-	-	-	-	10,456
Hardship fund	22,986	-	-	(22,986)	-	-
Bursary fund	57,323	194,976	-	(22,410)	-	229,889
Total restricted funds	90,765	194,976	-	(45,396)	-	240,345
Total of funds	15,095,533	6,939,704	(6,359,592)	-	660,214	16,335,859

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

19. STATEMENT OF FUNDS (continued) - COMPANY

	Brought forward 1 September 2023	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Carried forward 31 August 2024
	£	£	£	£	£	£
General Funds - all funds	11,706,597	6,587,987	(6,236,844)	311,230	660,214	13,029,184
Designated funds						
Strategic reserve	750,000	-	-	-	-	750,000
Long-term investment reserve	750,000	-	-	-	-	750,000
Special projects reserve	1,361,753	-	-	(288,244)	-	1,073,509
Total designated funds	2,861,753	-	-	(288,244)	-	2,573,509
Restricted funds						
Learning support	10,456	-	-	-	-	10,456
Hardship fund	22,986	-	-	(22,986)	-	-
Total restricted funds	33,442	-	-	(22,986)	-	10,456
Total of funds	14,601,792	6,587,987	(6,236,844)	-	660,214	15,613,149

Designated funds

The Strategic reserve has been set up to cover possible future expenditure of an exceptional nature.

The Long-term investment reserve has been set up to cover future expenditure on the School's land and buildings.

The Special projects reserve has been set up for potential future requirements of the school.

Restricted funds

The Learning support fund was created by the donation of funds specifically for learning support.

The Bursary fund was created by the donation of funds in the subsidiary charity specifically for the purpose of providing bursaries.

The Hardship fund was created by donations in response to the COVID-19 pandemic and will be used to fund bursaries for families in need as a result of the pandemic.

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	Unrestricted	Restricted	Designated	Total	<i>Total funds As restated 2023</i>
	funds	funds	funds	funds	
	2024	2024	2024	2024	
	£	£	£	£	£
Tangible fixed assets	9,453,128	-	-	9,453,128	9,701,112
Fixed asset investments	-	-	2,573,509	2,573,509	2,266,502
Pension asset	1,955,000	-	-	1,955,000	1,489,000
Current assets	7,110,848	240,345	-	7,351,193	4,583,359
Creditors due within one year	(4,067,447)	-	-	(4,067,447)	(2,944,440)
Creditors due after one year	(929,524)	-	-	(929,524)	-
	13,522,005	240,345	2,573,509	16,335,859	15,095,533

All tangible fixed assets for 2023 relate to unrestricted funds. All fixed asset investments for 2023 relate to designated funds. Included within current assets for 2023 is £90,765 relating to restricted funds, £595,251 relating to designated funds, with the balance of £2,182,260 relating to unrestricted funds. All creditors and provisions for liabilities and charges for 2023 relate to unrestricted funds.

COMPANY	Unrestricted	Restricted	Designated	Total	<i>Total funds As restated 2023</i>
	funds	funds	funds	funds	
	2024	2024	2024	2024	
	£	£	£	£	£
Tangible fixed assets	9,453,128	-	-	9,453,128	9,701,112
Fixed asset investments	-	-	2,573,509	2,573,509	2,266,502
Pension asset	1,955,000	-	-	1,955,000	1,489,000
Current assets	6,598,969	10,456	-	6,609,425	4,076,597
Creditors due within one year	(4,048,389)	-	-	(4,048,389)	(2,931,419)
Creditors due after one year	(929,524)	-	-	(929,524)	-
	13,029,184	10,456	2,573,509	15,613,149	14,601,792

All tangible fixed assets for 2023 relate to unrestricted funds. All fixed asset investments for 2023 relate to designated funds. Included within current assets for 2023 is £33,442 relating to restricted funds, £595,251 relating to designated funds, with the balance of £1,732,821 relating to unrestricted funds. All creditors and provisions for liabilities and charges for 2023 relate to unrestricted funds.

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

21. PENSION COMMITMENTS

Ludgrove School Trust Limited operates a Group Personal Pension scheme, a defined contribution scheme, for the benefit of certain employees. Contributions in the year were £550,403 (2023: £487,403).

The Group also operates a defined benefit pension scheme.

Contributions by both employees and the Company are held in director administered funds completely independent of the Company's finances. The profit and loss charge is based upon actuarial advice by a professionally qualified actuary. The Scheme's Actuary is not an employee of the sponsoring employer.

The Virgin Media Ltd v NTL Pension Trustees II decision, handed down by the High Court on 16 June 2023, considered the implications of section 37 of the Pension Schemes Act 1993. This section was in force between April 1997 and April 2016, and required that benefit changes could only be made in contracted-out defined benefit schemes if the scheme actuary had confirmed in writing that the scheme would still meet a minimum benefit test after the benefit changes had been made. In a judgment delivered on 25 July 2024, the Court of Appeal unanimously upheld the decision of the High Court that amendments made to the NTL Pension Plan were void because this written confirmation from the actuary could not be found. This case has the potential to cause significant issues in the pensions industry. The trustees of the Ludgrove School Defined Benefit pension scheme will investigate the possible implications with its advisers in due course, but it is not possible at present to estimate the potential impact, if any, on the Scheme.

The amounts recognised in the Statement of financial position are as follows:

	2024	2023
	£	£
Present value of funded obligations	(6,514,000)	(6,645,000)
Fair value of scheme assets	8,469,000	8,134,000
Net balance	1,955,000	1,489,000

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2024	2023
	£	£
Net interest income	730,000	31,000

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

21. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation and the fair value of scheme assets were as follows:

	Assets £	Liabilities £	Total £
At 1 September 2023	8,134,000	(6,645,000)	1,489,000
Interest income on scheme assets	403,000	-	403,000
Return less interest income on scheme assets	417,000	-	417,000
Interest cost	-	(327,000)	(327,000)
Benefits paid	(485,000)	485,000	-
Actuarial gains / (losses)	-	(27,000)	(27,000)
Past service cost	-	-	-
At 31 August 2024	8,469,000	(6,514,000)	1,955,000

The date of the most recent actuarial valuation of the scheme assets and liabilities was 5 April 2022.

The Group expects to contribute £nil (2023: £nil) to its defined benefit pension scheme in 2023.

Principal actuarial assumptions at the Statement of financial position date (expressed as weighted averages):

	2024	2023
Pension revaluation in deferment (CPI, maximum 5% with effect from 6 April 1999 to 5 April 2009)	2.70%	2.80%
Pension revaluation in deferment (CPI, maximum 2.5% with effect from 6 April 2009)	2.50%	2.50%
Discount rate	4.90%	5.10%
Pension escalation in payment (RPI, max 2.5% with effect from 1 August 2007)	2.10%	2.20%
Pension escalation in payment (RPI, max 5% with effect from 6 April 1999 to 31 July 2007)	3.00%	3.20%
RPI inflation	3.10%	3.30%
CPI inflation	2.70%	2.80%

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

22. OPERATING LEASE COMMITMENTS

At 31 August 2024 the Group had commitments under non-cancellable operating leases as follows:

Group and Company	Land and buildings		Other	
	2024	2023	2024	2023
	£	£	£	£
Expiry date:				
Less than 1 year	94,408	49,381	72,762	69,133
Between 1 and 5 years	110,904	86,497	84,690	82,484

23. CAPITAL COMMITMENTS

There are no capital commitments as at 31 August 2024 (2023: £Nil).

24. CHANGE IN ACCOUNTING POLICY

During the year, the School reviewed its accounting policies and decided to change its policy for the recognition of trade debtors. Previously, trade debtors related to termly fees were not recognised until the start of the relevant term. Under the revised policy, trade debtors are recognised at the point at which the invoice is raised and there is an unconditional right to receive payment. Management believes that this change provides more reliable and relevant information regarding the School's financial position. The change in accounting policy has been applied retrospectively. As a result, the comparative figures for the prior period have been restated as follows: trade receivables and deferred income due within one year have increased by £1,715,083 as at 31 August 2023.

25. CONTINGENT LIABILITY

As described in note 21, the implications of the High Court ruling in respect of section 37 of the Pension Schemes Act 1993 on the School's defined benefit pension scheme have not been determined. This has the potential to create an additional obligation in respect of scheme liabilities, but it is not possible to reliably estimate the potential impact of this judgement on the scheme without further investigation. The trustees of the scheme intend to take legal advice before taking next steps.

26. RELATED PARTY TRANSACTIONS

The Foundation made bursary grants of £13,320 (2023: £12,360) to the School during the year. During the year the School has settled expenses related to Foundation of £41,897 (2023: £42,738). As at the year end £6,463 is due to be paid to the School (2023: £37,881 due from Foundation to School).

R M Besten and L C L Fitzwilliams have boys who attended the School during the year. Fees were paid on normal commercial basis.

There were no other related party transactions during the year that require disclosure.

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

27. CONTROLLING PARTY

There is considered to be no ultimate controlling party.

28. SUBSIDIARY

Company name	Country	Percentage shareholding	Description
The Ludgrove School Foundation	United Kingdom	100%	Charitable foundation

The Charity is the ultimate controlling party of The Ludgrove School Foundation Limited as established by its memorandum and articles of association dated 7 August 2012, company number 08170775 and charity number 1149573. The objective of The Ludgrove School Foundation Limited is to distribute funds available to it in support of charitable purposes approved by its directors. The assets and liabilities of the subsidiary which have been included in the consolidated accounts are shown below as are a summary of its income and expenditure. The registered office of The Ludgrove School Foundation is Ludgrove, Wokingham, RG40 3AB.

Summary of subsidiary assets and liabilities

	2024 £	2023 £
Debtors	47,630	9,996
Cash	700,601	534,648
Creditors	(25,521)	(50,902)
Net Assets	722,710	493,742

Income and expenditure summary

	2024 £	2023 £
Voluntary income	276,608	119,817
Costs of generating voluntary income	(26,688)	(30,614)
Grant to Ludgrove School	(13,320)	(12,360)
Professional fees	(221)	(159)
Governance costs	(19,839)	(21,481)
Investment income	12,428	-
Surplus	228,968	55,203
Funds brought forward	493,742	438,539
Total	722,710	493,742

LUDGROVE SCHOOL TRUST LIMITED

England & Wales - Charity number 309100

Accounts

Registered number: 01053039
Charity number: 309100

LUDGROVE SCHOOL TRUST LIMITED
(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

LUDGROVE SCHOOL TRUST LIMITED
(A company limited by guarantee)

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LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2023

Directors

C L Butterworth, Chairman
N R Brooks
R N T Cormack
R M den Besten
L C L Fitzwilliams
A B Henshilwood
A J Hinchliff
B J Holden
V J Morphet (appointed on 12 December 2022)
M A Smyth-Osbourne
D D Vigors

Company secretary

M E Brittain

Company registered number

01053039

Charity registered number

309100

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2023

Registered office

Ludgrove School
Wokingham
Berkshire
RG40 3AB

Auditor

CLA Evelyn Partners Limited
Statutory Auditor
Chartered Accountants
Onslow House
Onslow Street
Guildford
Surrey
GU1 4TL

Bankers

Barclays Bank Plc
P O Box 61
Bracknell
Berkshire
RG12 1GJ

NatWest Bank Plc
5 High Street
Bracknell
RG12 1DH

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2023

The directors present their annual report and the financial statements for the year ended 31 August 2023. The financial statements consolidate the results of the School and Ludgrove School Foundation Limited.

Legal and administrative details

The School is a private company limited by guarantee incorporated under the Companies Acts 1948 to 1967, registered number 01053039, and a registered charity, number 309100. The Company was incorporated on 4 May 1972 and its governing document is the Memorandum and Articles of Association.

Directors

The directors, who are also governors and trustees, of the School at 31 August 2023 and up to the date of approval of these financial statements were:

C L Butterworth, Chairman
N R Brooks
R N T Cormack
R M den Besten
L C L Fitzwilliams
A B Henshilwood
A J Hinchliff
B J Holden
V J Morphet (appointed on 12 December 2022)
M A Smyth-Osbourne
D D Vigors

R M den Besten, V J Morphet and L C L Fitzwilliams have boys who attended the School during the year. Fees were paid on normal commercial terms.

There are no trustees other than the directors. Meetings of the full board of directors were held three times during the year, virtually in the summer term. As well as these meetings, there is frequent communication between the directors and there are sub-committee meetings with appropriate professional advisors in attendance. Regular contact is maintained with the headmaster between full board meetings. Details of new legislation, new regulations and news of other significant developments which will affect the School, together with appropriate training material, are sent to the directors as they arise.

The Board is responsible for identifying, recruiting and appointing new directors. New directors are inducted by individual board members, the headmaster and company secretary. The day to day running of the School is delegated to the headmaster, S W T Barber and deputy headmaster, G W Musson.

LUDGROVE SCHOOL TRUST LIMITED

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities

The principal aim and activity of the Company continues to be the provision and promotion of a first class education. Ludgrove seeks to be a school where boys can grow and develop in a happy, caring environment, learn an awareness and concern for others around them and achieve their full potential, at the same time as providing facilities, employment and resources for the local community of Wokingham. The Company's strategies for achieving its aims include the recruitment, employment and training of a high quality, caring and professional workforce; the maintenance of a high standard of academic, moral and personal education; the maintenance, continual improvement and, when necessary, the addition of facilities at the School; and making available and seeking opportunities for the use of the School's grounds and facilities by other schools, clubs and other organisations in the local community.

The School had 189 (2022: 194) pupils on the register at the year end and has had a successful year with academic, sporting and cultural achievements as strong as ever.

Achievements and performance

As always we remain unashamedly ambitious for our boys in whatever they do, particularly on the academic front and it is a fact that every year, with a non-selective intake in Year 4, our boys achieve incredible academic success. We were delighted that all the top year boys gained entry to nine distinguished schools, including seventeen to Eton, seven to Radley, five to Harrow, three to Stowe, two each to Winchester, Rugby and Sherborne, and one each to Bryanston and Wellington.

When one thinks of a curriculum it is very easy to focus on the academic side of things. However, life outside the classroom is just as much a part of a child's education and sporting activity, cultural, musical and artistic studies continue to be an important part of life at the school. Team games of football and rugby were played against other schools at all ages and at all levels of ability. Additional matches were arranged in hockey, tennis, squash, fives, swimming, golf, chess, general knowledge, judo and athletics. Music and drama continue to play an important role in school life and all the boys take part in public speaking and poetry reciting events as well as in debates. The theatre continues to provide a wonderful space for the performing arts and it has without doubt enhanced the confidence and character of the boys. It is also a venue which attracts high quality speakers and the lectures enjoyed this year have significantly enriched us all.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2023

Public Benefit

Ludgrove strives to fulfil its charitable objects to promote and provide for the advancement of education for the benefit of both its pupils and the wider community. The Governors, as charity trustees, have a duty to report in their Annual Report on the public benefit provided by the school.

The Governors have given consideration to the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on running a charity and charging for services, and have concluded:

1. That there are clearly identifiable benefits from the School's work which relate directly to its aims as set out above;
2. There is no significant detriment flowing directly from the School's work which we consider needs to be balanced against those benefits;
3. That the benefits which the school provides are widely available. A bursary policy has been established and funds put aside to provide a genuine opportunity for those who cannot afford the School's fees to benefit from it.

Bursary policy

The School has a subsidiary charitable foundation to raise money to be available for the funding and advertising of scholarships and bursaries to be offered by the School. Until the foundation has raised sufficient funds to be able to provide such funding, the School makes a budgetary provision of an appropriate and affordable proportion of gross fee income to be applied to means tested bursaries (ranging up to 100% remission of fees). This bursary funding is available for all prospective and existing pupils including those in receipt of Continuity of Education Allowance and those supported by the Royal National Children's SpringBoard Foundation. Ludgrove is proud to be a RNCSF approved school. A bursary policy is in operation and is available to be viewed on the School's website. In addition, the School has arrangements in place with certain public schools for the identification of potential bursary candidates.

Ancillary or incidental educational and other associated activities

Locally Ludgrove does not exist in isolation and is part of the wider community. It offers educational support to members of the public on different levels, employs many local people and wherever possible supports local suppliers and businesses. During the year the school facilities were used on numerous occasions for the educational benefit of teachers and pupils from other schools. It is our intention to build on existing relationships to forge stronger links with local community schools, in particular:

- Following the success of the partnership with the Grub Club, a local organisation set up to feed children in receipt of free school meals during the school holidays, we were pleased to be able to provide fresh fruit and vegetables for weekly food parcels delivered during the school holidays
- Ludgrove has entered into a partnership with a cluster of six local state schools and employs a part-time administrator who is responsible for identifying and implementing opportunities for collaborative working with those schools. In addition, Ludgrove provides a budget to allow the organisation of a range of curriculum enrichment events, ranging from large scale events reaching 1,000 + students to targeted activities designed to focus on small groups with specific needs.

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- Ludgrove has established a Community Education Support Fund to make grants available to local schools. The Fund is currently providing financial support for music, literacy and mental health projects.

In addition to the above, the minibuses, swimming pool and sports hall are all used by the wider community.

Five members of staff are currently serving on the governing bodies of local state schools.

The School will continue to further foster links with the local community and Local Authority funded schools focusing on the provision of access to the School's facilities and opportunities to share expertise in academic, cultural and sporting activities as well as regularly reviewing how it can best deliver its charitable objectives. A governors' Social Impact Committee has been established to focus on these activities.

Fundraising

All fundraising activities for the School are carried out by our staff with assistance from parents for specific fundraising events. The School does not use professional fundraisers. All fundraising activities are managed by the School and monitored by the directors. The School's subsidiary charity, The Ludgrove School Foundation, carries out fundraising activity for the Group and during the year raised £53,434 (2022: £90,779) in donations.

No complaints relating to fundraising activities have been received by the School during this financial year. The School does not currently subscribe to any specific fundraising standards or schemes but considers that it has set appropriate standards for the operations and management of its fundraising activities. In particular the School considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion.

Reserves policy

The Group's reserves of £15,095,533 (2022: £14,351,041) are held to enable the School to meet its objectives. The unrestricted reserves are substantially represented by fixed assets enabling the School to provide its services. The Group also had £33,442 (2022: £33,442) in restricted funds at the beginning of the year. Restricted funds at the end of the year were £90,765.

The designated funds are made up of the strategic reserve, long term investment reserve and special projects reserve. These funds are held to ensure the School has enough funds for unforeseen circumstances and capital projects around the school. Please see additional detail on page 33. There is currently no known date for the expected expenditure of these funds.

Investment policy

Some of the Company's investments are held as cash with remainder being held in an investment portfolio. This cash and the Company's unrestricted funds are held by two different banks and the portfolio is managed by Cazenove Capital.

Market value of land and buildings

The directors do not consider it possible to quantify the difference between the net book value and the market value of the Group's fixed assets without a professional valuation.

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2023

Guarantee

Each of the directors has guaranteed to contribute to the assets of the Company a sum of £1 in the event of a deficiency on winding up.

Voluntary help

During the year various individuals gave their time in supporting the School's activities. The value of this substantial support cannot be readily quantified and has not been included in the financial statements.

Financial Review

The surplus for the year amounted to £87,492 (2022: £19,026). This surplus is before actuarial gains and losses on the defined benefit pension scheme. The actuarial gain for 2023 was £657,000 (2022: £2,008,000) and the net increase in funds totals £744,492 (2022: £2,027,026). At the year end, the Group had retained reserves of £15,095,533 (2022: £14,351,041) of which £9,701,112 (2022: £9,974,575) relates to tangible fixed assets in the school and £1,489,000 (2022: £801,000) relates to pension asset. The balance of these funds is to be used in financing current and future developments. During the year there was capital expenditure of £45,924 (2022: £70,167).

The principal key financial performance indicators monitored by the governors are number of boys in the school. At the year end the number of boys in the school at the year end was 189 (2022: 194); the directors consider this to be satisfactory.

The Ludgrove School Foundation

The Ludgrove School Foundation, a wholly owned subsidiary of Ludgrove School Trust Limited and a registered charity with the objects of the advancement of education, in particular by the support and promotion of Ludgrove School, had a surplus for the year of £55,203, after making donations of £12,360 to the School (2022: *surplus of £82,390 after donations of £11,730*) and is consolidated in these accounts.

Remuneration of Key Management Personnel

The remuneration of staff is set by the board with the objective of providing appropriate incentives to encourage first class performance and of rewarding members of staff fairly for their contributions to the success of the School. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single component of the School's charitable expenditure.

Staff remuneration is reviewed annually, with benchmarking exercises against other comparable independent schools carried out as appropriate to ensure the School remains aware of the broader issues of pay and employment conditions elsewhere.

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2023

Plans for future periods

The Exploration Centre was fully opened in 2021 and continues to enhance and develop many facets of the curriculum. The School is undertaking an estate master-planning exercise to ensure that the physical development of the school site over the next 10+ years is aligned with the strategic development objectives of the business.

Principal risks and uncertainties

The board has assessed the major risks to which the School is exposed, in particular those related to the operations and finances of the School and is satisfied that systems are in place to mitigate exposure to the major risks. The directors' risk assessment process has identified those risks standard in owning and operating any private school. These include inter alia financial/fiscal, operational, legal/regulatory, strategic, and reputational risks.

These are regularly and carefully monitored by the directors and appropriate risk management measures implemented.

The Company keeps a risk register, to which newly identified risks are added as and when they are noted. Consideration is given to appropriate mitigation of all risks identified. The whole register is reviewed annually by the directors.

The principal risks to the school arise as a result of the importance of maintaining its outstanding reputation. This ensures that that school is able to attract sufficient boys and to recruit and retain the highest quality staff. This is of paramount importance to the directors who closely monitor all the factors that influence these areas to ensure that any risk to the school is minimal. The high level of demand for places and the school's excellent track record of supporting boys with gaining places at their first choice of public school are testament to their success in managing these risks.

LUDGROVE SCHOOL TRUST LIMITED

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2023

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

This report, incorporating the Group Strategic Report, was approved by the directors on ~~...~~17/05/2024 and signed on their behalf by:

Charles Butterworth

Charles Butterworth (May 17, 2024 13:27 GMT+1)

.....
C L Butterworth
Chairman

LUDGROVE SCHOOL TRUST LIMITED

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2023

Trustees' Responsibilities Statement

The trustees (who are also directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Annual Report (incorporating the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LUDGROVE SCHOOL TRUST LIMITED

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED



Opinion

We have audited the financial statements of Ludgrove School Trust Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated Statement of Financial Position, Company Statement of Financial Position, the Consolidated Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2023 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

LUDGROVE SCHOOL TRUST LIMITED

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED (continued)

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report, which includes the Strategic Report and 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 Strategic Report and the Directors' Report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Annual Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, the trustees (who are directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

LUDGROVE SCHOOL TRUST LIMITED

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED (continued)

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

We have been appointed as auditor under the Companies Act 2006 and under section 151 of the Charities Act 2011, and report in accordance with those Acts and relevant regulations made or having effect thereunder.

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

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

We obtained a general understanding of the Group's and the Parent Charitable Company's legal and regulatory framework through enquiry of management concerning: their understanding of relevant laws and regulations; the entities' policies and procedures regarding compliance; and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the Group's and the Parent Charitable Company's industry and regulation.

We understand that the Group and the Parent Charitable Company comply with the framework through:

- Outsourcing financial statement preparation and tax compliance to external experts;
- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change; and
- Management's oversight through regular meetings and compliance reporting.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the Group's and the Parent Charitable Company's ability to conduct its business, and where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Group's and the Parent Charitable Company's activities:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements; and
- The Charities Act 2011.

LUDGROVE SCHOOL TRUST LIMITED

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED (continued)

Based on our understanding we performed the following specific procedures to gain evidence about compliance with the significant laws and regulations above:

- We identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience of the sector;
- Making enquiries of management and those charged with governance to understand their awareness of any non-compliance of laws and regulations;
- Reviewing minutes of meetings of those charged with governance to identify any instances of non-compliance.

The senior statutory auditor led a discussion with all members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Management override of controls

The procedures we carried out to gain evidence in the above areas included:

- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts and those with unusual or no descriptions

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

Use of our report

This report is made solely to the parent 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 parent charitable company's members and trustees, 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 parent charitable company, and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

CLA Evelyn Partners Limited
CLA Evelyn Partners Limited (May 20, 2024 10:13 GMT+1)

Julie Mutton

Senior Statutory Auditor, for and on behalf of CLA Evelyn Partners Limited
Statutory Auditor
Chartered Accountants

Onslow House
Onslow Street
Guildford
Surrey
GU1 4TL

Date: 20/05/2024

LUDGROVE SCHOOL TRUST LIMITED

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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £	Total funds 2022 £
INCOME FROM:						
Donations	3	59,567	57,323	-	116,890	90,409
Charitable activities	4	5,914,865	-	-	5,914,865	5,688,409
Other trading activities	5	38,555	-	-	38,555	27,569
Investments	6	66,633	-	-	66,633	28,041
TOTAL INCOME		6,079,620	57,323	-	6,136,943	5,834,428
EXPENDITURE ON:						
Raising funds	7	52,254	-	-	52,254	18,954
Charitable activities	8	6,029,319	-	-	6,029,319	5,705,371
TOTAL EXPENDITURE		6,081,573	-	-	6,081,573	5,724,325
Net gains/(losses) on fixed asset investments		32,122	-	-	32,122	(91,077)
NET GAINS BEFORE OTHER RECOGNISED GAINS AND LOSSES		30,169	57,323	-	87,492	19,026
Other recognised gains/(losses): Actuarial gains on defined benefit pension schemes		657,000	-	-	657,000	2,008,000
NET INCOME / MOVEMENT IN FUNDS FOR THE YEAR		687,169	57,323	-	744,492	2,027,026
Reconciliation of funds:						
<i>Total funds at 1 September 2022</i>		<i>11,455,846</i>	<i>33,442</i>	<i>2,861,753</i>	<i>14,351,041</i>	<i>12,324,015</i>
TOTAL FUNDS AT 31 AUGUST 2023		12,143,015	90,765	2,861,753	15,095,533	14,351,041

All activities relate to continuing operations. The notes on pages 19 to 38 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2023**

		2023		2022	
	Note	£	£	£	£
NON CURRENT ASSETS					
Property, plant and equipment	14		9,701,112		9,974,575
Investments	15		2,266,502		2,225,038
Pension asset	21		1,489,000		801,000
			<u>13,456,614</u>		<u>13,000,613</u>
CURRENT ASSETS					
Trade and other receivables	16	275,633		405,551	
Cash and cash equivalents		2,592,643		2,318,524	
			<u>2,868,276</u>		<u>2,724,075</u>
CURRENT LIABILITIES					
Trade and other payables	17	<u>(1,229,357)</u>		<u>(1,373,647)</u>	
NET CURRENT ASSETS			<u>1,638,919</u>		<u>1,350,428</u>
NET ASSETS			<u>15,095,533</u>		<u>14,351,041</u>
CONSOLIDATED FUNDS					
Designated funds	19		2,861,753		2,861,753
Restricted funds	19		90,765		33,442
Unrestricted funds	19		<u>12,143,015</u>		<u>11,455,846</u>
TOTAL FUNDS			<u>15,095,533</u>		<u>14,351,041</u>

The financial statements were approved by the directors on 17/05/2024 and signed on their behalf, by:


Charles Butterworth (May 17, 2024 13:27 GMT+1)

C Butterworth

The notes on pages 19 to 38 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED

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**COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2023**

		2023		2022	
	Note	£	£	£	£
NON CURRENT ASSETS					
Property, plant and equipment	14		9,701,112		9,974,575
Investments	15		2,266,502		2,225,038
Pension asset	21		1,489,000		801,000
			13,456,614		13,000,613
CURRENT ASSETS					
Trade and other receivables	16	303,518		397,936	
Cash and cash equivalents		2,057,996		1,891,919	
			2,361,514		2,289,855
CURRENT LIABILITIES					
Trade and other payables	17	(1,216,336)		(1,377,965)	
NET CURRENT ASSETS			1,145,178		911,890
NET ASSETS			14,601,792		13,912,503
CHARITY FUNDS					
Designated funds	19		2,861,753		2,861,753
Restricted funds	19		33,442		33,442
Unrestricted funds	19		11,706,597		11,017,308
TOTAL FUNDS			14,601,792		13,912,503

The unconsolidated net surplus of Ludgrove School Trust Limited for the year was £689,289 (2022: £1,944,637).

The financial statements were approved by the directors on 17/05/2024 and signed on their behalf, by:

Charles Butterworth
Charles Butterworth (May 17, 2024 13:27 GMT+1)

C Butterworth

The notes on pages 19 to 38 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED

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**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash generated from operating activities	A	274,916	293,991
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received		66,633	28,041
Purchase of property, plant and equipment		(45,928)	(70,169)
Proceeds on disposal of property, plant and equipment		5,542	-
Proceeds on disposal of fixed asset investments		502,767	1,399,182
Increase in fixed asset investments		(529,811)	(1,243,451)
Net cash used in investing activities		(797)	113,603
Change in cash and cash equivalents in the reporting period		274,119	407,594
Cash and cash equivalents at the beginning of the reporting period		2,318,524	1,910,930
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD		2,592,643	2,318,524

NOTE TO THE STATEMENT OF CASH FLOWS:

A. RECONCILIATION OF NET INCOME TO NET CASH GENERATED FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income before other recognised gains and losses	87,492	19,026
Interest received	(66,633)	(28,041)
Depreciation of property, plant and equipment	313,849	341,011
Gains on investments	(14,420)	(79,369)
Decrease/(increase) in trade and other receivables	129,918	(176,012)
(Decrease)/increase in trade and other payables	(144,290)	198,376
Defined benefit pension scheme adjustments	(31,000)	19,000
NET CASH GENERATED FROM OPERATING ACTIVITIES	274,916	293,991

The notes on pages 19 to 38 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The consolidated accounts are prepared under the Companies Act 2006 and the historical cost convention unless otherwise stated, in accordance with applicable United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS 102) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with FRS 102 (effective 1 January 2019) - (Charities SORP (FRS 102)).

Ludgrove School Trust Limited is a school offering education to boys aged 8 to 13, which meets the definition of a public benefit entity under FRS 102.

The Parent Company has taken advantage of the exemption available to qualifying entities under FRS 102 from preparing a Statement of Cash Flows

1.2 Basis of consolidation

The consolidated financial statements present the results of Ludgrove School Trust Limited and its subsidiary undertaking ('the Group'). The Company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.3 Going concern

Directors have reviewed the funds available to the School together with the expected ongoing demand for places and the future projected cash flows, and have concluded that the school has adequate resources to continue its activities for the foreseeable future. Additionally, despite the current uncertainty in the wider economy, the strength of the School's Statement of financial position is such that the directors consider that there is currently no material uncertainty over the school's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.4 Company status

The School is a registered charity and a private company limited by guarantee incorporated in England and Wales. The members of the Company are the directors named on page 1. The registered office is Ludgrove School, Wokingham, Berkshire, RG40 3AB. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company.

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1.5 Fund accounting

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

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

Restricted funds represent unspent monies received for a particular donor-specified purpose, as explained in the notes to the financial statements.

1.6 Income

All incoming resources are included in the Consolidated Statement of Financial Activities when the Company has entitlement to the funds, it is probable that monies will be received, and the amount can be measured with sufficient reliability.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Fee income represents fees, extras and disbursements, received for the education of the pupils attending the school, less discounts. Income received from the rendering of tuition services is recognised over the period the service is provided.

1.7 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

All resources expended are inclusive of irrecoverable VAT.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1.8 Property, plant and equipment

All assets costing more than £2,000 are capitalised.

Property, plant and equipment are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	2% straight-line
Leasehold buildings	-	over the term of the lease
Freehold land	-	not depreciated
Plant and machinery	-	15% straight-line
Motor vehicles	-	25% reducing balance

Included in leasehold properties are buildings held under short leases which are being depreciated at the rate of 2% per annum. In the directors' opinion the leases will be renewed indefinitely.

1.9 Operating leases

Rentals under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.10 Taxation

As a charity, the Company and its subsidiary are exempt from tax on income and gains under current tax legislation to the extent that these are applied to charitable objects. No tax charges have arisen in the Group.

The Group is unable to recover the input VAT associated with the supply of goods and services as the provision of education is exempt from VAT. The irrecoverable VAT is included in the total cost applicable to each expense heading.

1.11 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

The Company additionally maintains a funded defined benefit pension scheme called the Ludgrove School Staff Pension Scheme. This scheme ceased to accrue benefits for active members as from 31 August 2011. Under the provisions of FRS 102, any surplus or deficit on the pension scheme is included in the Company's Statement of financial position.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1.11 Pensions (continued)

A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. The liability recognised in the Statement of financial position in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Group engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other recognised gains/losses. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Actuarial gains on defined benefit scheme'.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in the Income and expenditure account as 'Finance expense'.

1.12 Financial instruments

The charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

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

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1.12 Financial instruments (continued)

Financial liabilities are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability.

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

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

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

2. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the Statement of financial position date and the reported amounts of revenues and expenses during the reporting period.

Defined benefit pension scheme

The Charity has an obligation to pay pension benefits to employees. The costs of these benefits and the present value of the obligation depend on a number of factors including life expectancy, salary and pension increases, and the discount rate on corporate bonds. The directors make appropriate judgements and estimates based on professional advice received from the scheme's actuary. Assumptions are set out in note 21.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

3. INCOME FROM DONATIONS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Donations	59,567	57,323	-	116,890	90,409

Included in donations income of £90,409 for the year ended 31 August 2022 is £90,409 which relates to restricted funds and the balance of £Nil relates to unrestricted funds.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Fees receivable	5,756,945	-	-	5,756,945	5,577,637
Extras	411,547	-	-	411,547	351,359
Non-refundable registration fees	9,804	-	-	9,804	13,424
Discounts and bursaries	(263,431)	-	-	(263,431)	(254,011)
	5,914,865	-	-	5,914,865	5,688,409

All income from other charitable activities in 2022 relates to unrestricted funds.

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Rent receivable	3,162	-	-	3,162	3,998
Other income	4,393	-	-	4,393	23,571
Net interest (note 13)	31,000	-	-	31,000	-
	38,555	-	-	38,555	27,569

All income from other trading activities in 2022 relates to unrestricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

6.	INCOME FROM INVESTMENTS	Unrestricted funds 2023 £	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £	Total funds 2022 £
	Investment income	66,633	-	-	66,633	28,041

All investment income in 2022 relates to unrestricted funds.

7.	EXPENDITURE ON RAISING FUNDS	Unrestricted funds 2023 £	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £	Total funds 2022 £
	Bank charges	159	-	-	159	62
	Fundraising events	21,290	-	-	21,290	-
	Fundraising administration	21,481	-	-	21,481	13,132
	Staff costs	9,324	-	-	9,324	5,760
		52,254	-	-	52,254	18,954

All expenditure on raising funds in 2022 relates to unrestricted funds.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

8. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	3,357,882	-	-	3,357,882	3,167,973
Direct costs	1,062,437	-	-	1,062,437	930,525
Depreciation	313,849	-	-	313,849	341,013
Support costs (note 9)	1,295,151	-	-	1,295,151	1,265,860
	6,029,319	-	-	6,029,319	5,705,371

All expenditure on charitable activities in 2022 relates to unrestricted funds.

9. SUPPORT COSTS

	Basis of Allocation	Support costs £	Total 2023 £	<i>Total 2022 £</i>
Other finance expense (note 13)	Direct	-	-	19,000
Office costs	Direct	-	-	7,294
Premises	Direct	845,822	845,822	800,131
Garden & grounds	Direct	97,599	97,599	148,753
Professional fees	Direct	85,922	85,922	55,575
Other support costs	Direct	175,022	175,022	160,995
Donations	Direct	1,713	1,713	1,759
Governance costs	Direct	89,073	89,073	72,353
		1,295,151	1,295,151	1,265,860

All expenditure on support costs relates to unrestricted funds.

10. NET INCOME

This is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets:		
- owned by the Charitable Group	313,849	341,011
Auditor's remuneration:		
- statutory audit of the Group	23,100	16,500
- statutory audit of the subsidiary	12,900	12,900
- statutory audit of the pension fund	12,180	11,448
- accounting services	52,893	43,505
- tax advisory	900	900
Operating lease rentals	118,514	108,255

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

11. STAFF COSTS

Staff costs were as follows:

	2023 £	2022 £
Wages and salaries	2,621,866	2,511,234
Social security costs	248,613	229,693
Other pension costs	487,403	427,046
	<u>3,357,882</u>	<u>3,167,973</u>

The average monthly number of employees during the year was as follows:

	2023 No.	2022 No.
Teaching, pastoral and household	98	103
Maintenance	8	8
Administration	8	7
	<u>114</u>	<u>118</u>

The number of higher paid employees was:

	2023 No.	2022 No.
In the band £60,001 - £70,000	4	4
In the band £110,001 - £120,000	1	1
	<u>5</u>	<u>5</u>

The Charity and Group's key management personnel comprise the directors, the headmaster, the deputy head and the bursar. Total remuneration paid to key management personnel was £281,699 (2022: £266,467).

12. DIRECTORS' REMUNERATION

During the year, no directors received any remuneration (2022: none).

During the year, no directors received any benefits in kind (2022: none).

During the year retirement benefits were accruing to no directors (2022: none) in respect of defined benefit pension schemes.

During the year, no directors were reimbursed expenses (2022: none).

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NOTES TO THE FINANCIAL STATEMENTS
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13. FINANCE EXPENSE

	2023 £	2022 £
Interest income on pension scheme assets	334,000	157,000
Interest on pension scheme liabilities	(303,000)	(176,000)
Net interest on net defined benefit asset	<u>31,000</u>	<u>(19,000)</u>

14. PROPERTY, PLANT AND EQUIPMENT

Group and Company	Land & Buildings £	Plant & machinery £	Motor vehicles £	Total £
Cost				
At 1 September 2022	12,993,174	1,678,583	30,469	14,702,226
Additions	7,011	24,919	13,994	45,924
Disposals	(5,114)	-	(5,700)	(10,814)
At 31 August 2023	<u>12,995,071</u>	<u>1,703,502</u>	<u>38,763</u>	<u>14,737,336</u>
Depreciation				
At 1 September 2022	3,328,696	1,370,442	28,513	4,727,651
Charge for the year	228,088	83,134	2,627	313,849
Depn on disposal	-	-	(5,276)	(5,276)
At 31 August 2023	<u>3,556,784</u>	<u>1,453,576</u>	<u>25,864</u>	<u>5,036,224</u>
Net book value				
At 31 August 2023	<u>9,438,287</u>	<u>249,926</u>	<u>12,899</u>	<u>9,701,112</u>
<i>At 31 August 2022</i>	<u>9,664,478</u>	<u>308,141</u>	<u>1,956</u>	<u>9,974,575</u>

Included in net book value of land and buildings is:

	2023 £	2022 £
Freehold land and buildings	9,124,500	9,336,955
Long leasehold	60,086	60,086
Short leasehold	253,701	267,435
	<u>9,438,287</u>	<u>9,664,476</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

15. FIXED ASSET INVESTMENTS

	Cash	Listed Investments	Total
Group and Company	£	£	£
Market value			
At 1 September 2022	134,348	2,090,690	2,225,038
Additions		529,811	529,811
Disposals	(14,106)	(488,661)	(502,767)
Revaluation	-	14,420	14,420
At 31 August 2023	120,242	2,146,260	2,266,502

Total investment gains of £32,122 (2022: £91,077 loss) as shown on the Statement of Financial Activities comprise unrealised gains of £14,420 (2022: £79,369) and realised gain of £17,702 (2022: £170,446 loss).

Investments at 31 August 2023 comprise:

	2023 £	2022 £
Equities – United Kingdom	147,589	149,509
Equities – Europe	150,663	165,169
Equities – North America	622,271	569,469
Equities – Japan	31,500	27,047
Equities – Asia ex Japan	57,230	68,324
Equities – Emerging markets	120,543	123,841
Bonds – United Kingdom	366,356	196,678
Bonds – North America	77,147	158,577
Bonds – Global	157,073	136,001
Alternatives – hedge funds	118,898	148,757
Alternatives – commodities	136,318	171,198
Alternatives – other	160,672	176,120
Cash	120,242	134,348
	2,266,502	2,225,038

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FOR THE YEAR ENDED 31 AUGUST 2023

16. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Trade receivables	168,606	226,058	158,610	218,443
Amounts owed by group undertakings	-	-	37,881	-
Prepayments and accrued income	105,616	179,014	105,616	179,014
Other receivables	1,411	479	1,411	479
	275,633	405,551	303,518	397,936

17. TRADE AND OTHER PAYABLES:
Amounts falling due within one year

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Other payables	217,947	246,340	217,947	246,340
Social security payable	67,942	61,127	67,942	61,127
Accruals	401,858	374,681	388,837	361,781
Deferred income (note 18)	541,610	691,499	541,610	691,499
Amounts owed to group undertakings	-	-	-	17,218
	1,229,357	1,373,647	1,216,336	1,377,965

18. DEFERRED INCOME

Deferred income relates to school fees paid in advance.

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
As at 1 September	691,499	581,048	691,499	581,048
Amounts released to SOFA	(691,499)	(581,048)	(691,499)	(581,048)
Amounts deferred in the year	541,610	691,499	541,610	691,499
	541,610	691,499	541,610	691,499
As at 31 August	541,610	691,499	541,610	691,499

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NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS - GROUP

	Brought forward 1 September 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward 31 August 2023 £
General Funds - all funds	11,455,846	6,079,620	(6,081,573)	689,122	12,143,015
Designated funds					
Strategic reserve	750,000	-	-	-	750,000
Long-term investment reserve	750,000	-	-	-	750,000
Special projects reserve	1,361,753	-	-	-	1,361,753
Total designated funds	2,861,753	-	-	-	2,861,753
Restricted funds					
Learning support	10,456	-	-	-	10,456
Hardship fund	22,986	-	-	-	22,986
Bursary fund	-	57,323	-	-	57,323
Total restricted funds	33,442	57,323	-	-	90,765
Total of funds	14,351,041	6,136,943	(6,081,573)	689,122	15,095,533

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FOR THE YEAR ENDED 31 AUGUST 2023

19. STATEMENT OF FUNDS (continued) - COMPANY

	Brought forward 1 September 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward 31 August 2023 £
General Funds - all funds	11,017,308	6,038,810	(6,038,643)	689,122	11,706,597
Designated funds					
Strategic reserve	750,000	-	-	-	750,000
Long-term investment reserve	750,000	-	-	-	750,000
Special projects reserve	1,361,753	-	-	-	1,361,753
Total designated funds	2,861,753	-	-	-	2,861,753
Restricted funds					
Learning support	10,456	-	-	-	10,456
Hardship fund	22,986	-	-	-	22,986
Bursary fund	-	-	-	-	-
Total restricted funds	33,442	-	-	-	33,442
Total of funds	13,912,503	6,038,810	(6,038,643)	689,122	14,601,792

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19. STATEMENT OF FUNDS (continued)

Designated funds

The Strategic reserve has been set up to cover possible future expenditure of an exceptional nature.

The Long-term investment reserve has been set up to cover future expenditure on the School's land and buildings.

The Special projects reserve has been set up for potential future requirements of the school.

Restricted funds

The Learning support fund was created by the donation of funds specifically for learning support.

The Bursary fund was created by the donation of funds in the subsidiary charity specifically for the purpose of providing bursaries.

The Hardship fund was created by donations in response to the COVID-19 pandemic and will be used to fund bursaries for families in need as a result of the pandemic.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	Unrestricted funds 2023 £	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Tangible fixed assets	9,701,112	-	-	9,701,112	9,974,575
Fixed asset investments	-	-	2,266,502	2,266,502	2,225,038
Pension asset	1,489,000	-	-	1,489,000	801,000
Current assets	2,182,260	90,765	595,251	2,868,276	2,724,075
Creditors due within one year	(1,229,357)	-	-	(1,229,357)	(1,373,647)
	12,143,015	90,765	2,861,753	15,095,533	14,351,041

All tangible fixed assets for 2022 relate to unrestricted funds. All fixed asset investments for 2022 relate to designated funds. Included within current assets for 2022 is £33,442 relating to restricted funds, £636,715 relating to designated funds, with the balance of £2,053,918 relating to unrestricted funds. All creditors and provisions for liabilities and charges for 2022 relate to unrestricted funds.

COMPANY	Unrestricted funds 2023 £	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Tangible fixed assets	9,701,112	-	-	9,701,112	9,974,575
Fixed asset investments	-	-	2,266,502	2,266,502	2,225,038
Pension asset	1,489,000	-	-	1,489,000	801,000
Current assets	1,732,821	33,442	595,251	2,361,514	2,289,855
Creditors due within one year	(1,216,336)	-	-	(1,216,336)	(1,377,965)
	11,706,597	33,442	2,861,753	14,601,792	13,912,503

All tangible fixed assets for 2022 relate to unrestricted funds. All fixed asset investments for 2022 relate to designated funds. Included within current assets for 2022 is £33,442 relating to restricted funds, £636,715 relating to designated funds, with the balance of £1,619,698 relating to unrestricted funds. All creditors and provisions for liabilities and charges for 2022 relate to unrestricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
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21. PENSION COMMITMENTS

Ludgrove School Trust Limited operates a Group Personal Pension scheme, a defined contribution scheme, for the benefit of certain employees. Contributions in the year were £487,403 (2022: £427,046).

The Group also operates a defined benefit pension scheme.

Contributions by both employees and the Company are held in director administered funds completely independent of the Company's finances. The profit and loss charge is based upon actuarial advice by a professionally qualified actuary. The Scheme's Actuary is not an employee of the sponsoring employer.

The amounts recognised in the Statement of financial position are as follows:

	2023 £	2022 £
Present value of funded obligations	(6,645,000)	(7,958,000)
Fair value of scheme assets	8,134,000	8,759,000
Net balance	1,489,000	801,000

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2023 £	2022 £
Net interest (income)/ cost	(31,000)	19,000
	(31,000)	19,000

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**NOTES TO THE FINANCIAL STATEMENTS
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21. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation and the fair value of scheme assets were as follows:

	Assets £	Liabilities £	Total £
At 1 September 2022	8,759,000	7,958,000	801,000
Interest income on scheme assets	334,000	-	334,000
Return less interest income on scheme assets	(570,000)	-	(570,000)
Interest cost	-	303,000	(303,000)
Actuarial gains / (losses)	-	(1,227,000)	1,227,000
Past service cost	(389,000)	(389,000)	-
At 31 August 2023	8,134,000	6,645,000	1,489,000

The date of the most recent actuarial valuation of the scheme assets and liabilities was 5 August 2019.

The Group expects to contribute £nil (2022: £nil) to its defined benefit pension scheme in 2023 representing contributions made by the school.

Principal actuarial assumptions at the Statement of financial position date (expressed as weighted averages):

	2023	2022
Pension revaluation in deferment (CPI, maximum 5% with effect from 6 April 1999 to 5 April 2009)	2.80%	3.20%
Pension revaluation in deferment (CPI, maximum 2.5% with effect from 6 April 2009)	2.50%	2.50%
Discount rate	5.10%	3.90%
Pension escalation in payment (RPI, max 2.5% with effect from 1 August 2007)	2.20%	2.30%
Pension escalation in payment (RPI, max 5% with effect from 6 April 1999 to 31 July 2007)	3.20%	3.50%
RPI inflation	3.30%	3.70%
CPI inflation	2.80%	3.20%

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NOTES TO THE FINANCIAL STATEMENTS
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22. OPERATING LEASE COMMITMENTS

At 31 August 2023 the Group had commitments under non-cancellable operating leases as follows:

Group and Company	Land and buildings		Other	
	2023	2022	2023	2022
	£	£	£	£
Expiry date:				
Less than 1 year	49,381	57,403	69,133	50,852
Between 1 and 5 years	86,497	112,212	82,484	89,335
Greater than 5 years	-	2,338	-	-

23. CAPITAL COMMITMENTS

There are no capital commitments as at 31 August 2023 (2022: £Nil)

24. RELATED PARTY TRANSACTIONS

The Foundation made bursary grants of £12,360 (2022: £11,730) to the School during the year. During the year the School has settled expenses related to Foundation of £42,738. As at the year end £37,881 is due to be paid to the School (2022: £17,218 due from Foundation to School).

The Headmaster's wife works at the school and received remuneration in the year of £56,736 (2022: £53,796). The Deputy Headmaster's wife also worked at the school in the year and received remuneration in the year of £35,475 (2022: £27,500).

During the year, the Group received donations from trustees of £Nil (2022: £300).

R M Besten and L C L Fitzwilliams have boys who attended the School during the year. Fees were paid on normal commercial basis.

There were no other related party transactions during the year that require disclosure.

25. CONTROLLING PARTY

There is considered to be no ultimate controlling party.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

26. SUBSIDIARY

Company name	Country	Percentage shareholding	Description
The Ludgrove School Foundation	United Kingdom	100%	Charitable foundation

The Charity is the ultimate controlling party of The Ludgrove School Foundation Limited as established by its memorandum and articles of association dated 7 August 2012, company number 08170775 and charity number 1149573. The objective of The Ludgrove School Foundation Limited is to distribute funds available to it in support of charitable purposes approved by its directors. The assets and liabilities of the subsidiary which have been included in the consolidated accounts are shown below as are a summary of its income and expenditure. The registered office of The Ludgrove School Foundation is Ludgrove, Wokingham, RG40 3AB.

Summary of subsidiary assets and liabilities

	2023 £	2022 £
Debtors	9,996	24,833
Cash	534,648	426,606
Creditors	(50,902)	(12,900)
Net Assets	493,742	438,539

Income and expenditure summary

	2023 £	2022 £
Voluntary income	119,817	113,073
Costs of generating voluntary income	(30,614)	(5,760)
Donations	(12,360)	(11,730)
Professional fees	(159)	(293)
Governance costs	(21,481)	(12,900)
Surplus/(Deficit)	55,203	82,390
Funds brought forward	438,539	356,149
Total	493,742	438,539

LUDGROVE SCHOOL TRUST LIMITED

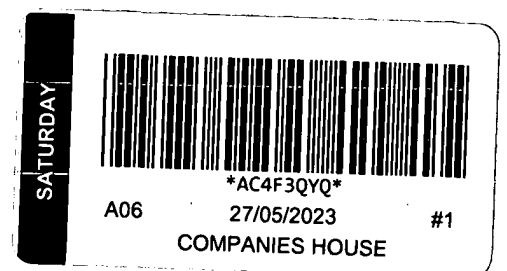
England & Wales - Charity number 309100

Accounts

Registered number: 01053039
Charity number: 309100

LUDGROVE SCHOOL TRUST LIMITED
(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

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LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2022**

Directors

C L Butterworth, Chairman
N R Brooks
R N T Cormack
R M den Besten
L C L Fitzwilliams
A B Henshilwood
A J Hinchliff
B J Holden
W S Johnston (resigned 21 June 2022)
M A Smyth-Osbourne
D D Vigers
V J Morphet (appointed on 12 December 2022)
R M Wiggan (resigned 21 June 2022)

Company secretary

M E Brittain

Company registered number

01053039

Charity registered number

309100

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2022

Registered office

Ludgrove School
Wokingham
Berkshire
RG40 3AB

Auditor

CLA Evelyn Partners Limited
Chartered Accountants
Statutory Auditor
Onslow House
Onslow Street
Guildford
Surrey
GU1 4TL

Bankers

Barclays Bank Plc
P O Box 61
Bracknell
Berkshire
RG12 1GJ

NatWest Bank Plc
13 Market Place
Reading
RG1 2EG

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2022

The directors present their annual report and the financial statements for the year ended 31 August 2022. The financial statements consolidate the results of the School and Ludgrove School Foundation Limited.

Legal and administrative details

The School is a private company limited by guarantee incorporated under the Companies Acts 1948 to 1967, registered number 01053039, and a registered charity, number 309100. The Company was incorporated on 4 May 1972 and its governing document is the Memorandum and Articles of Association.

Directors

The directors, who are also governors and trustees, of the School at 31 August 2022 and up to the date of approval of these financial statements were:

C L Butterworth, Chairman
N R Brooks
R N T Cormack
R M den Besten
L C L Fitzwilliams
A B Henshilwood
A J Hinchliff
B J Holden
W S Johnston (resigned 21 June 2022)
M A Smyth-Osbourne
D D Vigors
V J Morphet (appointed on 12 December 2022)
R M Wiggan (resigned 21 June 2022)

D D Vigors, R M den Besten and L C L Fitzwilliams have boys who attended the School during the year. Fees were paid on normal commercial terms.

There are no trustees other than the directors. Meetings of the full board of directors were held three times during the year, virtually in the summer term. As well as these meetings, there is frequent communication between the directors and there are sub-committee meetings with appropriate professional advisors in attendance. Regular contact is maintained with the headmaster between full board meetings. Details of new legislation, new regulations and news of other significant developments which will affect the School, together with appropriate training material, are sent to the directors as they arise.

The Board is responsible for identifying, recruiting and appointing new directors. New directors are inducted by individual board members, the headmaster and company secretary. The day to day running of the School is delegated to the headmaster, S W T Barber and deputy headmaster, G W Musson.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities

The principal aim and activity of the Company continues to be the provision and promotion of a first class education. Ludgrove seeks to be a school where boys can grow and develop in a happy, caring environment, learn an awareness and concern for others around them and achieve their full potential, at the same time as providing facilities, employment and resources for the local community of Wokingham. The Company's strategies for achieving its aims include the recruitment, employment and training of a high quality, caring and professional workforce; the maintenance of a high standard of academic, moral and personal education; the maintenance, continual improvement and, when necessary, the addition of facilities at the School; and making available and seeking opportunities for the use of the School's grounds and facilities by other schools, clubs and other organisations in the local community.

The School had 194 (2021: 193) pupils on the register at the year end and has had a successful year with academic, sporting and cultural achievements as strong as ever

Achievements and performance

As always we remain unashamedly ambitious for our boys in whatever they do, particularly on the academic front and it is a fact that every year, with a non-selective intake in Year 4, our boys achieve incredible academic success. We were delighted that all the top year boys gained entry to twelve distinguished schools, including nine to Eton, eight to Radley, four to Marlborough, three to Harrow, three to Wellington, two each to Winchester, Charterhouse, Rugby, Tonbridge and Sherborne, and one each to Stowe, Bradfield, Cheltenham, Oundle and Monkton Combe.

When one thinks of a curriculum it is very easy to focus on the academic side of things. However, life outside the classroom is just as much a part of a child's education and sporting activity, cultural, musical and artistic studies continue to be an important part of life at the school. Team games of football and rugby were played against other schools at all ages and at all levels of ability. Additional matches were arranged in hockey, tennis, squash, fives, swimming, golf, chess, general knowledge, judo and athletics. Music and drama continue to play an important role in school life and all the boys take part in public speaking and poetry reciting events as well as in debates. The theatre continues to provide a wonderful space for the performing arts and it has without doubt enhanced the confidence and character of the boys. It is also a venue which attracts high quality speakers and the lectures enjoyed this year have significantly enriched us all.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2022

Public Benefit

Ludgrove strives to fulfil its charitable objects to promote and provide for the advancement of education for the benefit of both its pupils and the wider community. The Governors, as charity trustees, have a duty to report in their Annual Report on the public benefit provided by the school.

The Governors have given consideration to the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on running a charity and charging for services, and have concluded:

1. That there are clearly identifiable benefits from the School's work which relate directly to its aims as set out above;
2. There is no significant detriment flowing directly from the School's work which we consider needs to be balanced against those benefits;
3. That the benefits which the school provides are widely available. A bursary policy has been established and funds put aside to provide a genuine opportunity for those who cannot afford the School's fees to benefit from it.

Bursary policy

The School has a subsidiary charitable foundation to raise money to be available for the funding and advertising of scholarships and bursaries to be offered by the School. Until the foundation has raised sufficient funds to be able to provide such funding, the School makes a budgetary provision of an appropriate and affordable proportion of gross fee income to be applied to means tested bursaries (ranging up to 100% remission of fees). This bursary funding is available for all prospective and existing pupils including those in receipt of Continuity of Education Allowance and those supported by the Royal National Children's SpringBoard Foundation. Ludgrove is proud to be a RNCSF approved school. A bursary policy is in operation and is available to be viewed on the School's website. In addition, the School has arrangements in place with certain public schools for the identification of potential bursary candidates.

Ancillary or incidental educational and other associated activities

Locally Ludgrove does not exist in isolation and is part of the wider community. It offers educational support to members of the public on different levels, employs many local people and wherever possible supports local suppliers and businesses. During the year the school facilities were used on numerous occasions for the educational benefit of teachers and pupils from other schools. It is our intention to build on existing relationships to forge stronger links with local community schools, in particular:

- Following the success of the partnership with the Grub Club, a local organisation set up to feed children in receipt of free school meals during the school holidays, we were pleased to be able to provide materials for Christmas craft and activity packs for the children they support and also fresh fruit and vegetables for weekly food parcels delivered during the school holidays during the second lockdown.
- Ludgrove has entered into a partnership with a cluster of six local state schools and employs a part-time administrator who is responsible for identifying and implementing opportunities for collaborative working with those schools. In addition, Ludgrove provides a budget to allow the organisation of a range of curriculum enrichment events, ranging from large scale events reaching 1,000 + students to targeted activities designed to focus on small groups with specific needs.

LUDGROVE SCHOOL TRUST LIMITED

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2022

In addition to the above, the minibuses, swimming pool and sports hall are all used by the wider community.

Six members of staff are currently serving on the governing bodies of local state schools.

The School will continue to further foster links with the local community and Local Authority funded schools focusing on the provision of access to the School's facilities and opportunities to share expertise in academic, cultural and sporting activities as well as regularly reviewing how it can best deliver its charitable objectives. A governors' Social Impact Committee has been established to focus on these activities.

Fundraising

All fundraising activities for the School are carried out by our staff with assistance from parents for specific fundraising events. The School does not use professional fundraisers. All fundraising activities are managed by the School and monitored by the directors. The School's subsidiary charity, The Ludgrove School Foundation, carries out fundraising activity for the Group and during the year raised £90,779 (2021: £16,715) in donations.

No complaints relating to fundraising activities have been received by the School during this financial year. The School does not currently subscribe to any specific fundraising standards or schemes but considers that it has set appropriate standards for the operations and management of its fundraising activities. In particular the School considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion.

Reserves policy

The Group's reserves of £14,351,041 (2021: £12,324,015) are held to enable the School to meet its objectives. The unrestricted reserves are substantially represented by fixed assets enabling the School to provide its services. During the year an amount of £Nil (2021- £238,108) was transferred into designated funds from general funds to cover possible future expenditure requirements. The Group also had £30,442 (2021 - £770,616) in restricted funds at the beginning of the year. Restricted funds at the end of the year were £33,442.

Investment policy

Some of the Company's investments are held as cash with remainder being held in an investment portfolio. This cash and the Company's unrestricted funds are held by two different banks and the portfolio is managed by Cazenove Capital.

Market value of land and buildings

The directors do not consider it possible to quantify the difference between the net book value and the market value of the Group's fixed assets without a professional valuation.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2022

Guarantee

Each of the directors has guaranteed to contribute to the assets of the Company a sum of £1 in the event of a deficiency on winding up.

Voluntary help

During the year various individuals gave their time in supporting the School's activities. The value of this substantial support cannot be readily quantified and has not been included in the financial statements.

Financial Review

The surplus for the year amounted to £19,026 (2021: £31,651). This surplus is before actuarial gains and losses on the defined benefit pension scheme. The actuarial gain for 2022 was £2,008,000 (2021: £577,000) and the net increase in funds totals £2,027,026 (2021: £608,651). At the year end, the Group had retained reserves of £14,351,041 (2021: 12,324,015) of which £9,974,575 (2021: £10,245,419) relates to tangible fixed assets in the school and the balance of these funds is to be used in financing current and future developments. During the year there was capital expenditure of £70,167 (2021: £648,992).

The principal key financial performance indicators monitored by the governors are number of boys and operating surplus. The operating surplus has reduced on the prior year as a result of the directors' policy of seeking to keep fees as manageable as possible, while maintaining the necessary investment in the school and its staff. The number of boys in the school at the year end was 194 (2021: 193) and the directors consider this to be satisfactory.

The Ludgrove School Foundation

The Ludgrove School Foundation, a wholly owned subsidiary of Ludgrove School Trust Limited and a registered charity with the objects of the advancement of education, in particular by the support and promotion of Ludgrove School, had a surplus for the year of £82,390, after making donations of £11,730 to the School (2021: deficit of £19,023 after donations of £25,213) and is consolidated in these accounts.

Remuneration of Key Management Personnel

The remuneration of staff is set by the board with the objective of providing appropriate incentives to encourage first class performance and of rewarding members of staff fairly for their contributions to the success of the School. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single component of the School's charitable expenditure.

Staff remuneration is reviewed annually, with benchmarking exercises against other comparable independent schools carried out as appropriate to ensure the School remains aware of the broader issues of pay and employment conditions elsewhere.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2022

Plans for future periods

The Exploration Centre was fully opened in 2021 and has been an excellent addition to the School. The School is undertaking an estate master-planning exercise to ensure that the physical development of the school site over the next 10+ years is aligned with the strategic development objectives of the business.

Principal risks and uncertainties

The board has assessed the major risks to which the School is exposed, in particular those related to the operations and finances of the School and is satisfied that systems are in place to mitigate exposure to the major risks. The directors' risk assessment process has identified those risks standard in owning and operating any private school. These include inter alia financial/fiscal, operational, legal/regulatory, strategic, and reputational risks.

These are regularly and carefully monitored by the directors and appropriate risk management measures implemented.

The Company keeps a risk register, to which newly identified risks are added as and when they are noted. Consideration is given to appropriate mitigation of all risks identified. The whole register is reviewed annually by the directors.

The principal risks to the school arise as a result of the importance of maintaining its outstanding reputation. This ensures that that school is able to attract sufficient boys and to recruit and retain the highest quality staff. This is of paramount importance to the directors who closely monitor all the factors that influence these areas to ensure that any risk to the school is minimal. The high level of demand for places and the school's excellent track record of supporting boys with gaining places at their first choice of public school are testament to their success in managing these risks.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2022

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

This report, incorporating the Group Strategic Report, was approved by the directors on ...26/05/2023 and signed on their behalf by:

charles butterworth
charles butterworth (May 26, 2023 11:00 GMT+1)

.....
C L Butterworth
Chairman

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2022

Trustees' Responsibilities Statement

The trustees (who are also directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Annual Report (incorporating the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED



Opinion

We have audited the financial statements of Ludgrove School Trust Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Statement of Financial Position, Company Statement of Financial Position, the Consolidated Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2022 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED (continued)

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report, which includes the Strategic Report and 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 Strategic Report and the Directors' Report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Annual Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, the trustees (who are directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED (continued)

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

We have been appointed as auditor under the Companies Act 2006 and under section 151 of the Charities Act 2011, and report in accordance with those Acts and relevant regulations made or having effect thereunder.

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

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

We obtained a general understanding of the Group's and the Parent Charitable Company's legal and regulatory framework through enquiry of management concerning: their understanding of relevant laws and regulations; the entities' policies and procedures regarding compliance; and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the Group's and the Parent Charitable Company's industry and regulation.

We understand that the Group and the Parent Charitable Company comply with the framework through:

- Outsourcing financial statement preparation and tax compliance to external experts;
- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change; and
- Management's oversight through regular meetings and compliance reporting.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the Group's and the Parent Charitable Company's ability to conduct its business, and where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Group's and the Parent Charitable Company's activities:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements; and
- The Charities Act 2011.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED (continued)

Based on our understanding we performed the following specific procedures to gain evidence about compliance with the significant laws and regulations above:

- We identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience of the sector;
- Making enquiries of management and those charged with governance to understand their awareness of any non-compliance of laws and regulations;
- Reviewing minutes of meetings of those charged with governance to identify any instances of non-compliance.

The senior statutory auditor led a discussion with all members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements via fraudulent journal entries.

The procedures we carried out to gain evidence in the above areas included:

- Substantive work on material areas affecting the results, in particular significant items of expenditure and revenue;
- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts and those with unusual or no descriptions; and
- Reviewing and challenging estimates made by management.

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

Use of our report

This report is made solely to the parent 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 parent charitable company's members and trustees, 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 parent charitable company, and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

CLA Evelyn Partners Limited

CLA Evelyn Partners Limited (May 26, 2023 11:14 GMT+1)

Julie Mutton

Senior Statutory Auditor, for and on behalf of CLA Evelyn Partners Limited
Statutory Auditor
Chartered Accountants

Onslow House
Onslow Street
Guildford
Surrey
GU1 4TL

Date: 26/05/2023

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:						
Donations	3	90,409	-	-	90,409	92,665
Charitable activities	4	5,688,409	-	-	5,688,409	5,060,209
Other trading activities	5	27,569	-	-	27,569	8,069
Investments	6	28,041	-	-	28,041	2,039
Other income	7	-	-	-	-	113,637
TOTAL INCOME		5,834,428	-	-	5,834,428	5,276,619
EXPENDITURE ON:						
Raising funds	8	18,954	-	-	18,954	13,787
Charitable activities	9	5,705,371	-	-	5,705,371	5,262,875
TOTAL EXPENDITURE		5,724,325	-	-	5,724,325	5,276,662
Net (losses)/gains on fixed asset investments		(91,077)	-	-	(91,077)	31,694
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		19,026	-	-	19,026	31,651
Transfers between funds	20	-	-	-	-	-
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes		2,008,000	-	-	2,008,000	577,000
NET INCOME / MOVEMENT IN FUNDS FOR THE YEAR		2,027,026	-	-	2,027,026	608,651
Reconciliation of funds:						
<i>Total funds at 1 September 2021</i>		<i>9,428,820</i>	<i>33,442</i>	<i>2,861,753</i>	<i>12,324,015</i>	<i>11,715,364</i>
TOTAL FUNDS AT 31 AUGUST 2022		11,455,846	33,442	2,861,753	14,351,041	12,324,015

All activities relate to continuing operations. The notes on pages 19 to 38 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2022

	Note	£	2022 £	2021 £
NON CURRENT ASSETS				
Property, plant and equipment	15		9,974,575	10,245,419
Investments	16		2,225,038	2,301,400
Pension asset	22		801,000	-
			<u>13,000,613</u>	<u>12,546,819</u>
CURRENT ASSETS				
Trade and other receivables	17	405,551	229,539	
Cash and cash equivalents		2,318,524	1,910,930	
		<u>2,724,075</u>	<u>2,140,469</u>	
CURRENT LIABILITIES				
Trade and other payables	18	(1,373,647)	(1,175,273)	
			<u>1,350,428</u>	<u>965,196</u>
NET CURRENT ASSETS			<u>1,350,428</u>	<u>965,196</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>14,351,041</u>	<u>13,512,015</u>
PROVISIONS FOR LIABILITIES				
Pension liability	22		-	(1,188,000)
			<u>14,351,041</u>	<u>12,324,015</u>
NET ASSETS				
CONSOLIDATED FUNDS				
Designated funds	20		2,861,753	2,861,753
Restricted funds	20		33,442	33,442
Unrestricted funds	20		11,455,846	9,428,820
TOTAL FUNDS			<u>14,351,041</u>	<u>12,324,015</u>

The financial statements were approved by the directors on 26/05/2023 and signed on their behalf, by:

C Butterworth charles butterworth
charles butterworth (May 26, 2023 11:00 GMT+1)

The notes on pages 19 to 38 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

**COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2022**

		2022		2021	
	Note	£	£	£	£
NON CURRENT ASSETS					
Property, plant and equipment	15		9,974,575		10,245,419
Investments	16		2,225,038		2,301,400
Pension asset	22		<u>801,000</u>		<u>-</u>
			13,000,613		12,546,819
CURRENT ASSETS					
Trade and other receivables	17	397,936		241,621	
Cash and cash equivalents		<u>1,891,919</u>		<u>1,531,539</u>	
			2,289,855		1,773,160
CURRENT LIABILITIES					
Trade and other payables	18		<u>(1,377,965)</u>		<u>(1,164,113)</u>
NET CURRENT ASSETS			<u>911,890</u>		<u>609,047</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			13,912,503		13,155,866
PROVISION FOR LIABILITIES					
Pension liability	22		<u>-</u>		<u>(1,188,000)</u>
NET ASSETS			<u>13,912,503</u>		<u>11,967,866</u>
CHARITY FUNDS					
Designated funds	20		2,861,753		2,861,753
Restricted funds	20		33,442		48,105
Unrestricted funds	20		<u>11,017,308</u>		<u>9,058,008</u>
TOTAL FUNDS			<u>13,912,503</u>		<u>11,967,866</u>

The unconsolidated net surplus of Ludgrove School Trust Limited for the year was £1,944,637 (2021: £627,674).

The financial statements were approved by the directors on 26/05/2023 and signed on their behalf, by:

Charles Butterworth
charles butterworth (May 26, 2023 11:00 GMT+1)

C Butterworth

The notes on pages 19 to 38 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash generated from operating activities	A	293,991	241,786
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received		28,041	2,039
Purchase of property, plant and equipment		(70,169)	(907,352)
Proceeds on disposal of fixed asset investments		1,399,182	1,174,824
Increase in fixed asset investments		(1,243,451)	(1,323,119)
Net cash used in investing activities		113,603	(1,053,608)
Change in cash and cash equivalents in the reporting period		407,594	(811,822)
Cash and cash equivalents at the beginning of the reporting period		1,910,930	2,722,752
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD		2,318,524	1,910,930

NOTE TO THE STATEMENT OF CASH FLOWS:

A. RECONCILIATION OF NET INCOME TO NET CASH GENERATED FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income before other recognised gains and losses	19,026	31,651
Interest received	(28,041)	(2,039)
Depreciation of property, plant and equipment	341,011	350,816
Gains on investments	(79,369)	(31,694)
(Increase)/decrease in trade and other receivables	(176,012)	(24,049)
(Decrease)/increase in trade and other payables	198,376	(110,899)
Defined benefit pension scheme adjustments	19,000	28,000
NET CASH GENERATED FROM OPERATING ACTIVITIES	293,991	241,786

The notes on pages 19 to 38 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The consolidated accounts are prepared under the Companies Act 2006 and the historical cost convention unless otherwise stated, in accordance with applicable United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS 102) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with FRS 102 (effective 1 January 2019) - (Charities SORP (FRS 102)).

Ludgrove School Trust Limited is a school offering education to boys aged 8 to 13, which meets the definition of a public benefit entity under FRS 102.

The Parent Company has taken advantage of the exemption available to qualifying entities under FRS 102 from preparing a Statement of Cash Flows

1.2 Basis of consolidation

The consolidated financial statements present the results of Ludgrove School Trust Limited and its subsidiary undertaking ('the Group'). The Company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.3 Going concern

Directors have reviewed the funds available to the School together with the expected ongoing demand for places and the future projected cash flows, and have concluded that the school has adequate resources to continue its activities for the foreseeable future. Additionally, despite the current uncertainty in the wider economy, the strength of the School's Statement of financial position is such that the directors consider that there is currently no material uncertainty over the school's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.4 Company status

The School is a registered charity and a private company limited by guarantee incorporated in England and Wales. The members of the Company are the directors named on page 1. The registered office is Ludgrove School, Wokingham, Berkshire, RG40 3AB. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

15 Fund accounting

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

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

Restricted funds represent unspent monies received for a particular donor-specified purpose, as explained in the notes to the financial statements.

16 Income

All incoming resources are included in the Consolidated Statement of Financial Activities when the Company has entitlement to the funds, it is probable that monies will be received, and the amount can be measured with sufficient reliability.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Fee income represents fees, extras and disbursements, received for the education of the pupils attending the school, less discounts. Income received from the rendering of tuition services is recognised over the period the service is provided.

17 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

All resources expended are inclusive of irrecoverable VAT.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

18 Property, plant and equipment

All assets costing more than £2,000 are capitalised.

Property, plant and equipment are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	2% straight-line
Leasehold buildings	-	over the term of the lease
Freehold land	-	not depreciated
Plant and machinery	-	15% straight-line
Motor vehicles	-	25% reducing balance

Included in leasehold properties are buildings held under short leases which are being depreciated at the rate of 2% per annum. In the directors' opinion the leases will be renewed indefinitely.

19 Operating leases

Rentals under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.10 Taxation

As a charity, the Company and its subsidiary are exempt from tax on income and gains under current tax legislation to the extent that these are applied to charitable objects. No tax charges have arisen in the Group.

The Group is unable to recover the input VAT associated with the supply of goods and services as the provision of education is exempt from VAT. The irrecoverable VAT is included in the total cost applicable to each expense heading.

1.11 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

The Company additionally maintains a funded defined benefit pension scheme called the Ludgrove School Staff Pension Scheme. This scheme ceased to accrue benefits for active members as from 31 August 2011. Under the provisions of FRS 102, any surplus or deficit on the pension scheme is included in the Company's Statement of financial position.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1.11 Pensions (continued)

A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. The liability recognised in the Statement of financial position in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Group engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other recognised gains/losses. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Actuarial gains on defined benefit scheme'.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in the Income and expenditure account as 'Finance expense'.

1.12 Financial instruments

The charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

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

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1.12 Financial instruments (continued)

Financial liabilities are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability.

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

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

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

2. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the Statement of financial position date and the reported amounts of revenues and expenses during the reporting period.

Defined benefit pension scheme

The Charity has an obligation to pay pension benefits to employees. The costs of these benefits and the present value of the obligation depend on a number of factors including life expectancy, salary and pension increases, and the discount rate on corporate bonds. The directors make appropriate judgements and estimates based on professional advice received from the scheme's actuary. The discount rate of corporate bonds as at 31 August 2022 has increased to 3.9% compared to 1.6% at the previous year end. This change in assumption underlying the valuation of the assets and liabilities has resulted in the scheme moving from an overall liability or deficit in the prior year to an asset at the end of the current year. The increase in fair value of the scheme assets is higher than the increase in present value of the scheme liabilities, resulting in this change of valuation.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

3. INCOME FROM DONATIONS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	90,409	-	-	90,409	92,665

Included in donations income of £92,665 for the year ended 31 August 2021 is £75,950 which relates to restricted funds and the balance of £16,715 relates to unrestricted funds.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fees receivable	5,577,637	-	-	5,577,637	4,995,425
Extras	351,359	-	-	351,359	256,383
Non-refundable registration fees	13,424	-	-	13,424	10,956
Discounts and bursaries	(254,011)	-	-	(254,011)	(202,556)
	5,688,409	-	-	5,688,409	5,060,208

All income from other charitable activities in 2021 relates to unrestricted funds.

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rent receivable	3,998	-	-	3,998	4,097
Other income	23,571	-	-	23,571	3,972
	27,569	-	-	27,569	8,069

All income from other trading activities in 2021 relates to unrestricted funds.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

6. INCOME FROM INVESTMENTS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment income	28,041	-	-	28,041	2,039

All investment income in 2021 relates to unrestricted funds.

7. OTHER INCOME

	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	Total funds 2021 £
Job Retention Scheme grant income	-	-	-	-	113,637

All other income in 2021 relates to unrestricted funds.

8. EXPENDITURE ON RAISING FUNDS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank charges	62	-	-	62	65
Fundraising events	-	-	-	-	-
Fundraising administration	13,132	-	-	13,132	11,250
Staff costs	5,760	-	-	5,760	2,472
	18,954	-	-	18,954	13,787

All expenditure on raising funds in 2021 relates to unrestricted funds.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

9. EXPENDITURE ON CHARITABLE ACTIVITIES	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	3,167,973	-	-	3,167,973	3,032,846
Direct costs	930,525	-	-	930,525	758,055
Depreciation	341,013	-	-	341,013	350,816
Support costs (note 10)	1,265,860	-	-	1,265,860	1,121,158
	5,705,371	-	-	5,705,371	5,262,875

All expenditure on charitable activities in 2021 relates to unrestricted funds.

10. SUPPORT COSTS

	Basis of Allocation	Support costs £	Total 2022 £	<i>Total 2021 £</i>
Other finance expense (note 14)	Direct	19,000	19,000	28,000
Office costs	Direct	7,294	7,294	12,181
Premises	Direct	800,131	800,131	745,099
Garden & grounds	Direct	148,753	148,753	101,537
Professional fees	Direct	55,575	55,575	28,822
Other support costs	Direct	160,995	160,995	138,563
Donations	Direct	1,759	1,759	10
Governance costs	Direct	72,353	72,353	66,946
		1,265,860	1,265,860	1,121,158

All expenditure on support costs relates to unrestricted funds.

11. NET INCOME

This is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets:		
- owned by the Charitable Group	341,011	350,816
Auditor's remuneration:		
- statutory audit of the Group	16,500	15,450
- statutory audit of the subsidiary	12,900	8,250
- statutory audit of the pension fund	11,448	11,058
- accounting services	43,505	42,559
- tax advisory	900	882
Operating lease rentals	108,255	75,234

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

12. STAFF COSTS

Staff costs were as follows:

	2022	2021
	£	£
Wages and salaries	2,511,234	2,413,562
Social security costs	229,693	203,489
Other pension costs	427,046	418,267
	<u>3,167,973</u>	<u>3,035,318</u>

The average monthly number of employees during the year was as follows:

	2022	2021
	No.	No.
Teaching, pastoral and household	103	104
Maintenance	8	8
Administration	7	7
	<u>118</u>	<u>119</u>

The number of higher paid employees was:

	2022	2021
	No.	No.
In the band £60,001 - £70,000	4	3
In the band £110,001 - £120,000	1	1
	<u>5</u>	<u>4</u>

The Charity and Group's key management personnel comprise the directors, the headmaster, the deputy head and the bursar. Total remuneration paid to key management personnel was £291,545 (2021: £282,617).

13. DIRECTORS' REMUNERATION

During the year, no directors received any remuneration (2021: none).

During the year, no directors received any benefits in kind (2021: none).

During the year retirement benefits were accruing to no directors (2021: none) in respect of defined benefit pension schemes.

During the year, no directors were reimbursed expenses (2021: none).

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

14. FINANCE EXPENSE

	2022 £	2021 £
Interest income on pension scheme assets	157,000	143,000
Interest on pension scheme liabilities	(176,000)	(171,000)
Net interest on net defined benefit liability	(19,000)	(28,000)

15. PROPERTY, PLANT AND EQUIPMENT

	Land & Buildings £	Plant & machinery £	Motor vehicles £	Total £
Cost				
At 1 September 2021	12,978,876	1,622,714	30,469	14,632,059
Additions	14,298	55,869	-	70,167
At 31 August 2022	12,993,174	1,678,583	30,469	14,702,226
Depreciation				
At 1 September 2021	3,067,350	1,291,360	27,930	4,386,640
Charge for the year	261,346	79,082	583	341,011
At 31 August 2022	3,328,696	1,370,442	28,513	4,727,651
Net book value				
At 31 August 2022	9,664,478	308,141	1,956	9,974,575
At 31 August 2021	9,911,526	331,354	2,539	10,245,419

Included in net book value of land and buildings is:

	2022 £	2021 £
Freehold land and buildings	9,336,955	9,570,269
Long leasehold	60,086	61,050
Short leasehold	267,435	280,201
	9,664,476	9,911,520

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

16. FIXED ASSET INVESTMENTS

	Cash	Listed Investments	Total
Group and Company	£	£	£
Market value			
At 1 September 2021	954,529	1,346,871	2,301,400
Additions	-	1,243,451	1,243,451
Disposals	(820,181)	(579,001)	(1,399,182)
Revaluation	-	79,369	79,369
At 31 August 2022	134,348	2,090,690	2,225,038

Total investment losses of £91,077 (2021: £31,694 gain) as shown on the Statement of Financial Activities comprise unrealised gains of £79,369 and realised losses of £170,446.

Investments at 31 August 2022 comprise:

	2022	2021
	£	£
Equities – United Kingdom	149,509	62,592
Equities – Europe	165,169	98,084
Equities – North America	569,469	358,304
Equities – Japan	27,047	16,206
Equities – Asia ex Japan	68,324	26,868
Equities – Emerging markets	123,841	82,023
Bonds – United Kingdom	196,678	177,334
Bonds – North America	158,577	137,358
Bonds – Emerging markets	-	77,590
Bonds – Global	136,001	70,173
Alternatives – hedge funds	148,757	57,550
Alternatives – commodities	171,198	91,261
Alternatives – other	176,120	91,528
Cash	134,348	954,529
	2,225,038	2,301,400

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

17. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Trade receivables	226,058	111,639	218,443	108,464
Amounts owed by group undertakings	-	-	-	15,257
Prepayments and accrued income	179,014	117,421	179,014	117,421
Other receivables	479	479	479	479
	405,551	229,539	397,936	241,621

**18. TRADE AND OTHER PAYABLES:
Amounts falling due within one year**

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Other payables	246,340	210,904	246,340	210,904
Social security payable	61,127	57,391	61,127	57,391
Accruals	374,681	325,930	361,781	314,770
Deferred income (note 19)	691,499	581,048	691,499	581,048
Amounts owed to group undertakings	-	-	17,218	-
	1,373,647	1,175,273	1,377,965	1,164,113

19. DEFERRED INCOME

Deferred income relates to school fees paid in advance.

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
As at 1 September	581,048	818,446	581,048	818,446
Amounts released to SOFA	(581,048)	(818,446)	(581,048)	(818,446)
Amounts deferred in the year	691,499	581,048	691,499	581,048
	691,499	581,048	691,499	581,048
As at 31 August	691,499	581,048	691,499	581,048

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

20. STATEMENT OF FUNDS - GROUP

	Brought forward 1 September 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward 31 August 2022 £
General Funds - all funds	9,428,820	5,834,428	(5,724,325)	1,916,923	11,455,846
Designated funds					
Strategic reserve	750,000	-	-	-	750,000
Long-term investment reserve	750,000	-	-	-	750,000
Special projects reserve	1,361,753	-	-	-	1,361,753
Total designated funds	2,861,753	-	-	-	2,861,753
Restricted funds					
Learning support	10,456	-	-	-	10,456
COVID-19 hardship fund	22,986	-	-	-	22,986
Total restricted funds	33,442	-	-	-	33,442
Total of funds	12,324,015	5,834,428	(5,724,325)	1,916,923	14,351,041

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

20. STATEMENT OF FUNDS (continued) - COMPANY

	Brought forward 1 September 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward 31 August 2022 £
General Funds - all funds	9,058,008	5,738,844	(5,696,467)	1,916,923	11,017,308
Designated funds					
Strategic reserve	750,000	-	-	-	750,000
Long-term investment reserve	750,000	-	-	-	750,000
Bursary reserve	-	-	-	-	-
Special projects reserve	1,361,753	-	-	-	1,361,753
Total designated funds	2,861,753	-	-	-	2,861,753
Restricted funds					
Learning support	10,456	-	-	-	10,456
COVID-19 hardship fund	22,986	-	-	-	22,986
Bursary fund	14,663	-	(14,663)	-	-
Total restricted funds	48,105	-	(14,663)	-	33,442
Total of funds	11,967,866	5,738,844	(5,711,130)	1,916,923	13,912,503

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

20. STATEMENT OF FUNDS (continued)

Designated funds

The Strategic reserve has been set up to cover possible future expenditure of an exceptional nature.

The Long-term investment reserve has been set up to cover future expenditure on the School's land and buildings.

The Special projects reserve has been set up for potential future requirements of the school.

Restricted funds

The Learning support fund was created by the donation of funds specifically for learning support.

The Bursaries fund was created by the donation of funds in the subsidiary charity specifically for the purpose of providing bursaries.

The Hardship fund was created by donations in response to the COVID-19 pandemic and will be used to fund bursaries for families in need as a result of the pandemic.

LUDGROVE SCHOOL TRUST LIMITED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	Total funds 2021 £
Tangible fixed assets	9,974,575	-	-	9,974,575	10,245,419
Fixed asset investments	-	-	2,225,038	2,225,038	2,301,400
Pension asset	801,000	-	-	801,000	-
Current assets	2,053,918	33,442	636,715	2,724,075	2,140,469
Creditors due within one year	(1,373,647)	-	-	(1,373,647)	(1,175,273)
Pension liability	-	-	-	-	(1,188,000)
	11,455,846	33,442	2,861,753	14,351,041	12,324,015

All tangible fixed assets for 2021 relate to unrestricted funds. All fixed asset investments for 2021 relate to designated funds. Included within current assets for 2021 is £33,442 relating to restricted funds, £560,353 relating to designated funds, with the balance of £1,546,674 relating to unrestricted funds. All creditors and provisions for liabilities and charges for 2021 relate to unrestricted funds.

COMPANY	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	Total funds 2021 £
Tangible fixed assets	9,974,575	-	-	9,974,575	10,245,419
Fixed asset investments	-	-	2,225,038	2,225,038	2,301,400
Pension asset	801,000	-	-	801,000	-
Current assets	1,619,698	33,442	636,715	2,289,855	1,773,160
Creditors due within one year	(1,377,965)	-	-	(1,377,965)	(1,164,113)
Pension liability	-	-	-	-	(1,188,000)
	11,017,308	33,442	2,861,753	13,912,503	11,967,866

All tangible fixed assets for 2021 relate to unrestricted funds. All fixed asset investments for 2021 relate to designated funds. Included within current assets for 2021 is £48,105 relating to restricted funds, £560,353 relating to designated funds, with the balance of £1,164,702 relating to unrestricted funds. All creditors and provisions for liabilities and charges for 2021 relate to unrestricted funds.

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

22. PENSION COMMITMENTS

Ludgrove School Trust Limited operates a Group Personal Pension scheme, a defined contribution scheme, for the benefit of certain employees. Contributions in the year were £427,046 (2021: £418,267).

The Group also operates a defined benefit pension scheme.

Contributions by both employees and the Company are held in director administered funds completely independent of the Company's finances. The profit and loss charge is based upon actuarial advice by a professionally qualified actuary. The Scheme's Actuary is not an employee of the sponsoring employer.

The amounts recognised in the Statement of financial position are as follows:

	2022 £	2021 £
Present value of funded obligations	(7,958,000)	(11,177,000)
Fair value of scheme assets	<u>8,759,000</u>	<u>9,989,000</u>
Net balance	<u>801,000</u>	<u>(1,188,000)</u>

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2022 £	2021 £
Net interest cost	<u>19,000</u>	<u>28,000</u>
	<u>19,000</u>	<u>28,000</u>

LUDGROVE SCHOOL TRUST LIMITED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

22. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation and the fair value of scheme assets were as follows:

	Assets £	Liabilities £	Total £
At 1 September 2021	9,989,000	11,177,000	(1,188,000)
Interest income on scheme assets	157,000		157,000
Expected return on assets	(1,014,000)		(1,014,000)
Interest cost	-	176,000	(176,000)
Actuarial gains / (losses)	-	(3,022,000)	3,022,000
Contributions by the employer	-		-
Past service cost	(373,000)	(373,000)	-
Benefits paid			-
At 31 August 2022	8,759,000	7,958,000	801,000

The date of the most recent actuarial valuation of the scheme assets and liabilities was 5 August 2019.

The Group expects to contribute £nil (2021: £nil) to its defined benefit pension scheme in 2022 representing contributions made by the school.

Principal actuarial assumptions at the Statement of financial position date (expressed as weighted averages):

	2022	2021
Pension revaluation in deferment (CPI, maximum 5% with effect from 6 April 1999 to 5 April 2009)	3.20%	2.90%
Pension revaluation in deferment (CPI, maximum 2.5% with effect from 6 April 2009)	2.50%	2.50%
Discount rate	3.90%	1.60%
Pension escalation in payment (RPI, max 2.5% with effect from 1 August 2007)	2.30%	2.20%
Pension escalation in payment (RPI, max 5% with effect from 6 April 1999 to 31 July 2007)	3.50%	3.30%
RPI inflation	3.70%	3.50%
CPI inflation	3.20%	2.90%

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

23. OPERATING LEASE COMMITMENTS

At 31 August 2022 the Group had commitments under non-cancellable operating leases as follows:

Group and Company	Land and buildings		Other	
	2022	2021	2022	2021
	£	£	£	£
Expiry date:				
Less than 1 year	57,403	51,303	50,852	20,515
Between 2 and 5 years	112,212	2,338	89,335	27,642
Greater than 5 years	2,338	-	-	19,555

24. CAPITAL COMMITMENTS

There are no capital commitments as at 31 August 2022 (2021: £Nil)

25. RELATED PARTY TRANSACTIONS

The Foundation made bursary grants of £11,730 (2021: £25,213) to the School during the year. During the year the head bursar exercised a deposits reconciliation and £17,812 of deposits was written off and is due to be paid to Foundation. As at the year end £17,218 is due to be paid from School to Foundation (2021: £15,257 due from Foundation to School).

The Headmaster's wife works at the school and received remuneration in the year of £53,796 (2021: £53,007). The Deputy Headmaster's wife also worked at the school in the year and received remuneration in the year of £27,500 (2021: £Nil).

During the year, the Group received donations from trustees of £300 (2021: £300).

D D Vigors, R M Besten and L C L Fitzwilliams have boys who attended the School during the year. Fees were paid on normal commercial basis.

There were no other related party transactions during the year that require disclosure.

26. CONTROLLING PARTY

There is considered to be no ultimate controlling party.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

27. SUBSIDIARY

Company name	Country	Percentage shareholding	Description
The Ludgrove School Foundation	United Kingdom	100%	Charitable foundation

The Charity is the ultimate controlling party of The Ludgrove School Foundation Limited as established by its memorandum and articles of association dated 7 August 2012, company number 08170775 and charity number 1149573. The objective of The Ludgrove School Foundation Limited is to distribute funds available to it in support of charitable purposes approved by its directors. The assets and liabilities of the subsidiary which have been included in the consolidated accounts are shown below as are a summary of its income and expenditure. The registered office of The Ludgrove School Foundation is Ludgrove, Wokingham, RG40 3AB.

Summary of subsidiary assets and liabilities

	2022 £	2021 £
Debtors	24,833	3,175
Cash	426,606	379,391
Creditors	(12,900)	(26,417)
Net Assets	438,539	356,149

Income and expenditure summary

	2022 £	2021 £
Voluntary income	113,073	19,977
Costs of generating voluntary income	(5,760)	(2,472)
Donations	(11,730)	(25,213)
Professional fees	(293)	(65)
Governance costs	(12,900)	(11,250)
Surplus/(Deficit)	82,390	(19,023)
Funds brought forward	356,149	375,172
Total	438,539	356,149

LUDGROVE SCHOOL TRUST LIMITED

England & Wales - Charity number 309100

Accounts

Registered number: 01053039
Charity number: 309100

LUDGROVE SCHOOL TRUST LIMITED
(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

LUDGROVE SCHOOL TRUST LIMITED
(A company limited by guarantee)

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LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Directors

C L Butterworth, Chairman
G W Barker (resigned 21 June 2021)
N R Brooks
R N T Cormack
R M den Besten
P D Edey, (resigned 21 June 2021)
L C L Fitzwilliams (appointed 24 April 2021)
A B Henshilwood
A J Hinchliff
B J Holden
W S Johnston
M A Smyth-Osbourne
D D Vigers
R M Wiggin

Company secretary

M E Brittain

Company registered number

01053039

Charity registered number

309100

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Registered office

Ludgrove School
Wokingham
Berkshire
RG40 3AB

Auditor

Nexia Smith & Williamson
Chartered Accountants
Statutory Auditor
Onslow House
Onslow Street
Guildford
Surrey
GU1 4TL

Bankers

Barclays Bank Plc
P O Box 61
Bracknell
Berkshire
RG12 1GJ

Natwest Bank Plc
13 Market Place
Reading
RG1 2EG

Bank of Scotland
600 Gorgie Road
Edinburgh
EH11 3XP

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

The directors present their annual report and the financial statements for the year ended 31 August 2021. The financial statements consolidate the results of the School and Ludgrove School Foundation Limited.

Legal and administrative details

The School is a private company limited by guarantee incorporated under the Companies Acts 1948 to 1967, registered number 01053039, and a registered charity, number 309100. The Company was incorporated on 4 May 1972 and its governing document is the Memorandum and Articles of Association.

Directors

The directors, who are also governors and trustees, of the School at 31 August 2021 and during the year were:

C L Butterworth, Chairman
G W Barker (resigned 21 June 2021)
N R Brooks
R N T Cormack
R M den Besten
P D Edey, (resigned 21 June 2021)
L C L Fitzwilliams (appointed 24 April 2021)
A B Henshilwood
A J Hinchliff
B J Holden
W S Johnston
M A Smyth-Osbourne
D D Vigors
R M Wiggin

D D Vigors and R M den Besten have boys who attended the School during the year. Fees were paid on normal commercial terms.

There are no trustees other than the directors. Meetings of the full board of directors were held three times during the year, virtually in the summer term. As well as these meetings, there is frequent communication between the directors and there are sub-committee meetings with appropriate professional advisors in attendance. A Covid-19 Sub-Committee of Directors was set up to assist the School and provide oversight in relation to dealing with the effect of Covid-19 on the School. Regular contact is maintained with the headmaster between full board meetings. Details of new legislation, new regulations and news of other significant developments which will affect the School, together with appropriate training material, are sent to the directors as they arise.

The Board is responsible for identifying, recruiting and appointing new directors. New directors are inducted by individual board members, the headmaster and company secretary. The day to day running of the School is delegated to the headmaster, S W T Barber and deputy headmaster, G W Musson.

LUDGROVE SCHOOL TRUST LIMITED

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities

The principal aim and activity of the Company continues to be the provision and promotion of a first class education. Ludgrove seeks to be a school where boys can grow and develop in a happy, caring environment, learn an awareness and concern for others around them and achieve their full potential, at the same time as providing facilities, employment and resources for the local community of Wokingham. The Company's strategies for achieving its aims include the recruitment, employment and training of a high quality, caring and professional workforce; the maintenance of a high standard of academic, moral and personal education; the maintenance, continual improvement and, when necessary, the addition of facilities at the School; and making available and seeking opportunities for the use of the School's grounds and facilities by other schools, clubs and other organisations in the local community.

The School had 193 (2020: 191) pupils on the register at the year end. The School rose to the extraordinary challenges thrown up by the Covid-19 pandemic, which meant the School was required to be closed physically for much of the Spring term. Teaching took place virtually and every effort was made to provide as complete an all-round education as was possible in the circumstances. Some staff were furloughed for the Spring term but all received 100% of their salaries. Summer term fees charged to parents were reduced to reflect the fact that the pupils were not able to attend the School for much of the Spring term, resulting in a substantially reduced surplus for the Summer term. Throughout, the School followed the relevant guidance.

Achievements and performance

As always we remain unashamedly ambitious for our boys in whatever they do, particularly on the academic front and it is a fact that every year, with a non-selective intake in Year 4, our boys achieve incredible academic success. We were delighted that all the top year boys gained entry to twelve distinguished schools, including nine to Eton, eight to Radley, four to Marlborough, three to Harrow, three to Wellington, two each to Winchester, Charterhouse, Rugby, Tonbridge and Sherborne, and one each to Stowe, Bradfield, Cheltenham, Oundle and Monkton Combe.

When one thinks of a curriculum it is very easy to focus on the academic side of things. However, life outside the classroom is just as much a part of a child's education and sporting activity, cultural, musical and artistic studies continue to be an important part of life at the school. Team games of football and rugby were played against other schools at all ages and at all levels of ability. Additional matches are arranged in hockey, tennis, squash, fives, swimming, golf, chess, general knowledge, judo and athletics. Music and drama continue to play an important role in school life and all the boys take part in public speaking and poetry reciting events as well as in debates. The theatre continues to provide a wonderful space for the performing arts and it has without doubt enhanced the confidence and character of the boys. It is also a venue which attracts high quality speakers and the lectures enjoyed this year have significantly enriched us all. Sadly Covid restrictions prevented many of the dramatic productions taking place this year.

The Exploration Centre was formally opened on 21 June and has been a tremendous addition to school life.

LUDGROVE SCHOOL TRUST LIMITED

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2021

Public Benefit

Ludgrove strives to fulfil its charitable objects to promote and provide for the advancement of education for the benefit of both its pupils and the wider community. The Governors, as charity trustees, have a duty to report in their Annual Report on the public benefit provided by the school.

The Governors have given consideration to the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on running a charity and charging for services, and have concluded:

1. That there are clearly identifiable benefits from the School's work which relate directly to its aims as set out above;
2. There is no significant detriment flowing directly from the School's work which we consider needs to be balanced against those benefits;
3. That the benefits which the school provides are widely available. A bursary policy has been established and funds put aside to provide a genuine opportunity for those who cannot afford the School's fees to benefit from it.

Bursary policy

The School has a subsidiary charitable foundation to raise money to be available for the funding and advertising of scholarships and bursaries to be offered by the School. Until the foundation has raised sufficient funds to be able to provide such funding, the School makes a budgetary provision of an appropriate and affordable proportion of gross fee income to be applied to means tested bursaries (ranging up to 100% remission of fees). This bursary funding is available for all prospective and existing pupils including those in receipt of Continuity of Education Allowance and those supported by the Royal National Children's SpringBoard Foundation. Ludgrove is proud to be a RNCSF approved school. A bursary policy is in operation and is available to be viewed on the School's website. In addition, the School has arrangements in place with certain public schools for the identification of potential bursary candidates.

Ancillary or incidental educational and other associated activities

Locally Ludgrove does not exist in isolation and is part of the wider community. It offers educational support to members of the public on different levels, employs many local people and wherever possible supports local suppliers and businesses. During the year the school facilities were used on numerous occasions for the educational benefit of teachers and pupils from other schools. It is our intention to build on existing relationships to forge stronger links with local community schools, in particular:

- Following the success of the partnership with the Grub Club, a local organisation set up to feed children in receipt of free school meals during the school holidays, we were pleased to be able to provide Christmas craft and activity packs for the children they support and also fresh fruit and vegetables for weekly food parcels delivered during the school holidays during the second lockdown.
- Ludgrove has entered into a partnership with a cluster of six local state schools and employs a part-time administrator who is responsible for identifying and implementing opportunities for collaborative working with those schools. In addition, Ludgrove provides a budget to allow the organisation of a range of curriculum enrichment events, ranging from large scale events reaching 1,000 + students to targeted activities designed to focus on small groups with specific needs.

LUDGROVE SCHOOL TRUST LIMITED

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2021

- Ludgrove has made a specialist EAL teacher available one day a week to work one-to-one and with small groups of children with little or no English in KS1 and KS2 at three local state-funded primary schools. The schools do not have the specialist resources to provide the right level of support so Ludgrove's input both releases local school staff to work elsewhere and ensures that the children make the best progress possible with their English language development.

In addition to the above, the minibuses, swimming pool and sports hall are all used by the wider community.

Six members of staff are currently serving on the governing bodies of local state schools.

The School will continue to further foster links with the local community and Local Authority funded schools focusing on the provision of access to the School's facilities and opportunities to share expertise in academic, cultural and sporting activities as well as regularly reviewing how it can best deliver its charitable objectives.

Fundraising

All fundraising activities for the School are carried out by our staff with assistance from parents for specific fundraising events. The School does not use professional fundraisers. All fundraising activities are managed by the Head of Development and monitored by the directors. The School's subsidiary charity, The Ludgrove School Foundation, carries out fundraising activity for the Group and during the year raised £16,715 (2020: £95,979) in donations.

No complaints relating to fundraising activities have been received by the School during this financial year. The School does not currently subscribe to any specific fundraising standards or schemes but considers that it has set appropriate standards for the operations and management of its fundraising activities. In particular the School considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion.

Reserves policy

The Group's reserves of £12,324,015 (2020: £11,715,364) are held to enable the School to meet its objectives. The unrestricted reserves are substantially represented by fixed assets enabling the School to provide its services. During the year an amount of £238,108 was transferred into designated funds from general funds to cover possible future expenditure requirements. The Group also had £770,616 in restricted funds at the beginning of the year and transferred £20,082 from the covid hardship fund into general funds to cover hardship bursaries awarded in the year, and £793,042 from the Exploration Centre fund to reflect the fact that these funds have been spent. Restricted funds at the end of the year were £33,442.

Investment policy

Some of the Company's investments are held as cash with remainder being held in an investment portfolio. This cash and the Company's unrestricted funds are held by two different banks and the portfolio is managed by Cazenove Capital.

Market value of land and buildings

The directors do not consider it possible to quantify the difference between the net book value and the market value of the Group's fixed assets without a professional valuation.

LUDGROVE SCHOOL TRUST LIMITED

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2021

Guarantee

Each of the directors has guaranteed to contribute to the assets of the Company a sum of £1 in the event of a deficiency on winding up.

Voluntary help

During the year various individuals gave their time in supporting the School's activities. The value of this substantial support cannot be readily quantified and has not been included in the financial statements.

Financial Review

The surplus for the year amounted to £31,651 (2020: £180,867). This surplus is before actuarial gains and losses on the defined benefit pension scheme. The actuarial gain for 2021 was £577,000 (2020: loss of £425,000) and the net increase in funds totals £608,651 (2020: net decrease of £244,133). At the year end, the Group had retained reserves of £12,324,015 (2020: £11,715,364) of which £10,245,419 (2020: £9,947,243) relates to tangible fixed assets in the school and the balance of these funds is to be used in financing current and future developments. During the year there was capital expenditure of £648,992 (2020: £1,704,254).

The principal key financial performance indicators monitored by the governors are number of boys and operating surplus. The operating surplus has reduced on the prior year as a result of the directors' policy of seeking to keep fees as manageable as possible, while maintaining the necessary investment in the school and its staff. The number of boys in the school at the year end was 193 (2020: 191) and the directors consider this to be satisfactory.

The Ludgrove School Foundation

The Ludgrove School Foundation, a wholly owned subsidiary of Ludgrove School Trust Limited and a registered charity with the objects of the advancement of education, in particular by the support and promotion of Ludgrove School, had a deficit for the year of £19,023, after making donations of £25,213 to the School (2020: deficit of £811,800 after donations of £863,114) and is consolidated in these accounts.

Remuneration of Key Management Personnel

The remuneration of staff is set by the board with the objective of providing appropriate incentives to encourage first class performance and of rewarding members of staff fairly for their contributions to the success of the School. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single component of the School's charitable expenditure.

Staff remuneration is reviewed annually, with benchmarking exercises against other comparable independent schools carried out as appropriate to ensure the School remains aware of the broader issues of pay and employment conditions elsewhere.

Impact of COVID-19

In early 2020, a coronavirus pandemic, COVID-19, emerged. The duration of this pandemic and the wider economic impacts are as yet unknown. The school was open for the Michaelmas term 2020 but then did not re-open in January and remained closed, in line with government guidance, until 8th March 2021. The boys participated in lessons remotely for the duration of the closure. Subsequently, the impact of COVID-19 upon the operations of the school has been minimal.

LUDGROVE SCHOOL TRUST LIMITED

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods

The Exploration Centre was fully opened in 2021 and has been an excellent addition to the School. In the event of future COVID-19 closures the school has robust remote learning plans in place and the school is confident in its ability to function effectively remotely and safely physically depending on the guidelines laid down by the authorities.

Principal risks and uncertainties

The board has assessed the major risks to which the School is exposed, in particular those related to the operations and finances of the School and is satisfied that systems are in place to mitigate exposure to the major risks. The directors' risk assessment process has identified those risks standard in owning and operating any private school. These include inter alia financial/fiscal, operational, legal/regulatory, strategic, and reputational risks.

These are regularly and carefully monitored by the directors and appropriate risk management measures implemented.

The Company keeps a risk register, to which newly identified risks are added as and when they are noted. Consideration is given to appropriate mitigation of all risks identified. The whole register is reviewed annually by the directors. The School put in place and maintains a separate COVID-19 related risk register.

The principal risks to the school arise as a result of the importance of maintaining its outstanding reputation. This ensures that that school is able to attract sufficient boys and to recruit and retain the highest quality staff. This is of paramount importance to the directors who closely monitor all the factors that influence these areas to ensure that any risk to the school is minimal. The high level of demand for places and the school's excellent track record of supporting boys with gaining places at their first choice of public school are testament to their success in managing these risks.

In addition, the school has a significant deficit on its defined benefit pension scheme. This scheme is now closed, and the directors have approved a deficit repayment plan. The repayment plan carefully balances the need to reduce the deficit with the operational needs of the school and will have a very limited impact on operational finances. The governors have appointed a dedicated board of directors to manage the risks associated with the scheme; these directors work closely with a team of professional advisers to manage and minimise any risks associated with the scheme and to ensure compliance with all legislation.

LUDGROVE SCHOOL TRUST LIMITED

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**TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2021**

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

This report, incorporating the Group Strategic Report, was approved by the directors on ^{13/05/2022}
and signed on their behalf by:

charles butterworth
charles butterworth (May 13, 2022 10:09 GMT+1)

C L Butterworth
Chairman

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

Trustees' Responsibilities Statement

The trustees (who are also directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Annual Report (incorporating the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED



Opinion

We have audited the financial statements of Ludgrove School Trust Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated Statement of Financial Position, Company Statement of Financial Position, the Consolidated Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED (continued)

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report, which includes the Strategic Report and 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 Strategic Report and the Directors' Report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Annual Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, the trustees (who are directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED (continued)

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

We have been appointed as auditor under the Companies Act 2006 and under section 151 of the Charities Act 2011, and report in accordance with those Acts and relevant regulations made or having effect thereunder.

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

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

We obtained a general understanding of the Group's and the Parent Charitable Company's legal and regulatory framework through enquiry of management concerning: their understanding of relevant laws and regulations; the entities' policies and procedures regarding compliance; and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the Group's and the Parent Charitable Company's industry and regulation.

We understand that the Group and the Parent Charitable Company comply with the framework through:

- Outsourcing financial statement preparation and tax compliance to external experts;
- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change; and
- Management's oversight through regular meetings and compliance reporting.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the Group's and the Parent Charitable Company's ability to conduct its business, and where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Group's and the Parent Charitable Company's activities:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements; and
- The Charities Act 2011.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED (continued)

Based on our understanding we performed the following specific procedures to gain evidence about compliance with the significant laws and regulations above:

- We identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience of the sector;
- Making enquiries of management and those charged with governance to understand their awareness of any non-compliance of laws and regulations;
- Reviewing minutes of meetings of those charged with governance to identify any instances of non-compliance.

The senior statutory auditor led a discussion with all members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements via fraudulent journal entries.

The procedures we carried out to gain evidence in the above areas included:

- Substantive work on material areas affecting the results, in particular significant items of expenditure and revenue;
- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts and those with unusual or no descriptions; and
- Reviewing and challenging estimates made by management.

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

Use of our report

This report is made solely to the parent 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 parent charitable company's members and trustees, 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 parent charitable company, and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nexia Smith & Williamson

Nexia Smith & Williamson (May 17, 2022 12:32 GMT+1)

Julie Mutton

Senior Statutory Auditor, for and on behalf of
Statutory Auditor
Chartered Accountants

Onslow House
Onslow Street
Guildford
Surrey
GU1 4TL

Date: 17/05/2022

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:						
Donations	3	16,715	75,950	-	92,665	98,808
Charitable activities	4	5,060,209	-	-	5,060,209	4,850,745
Other trading activities	5	8,069	-	-	8,069	17,238
Investments	6	2,039	-	-	2,039	13,239
Other income	7	113,637	-	-	113,637	120,663
TOTAL INCOME		5,200,669	75,950	-	5,276,619	5,100,693
EXPENDITURE ON:						
Raising funds	8	13,787	-	-	13,787	33,416
Charitable activities	9	5,262,875	-	-	5,262,875	4,886,410
TOTAL EXPENDITURE		5,276,662	-	-	5,276,662	4,919,826
Net gains on fixed asset investments		31,694	-	-	31,694	-
NET (LOSS)/ INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		(44,299)	75,950	-	31,651	180,867
Transfers between funds	20	575,016	(813,124)	238,108	-	-
Other recognised gains/(losses): Actuarial gains/(losses) on defined benefit pension schemes		577,000	-	-	577,000	(425,000)
NET INCOME / MOVEMENT IN FUNDS FOR THE YEAR		1,107,717	(737,174)	238,108	608,651	(244,133)
Reconciliation of funds:						
Total funds at 1 September 2020		8,321,103	770,616	2,623,645	11,715,364	11,959,497
TOTAL FUNDS AT 31 AUGUST 2021		9,428,820	33,442	2,861,753	12,324,015	11,715,364

All activities relate to continuing operations.

The notes on pages 19 to 38 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2021**

		2021		2020	
	Note	£	£	£	£
NON CURRENT ASSETS					
Property, plant and equipment	15		10,245,419		9,947,243
Investments	16		2,301,400		2,121,411
			<u>12,546,819</u>		<u>12,068,654</u>
CURRENT ASSETS					
Trade and other receivables	17	229,539		205,490	
Cash and cash equivalents		1,910,930		2,722,752	
			<u>2,140,469</u>		<u>2,928,242</u>
CURRENT LIABILITIES					
Trade and other payables	18	<u>(1,175,273)</u>		<u>(1,544,532)</u>	
NET CURRENT ASSETS			<u>965,196</u>		<u>1,383,710</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			13,512,015		13,452,364
PROVISIONS FOR LIABILITIES					
Pension liability	22		<u>(1,188,000)</u>		<u>(1,737,000)</u>
NET ASSETS			<u>12,324,015</u>		<u>11,715,364</u>
CONSOLIDATED FUNDS					
Designated funds	20		2,861,753		2,623,645
Restricted funds	20		33,442		770,616
Unrestricted funds	20		<u>9,428,820</u>		<u>8,321,103</u>
TOTAL FUNDS			<u>12,324,015</u>		<u>11,715,364</u>

The financial statements were approved by the directors on 13/05/2022 and signed on their behalf, by:

Charles Butterworth
charles.butterworth (May 13, 2022 10:09 GMT+1)

C Butterworth

The notes on pages 19 to 38 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

**COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2021**

		2021		2020	
	Note	£	£	£	£
NON CURRENT ASSETS					
Property, plant and equipment	15		10,245,419		9,947,243
Investments	16		<u>2,301,400</u>		<u>2,121,411</u>
			12,546,819		12,068,654
CURRENT ASSETS					
Trade and other receivables	17	241,621		933,214	
Cash and cash equivalents		<u>1,531,539</u>		<u>1,609,776</u>	
			1,773,160		2,542,990
CURRENT LIABILITIES					
Trade and other payables	18		<u>(1,164,113)</u>		<u>(1,534,452)</u>
NET CURRENT ASSETS			<u>609,047</u>		<u>1,008,538</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			13,155,806		13,077,192
PROVISION FOR LIABILITIES					
Pension liability	22		<u>(1,188,000)</u>		<u>(1,737,000)</u>
NET ASSETS			<u>11,967,866</u>		<u>11,340,192</u>
CHARITY FUNDS					
Designated funds	20		2,861,753		2,623,645
Restricted funds	20		48,105		764,664
Unrestricted funds	20		<u>9,058,008</u>		<u>7,951,883</u>
TOTAL FUNDS			<u>11,967,866</u>		<u>11,340,192</u>

The unconsolidated net surplus of Ludgrove School Trust Limited for the year was £627,674 (2020: surplus of £567,667).

The financial statements were approved by the directors on ^{13/05/2022} and signed on their behalf, by:

Charles Butterworth

charles butterworth (May 13, 2022 10:09 GMT+1)

C Butterworth

The notes on pages 19 to 38 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED**(A company limited by guarantee)**

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

	Note	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash generated from operating activities	A	241,786	208,472
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received		2,039	13,239
Purchase of property, plant and equipment		(907,352)	(1,545,331)
Proceeds on disposal of fixed asset investments		1,174,824	
Increase in fixed asset investments		(1,323,119)	(1,447)
Net cash used in investing activities		(1,053,608)	(1,533,539)
Change in cash and cash equivalents in the reporting period		(811,822)	(1,325,067)
Cash and cash equivalents at the beginning of the reporting period		2,722,752	4,047,819
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD			
		1,910,930	2,722,752

NOTE TO THE STATEMENT OF CASH FLOWS:**A. RECONCILIATION OF NET INCOME TO NET CASH GENERATED FROM OPERATING ACTIVITIES**

	2021 £	2020 £
Net income before other recognised gains and losses	31,651	180,867
Interest received	(2,039)	(13,239)
Depreciation of property, plant and equipment	350,816	292,362
Gains on investments	(31,694)	-
(Increase)/decrease in trade and other receivables	(24,049)	147,256
Decrease in trade and other payables	(110,899)	(218,774)
Defined benefit pension scheme adjustments	28,000	(180,000)
NET CASH GENERATED FROM OPERATING ACTIVITIES	241,786	208,472

The notes on pages 19 to 38 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The consolidated accounts are prepared under the Companies Act 2006 and the historical cost convention, in accordance with applicable United Kingdom Generally Accepted Accounting Practice including FRS 102 “The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland” (FRS 102) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with FRS 102 (effective 1 January 2019) - (Charities SORP (FRS 102)).

Ludgrove School Trust Limited is a school offering education to boys aged 8 to 13, which meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The Parent Company has taken advantage of the exemption available to qualifying entities under FRS 102 from preparing a Statement of Cash Flows.

1.2 Basis of consolidation

The consolidated financial statements present the results of Ludgrove School Trust Limited and its subsidiary undertaking ('the Group'). The Company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.3 Going concern

The School has had periods of closure over the last two years due to Covid-19 lockdowns, and this has impacted on fee income. The full impact of the pandemic is as yet unknown but the directors have reviewed the funds available to the School together with the expected ongoing demand for places and the future projected cash flows, and have concluded that the school has adequate resources to continue its activities for the foreseeable future. Additionally, despite the current uncertainty in the wider economy, the strength of the School's Balance Sheet is such that the directors consider that there is currently no material uncertainty over the school's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.4 Company status

The School is a registered charity and a private company limited by guarantee incorporated in England and Wales. The members of the Company are the directors named on page 1. The registered office is Ludgrove School, Wokingham, Berkshire, RG40 3AB. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

1.5 Fund accounting

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

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

Restricted funds represent unspent monies received for a particular donor-specified purpose, as explained in the notes to the financial statements.

1.6 Income

All incoming resources are included in the Consolidated Statement of Financial Activities when the Company has entitlement to the funds, it is probable that monies will be received, and the amount can be measured with sufficient reliability.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Fee income represents fees, extras and disbursements, received for the education of the pupils attending the school, less discounts. Income received from the rendering of tuition services is recognised over the period the service is provided.

1.7 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

All resources expended are inclusive of irrecoverable VAT.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

1.8 Property, plant and equipment

All assets costing more than £2,000 are capitalised.

Property, plant and equipment are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	2% straight-line
Leasehold buildings	-	over the term of the lease
Freehold land	-	not depreciated
Plant and machinery	-	15% straight-line
Motor vehicles	-	25% reducing balance

Included in leasehold properties are buildings held under short leases which are being depreciated at the rate of 2% per annum. In the directors' opinion the leases will be renewed indefinitely.

1.9 Operating leases

Rentals under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.10 Taxation

As a charity, the Company and its subsidiary are exempt from tax on income and gains under current tax legislation to the extent that these are applied to charitable objects. No tax charges have arisen in the Group.

The Group is unable to recover the input VAT associated with the supply of goods and services as the provision of education is exempt from VAT. The irrecoverable VAT is included in the total cost applicable to each expense heading.

1.11 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

The Company additionally maintains a funded defined benefit pension scheme called the Ludgrove School Staff Pension Scheme. This scheme ceased to accrue benefits for active members as from 31 August 2011. Under the provisions of FRS 102, any surplus or deficit on the pension scheme is included in the Company's Balance Sheet.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

1.11 Pensions (continued)

A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. The liability recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Group engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other recognised gains/losses. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in the Income and expenditure account as 'Finance expense'.

1.12 Financial instruments

The charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

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

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

1.12 Financial instruments (continued)

Financial liabilities are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability.

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

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

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

2. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Defined benefit pension scheme

The Charity has an obligation to pay pension benefits to employees. The costs of these benefits and the present value of the obligation depend on a number of factors including life expectancy, salary and pension increases, and the discount rate on corporate bonds. The directors make appropriate judgements and estimates based on professional advice received from the scheme's actuary. The inflation rates used as at 31 August 2021 have increased from 3.20% to 3.50% for RPI and 2.40% to 2.90% for CPI compared to the previous year end. This has resulted in an increase in the present value of scheme liabilities. The increase in fair value of the scheme assets is higher than the increase in present value of the scheme liabilities, resulting in a reduction in the net provision recognised on the Balance Sheet.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based upon the utility of assets.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

3. INCOME FROM DONATIONS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	<u>16,715</u>	<u>75,950</u>	-	<u>92,665</u>	<u>98,808</u>

Included in donations income of £98,808 for the year ended 31 August 2020 is £69,932 which relates to restricted funds and the balance of £29,876 relates to unrestricted funds.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fees receivable	4,995,425	-	-	4,995,425	4,736,690
Extras	256,383	-	-	256,383	263,964
Non-refundable registration fees	10,956	-	-	10,956	10,497
Discounts and bursaries	(202,556)	-	-	(202,556)	(160,406)
	<u>5,060,209</u>	-	-	<u>5,060,209</u>	<u>4,850,745</u>

All income from other charitable activities in 2020 relates to unrestricted funds.

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rent receivable	4,097	-	-	4,097	4,098
Other income	3,972	-	-	3,972	13,140
	<u>8,069</u>	-	-	<u>8,069</u>	<u>17,238</u>

All income from other trading activities in 2020 relates to unrestricted funds.

LUDGROVE SCHOOL TRUST LIMITED
(A company limited by guarantee)

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

6. INCOME FROM INVESTMENTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Investment income	2,039	-	-	2,039	13,239

All investment income in 2020 relates to unrestricted funds.

7. OTHER INCOME

	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Job Retention Scheme grant income	113,637	-	-	113,637	120,663

All other income in 2020 relates to unrestricted funds.

8. EXPENDITURE ON RAISING FUNDS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Bank charges	65	-	-	65	-
Fundraising events	-	-	-	-	2,217
Fundraising administration	11,250	-	-	11,250	9,558
Staff costs	2,472	-	-	2,472	21,641
	13,787	-	-	13,787	33,416

All expenditure on raising funds in 2020 relates to unrestricted funds.

LUDGROVE SCHOOL TRUST LIMITED

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

9. EXPENDITURE ON CHARITABLE ACTIVITIES	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	3,032,846	-	-	3,032,846	3,000,104
Direct costs	758,055	-	-	758,055	665,522
Depreciation	350,816	-	-	350,816	292,361
Support costs (note 10)	1,121,158	-	-	1,121,158	928,432
	5,262,875	-	-	5,262,875	4,886,410

Included in direct costs in 2020 is £10,048 relating to restricted funds. All other expenditure on charitable activities in 2020 relates to unrestricted funds.

10. SUPPORT COSTS

	Basis of Allocation	Support costs £	Total 2021 £	Total 2020 £
Other finance expense (note 14)	Direct	28,000	28,000	26,000
Office costs	Direct	12,181	12,181	1,788
Premises	Direct	745,099	745,099	575,439
Garden & grounds	Direct	101,537	101,537	75,849
Professional fees	Direct	28,822	28,822	47,604
Other support costs	Direct	138,563	138,563	133,428
Donations	Direct	10	10	5,009
Governance costs	Direct	66,946	66,946	63,306
		1,121,158	1,121,158	928,423

All expenditure on support costs relates to unrestricted funds.

11. NET INCOME

This is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets:		
- owned by the Charitable Group	350,816	292,362
Auditor's remuneration:		
- statutory audit of the Group	15,450	15,000
- statutory audit of the subsidiary	8,250	8,400
- statutory audit of the pension fund	11,058	10,788
- accounting services	42,559	39,144
- tax advisory	882	1,944
Operating lease rentals	75,234	75,234

LUDGROVE SCHOOL TRUST LIMITED

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

12. STAFF COSTS

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	2,413,562	2,492,417
Social security costs	203,489	234,317
Other pension costs	418,267	295,011
	<u>3,035,318</u>	<u>3,021,745</u>

The average monthly number of employees during the year was as follows:

	2021 No.	2020 No.
Teaching, pastoral and household	104	93
Maintenance	8	6
Administration	7	7
	<u>119</u>	<u>106</u>

The number of higher paid employees was:

	2021 No.	2020 No.
In the band £60,001 - £70,000	3	3
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-

The Charity and Group's key management personnel comprise the directors, the headmaster, the deputy head and the bursar. Total remuneration paid to key management personnel was £282,617 (2020: £281,991).

13. DIRECTORS' REMUNERATION

During the year, no directors received any remuneration (2020: none).

During the year, no directors received any benefits in kind (2020: none).

During the year retirement benefits were accruing to no directors (2020: none) in respect of defined benefit pension schemes.

During the year, no directors were reimbursed expenses (2020: none).

LUDGROVE SCHOOL TRUST LIMITED

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

14. FINANCE EXPENSE

	2021 £	2020 £
Interest income on pension scheme assets	143,000	172,000
Interest on pension scheme liabilities	(171,000)	(198,000)
Net interest on net defined benefit liability	(28,000)	(26,000)

15. PROPERTY, PLANT AND EQUIPMENT

	Assets under the course of construction £	Land & Buildings £	Plant & machinery £	Motor vehicles £	Total £
Cost					
At 1 September 2020	1,975,451	10,472,843	1,504,304	30,469	13,983,067
Additions	500,857	29,725	118,410	-	648,992
Transfer	(2,476,308)	2,476,308	-	-	-
At 31 August 2021	-	12,978,876	1,622,714	30,469	14,632,059
Depreciation					
At 1 September 2020	-	2,806,917	1,201,824	27,083	4,035,824
Charge for the year	-	260,433	89,536	847	350,816
At 31 August 2021	-	3,067,350	1,291,360	27,930	4,386,640
Net book value					
At 31 August 2021	-	9,911,526	331,354	2,539	10,245,419
At 31 August 2020	1,975,451	7,665,926	302,480	3,386	9,947,243

Included in net book value of land and buildings is:

	2021 £	2020 £
Freehold land and buildings	9,570,269	9,316,514
Long leasehold	61,050	62,015
Short leasehold	280,201	262,847

LUDGROVE SCHOOL TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

16. FIXED ASSET INVESTMENTS

	Cash	Listed Investments	Total
Group and Company	£	£	£
Market value			
At 1 September 2020	2,121,411	-	2,121,411
Additions	-	1,323,119	1,323,119
Disposals	(1,166,882)	(10,954)	(1,177,836)
Revaluation	-	34,706	34,706
At 31 August 2021	<u>954,529</u>	<u>1,346,871</u>	<u>2,301,400</u>

Total investment gains of £31,694 (2020: £nil) as shown on the Statement of Financial Activities comprise unrealised gains of £34,706 and realised losses of £3,012.

Investments at 31 August 2021 comprise:

Equities - United Kingdom	62,592
Equities - Europe	98,084
Equities - North America	358,304
Equities - Japan	16,206
Equities - Asia ex Japan	26,868
Equities - Emerging markets	82,023
Bonds - United Kingdom	177,334
Bonds - North America	137,358
Bonds - Emerging markets	77,590
Bonds - Global	70,173
Alternatives - hedge funds	57,550
Alternatives - commodities	91,261
Alternatives - other	91,528
	<u>1,346,871</u>

LUDGROVE SCHOOL TRUST LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

17. TRADE AND OTHER RECEIVABLES

	<u>Group</u>		<u>Company</u>	
	2021 £	2020 £	2021 £	2020 £
Trade receivables	111,639	70,573	108,464	69,073
Amounts owed by group undertakings	-	-	15,257	736,806
Prepayments and accrued income	117,421	126,856	117,421	126,856
Grant receivables	-	7,582	-	-
Other receivables	479	479	479	479
	229,539	205,490	241,621	933,214

**18. TRADE AND OTHER PAYABLES:
Amounts falling due within one year**

	<u>Group</u>		<u>Company</u>	
	2021 £	2020 £	2021 £	2020 £
Other payables	268,295	220,114	268,295	220,114
Accruals	325,930	505,952	314,770	495,872
Deferred income (note 19)	581,048	818,466	581,048	818,466
	1,175,273	1,544,532	1,164,113	1,534,452

19. DEFERRED INCOME

Deferred income relates to school fees paid in advance.

	<u>Group</u>		<u>Company</u>	
	2021 £	2020 £	2021 £	2020 £
As at 1 September	818,446	971,945	818,446	971,805
Amounts released to SOFA	(818,446)	(971,945)	(818,446)	(971,805)
Amounts deferred in the year	581,048	818,466	581,048	818,466
	581,048	818,466	581,048	818,466
As at 31 August	581,048	818,466	581,048	818,466

LUDGROVE SCHOOL TRUST LIMITED

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

20. STATEMENT OF FUNDS - GROUP

	Brought forward 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward 31 August 2021 £
General Funds - all funds	8,321,103	5,200,669	(5,276,662)	575,016	608,694	9,428,820
Designated funds						
Strategic reserve	750,000	-	-	-	-	750,000
Long-term investment reserve	750,000	-	-	-	-	750,000
Bursary reserve	-	-	-	-	-	-
Special projects reserve	1,123,645	-	-	238,108	-	1,361,753
Total designated funds	2,623,645	-	-	238,108	-	2,861,753
Restricted funds						
Learning support	10,456	-	-	-	-	10,456
COVID-19 hardship fund	27,996	15,072	-	(20,082)	-	22,986
Exploration Centre	732,164	60,878	-	(793,042)	-	-
Total restricted funds	770,616	75,950	-	(813,124)	-	33,442
Total of funds	11,715,364	5,276,619	(5,276,662)	-	608,694	12,324,015

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

20. STATEMENT OF FUNDS (continued) - COMPANY

	Brought forward 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward 31 August 2021 £
General Funds - all funds	7,951,883	5,183,164	(5,254,797)	569,064	608,694	9,058,008
Designated funds						
Strategic reserve	750,000	-	-	-	-	750,000
Long-term investment reserve	750,000	-	-	-	-	750,000
Bursary reserve	-	-	-	-	-	-
Special projects reserve	1,123,645	-	-	238,108	-	1,361,753
Total designated funds	2,623,645	-	-	238,108	-	2,861,753
Restricted funds						
Learning support	10,456	-	-	-	-	10,456
COVID-19 hardship fund	22,044	15,072	-	(14,130)	-	22,986
Bursary fund	-	25,213	(10,550)	-	-	14,663
Exploration Centre	732,164	60,878	-	(793,042)	-	-
Total restricted funds	764,664	101,163	(10,550)	(807,172)	-	48,105
Total of funds	11,340,192	5,284,327	(5,265,347)	-	608,694	11,967,866

LUDGROVE SCHOOL TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. STATEMENT OF FUNDS (continued)

Designated funds

The Strategic reserve has been set up to cover possible future expenditure of an exceptional nature.

The Long-term investment reserve has been set up to cover future expenditure on the School's land and buildings.

The Special projects reserve has been set up for potential future requirements of the school.

Restricted funds

The Learning support fund was created by the donation of funds specifically for learning support.

The Bursaries fund was created by the donation of funds in the subsidiary charity specifically for the purpose of providing bursaries.

The Hardship fund was created by donations in response to the COVID-19 pandemic and will be used to fund bursaries for families in need as a result of the pandemic.

The Exploration Centre fund was created by the donation of funds specifically for the creation of a new Exploration Centre within the school grounds.

LUDGROVE SCHOOL TRUST LIMITED

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

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £	Total funds 2020 £
Tangible fixed assets	10,245,419	-	-	10,245,419	9,947,243
Fixed asset investments	-	-	2,301,400	2,301,400	2,121,411
Current assets	1,546,674	33,442	560,353	2,140,069	2,928,242
Creditors due within one year	(1,175,273)	-	-	(1,175,273)	(1,544,532)
Provisions for liabilities and charges	(1,188,000)	-	-	(1,188,000)	(1,737,000)
	9,428,820	33,442	2,861,753	12,324,015	11,715,364

All tangible fixed assets for 2020 relate to unrestricted funds. All fixed asset investments for 2020 relate to designated funds. Included within current assets for 2020 is £770,616 relating to restricted funds, £502,234 relating to designated funds, with the balance of £1,655,392 relating to unrestricted funds. All creditors and provisions for liabilities and charges for 2020 relate to unrestricted funds.

COMPANY	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £	Total funds 2020 £
Tangible fixed assets	10,245,419	-	-	10,245,419	9,947,243
Fixed asset investments	-	-	2,301,400	2,301,400	2,121,411
Current assets	1,164,702	48,105	560,353	1,773,160	2,542,990
Creditors due within one year	(1,164,113)	-	-	(1,164,113)	(1,534,452)
Provisions for liabilities and charges	(1,188,000)	-	-	(1,188,000)	(1,737,000)
	9,058,008	48,105	2,861,753	11,967,866	11,340,192

All tangible fixed assets for 2020 relate to unrestricted funds. All fixed asset investments for 2020 relate to designated funds. Included within current assets for 2020 is £764,664 relating to restricted funds, £502,234 relating to designated funds, with the balance of £1,276,092 relating to unrestricted funds. All creditors and provisions for liabilities and charges for 2020 relate to unrestricted funds.

LUDGROVE SCHOOL TRUST LIMITED

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

22. PENSION COMMITMENTS

Ludgrove School Trust Limited operates a Group Personal Pension scheme, a defined contribution scheme, for the benefit of certain employees. Contributions in the year were £418,267 (2020: £295,011).

The Group also operates a defined benefit pension scheme.

Contributions by both employees and the Company are held in director administered funds completely independent of the Company's finances. The profit and loss charge is based upon actuarial advice by a professionally qualified actuary. The Scheme's Actuary is not an employee of the sponsoring employer.

The amounts recognised in the Balance Sheet are as follows:

	2021 £	2020 £
Present value of funded obligations	(11,177,000)	(10,868,000)
Fair value of scheme assets	<u>9,989,000</u>	<u>9,131,000</u>
Net balance	<u>(1,188,000)</u>	<u>(1,737,000)</u>

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2021 £	2020 £
Past service cost - Guaranteed Minimum Pension equalisation	-	-
Net interest cost	<u>28,000</u>	<u>26,000</u>
	<u>28,000</u>	<u>26,000</u>

LUDGROVE SCHOOL TRUST LIMITED

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

22. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation and the fair value of scheme assets were as follows:

	Assets £	Liabilities £	Total £
At 1 September 2020	9,131,000	(10,868,000)	(1,737,000)
Interest income on scheme assets	143,000	-	143,000
Expected return on assets	1,092,000	-	1,092,000
Interest cost	-	(171,000)	(171,000)
Actuarial gains / (losses)	-	(515,000)	(515,000)
Contributions by the employer	-	-	-
Past service cost	-	-	-
Benefits paid	(377,000)	377,000	-
At 31 August 2021	9,989,000	(11,177,000)	(1,188,000)

The date of the most recent actuarial valuation of the scheme assets and liabilities was 5 August 2019.

The Group expects to contribute £nil (2020: £nil) to its defined benefit pension scheme in 2021 representing contributions made by the school.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2021	2020
Pension revaluation in deferment (CPI, maximum 5% with effect from 6 April 1999 to 5 April 2009)	2.90%	2.40%
Pension revaluation in deferment (CPI, maximum 2.5% with effect from 6 April 2009)	2.50%	2.40%
Discount rate	1.60%	1.60%
Pension escalation in payment (RPI, max 2.5% with effect from 1 August 2007)	2.20%	2.10%
Pension escalation in payment (RPI, max 5% with effect from 6 April 1999 to 31 July 2007)	3.30%	3.10%
RPI inflation	3.50%	3.20%
CPI inflation	2.90%	2.40%

LUDGROVE SCHOOL TRUST LIMITED

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

23. OPERATING LEASE COMMITMENTS

At 31 August 2021 the Group had commitments under non-cancellable operating leases as follows:

Group and Company	Land and buildings		Other	
	2021	2020	2021	2020
	£	£	£	£
Expiry date:				
Less than 1 year	51,303	46,143	20,515	12,609
Between 2 and 5 years	2,338	28,053	27,642	6,572
Greater than 5 years	-	2,338	19,555	204

24. CAPITAL COMMITMENTS

There are no capital commitments as at 31 August 2021. At 31 August 2020 the School had a capital commitment in respect of construction costs of the Exploration Centre which amounted to £524,549 at the year end.

25. RELATED PARTY TRANSACTIONS

The Foundation made bursary grants of £25,213 (2020: £10,048) and grants in support of the Exploration Centre building project of £nil (2020: £853,066) to the School during the year. £15,257 (2020: £736,806) was outstanding at the year end.

The Headmaster's wife works at the school and received remuneration in the year of £53,007 (2020: £51,266). The Deputy Headmaster's wife also worked at the school in the prior year and received remuneration in the year of £nil (2020: £35,940).

During the year, the Group received donations from trustees of £300 (2020: £300).

There have been no other related party transactions in the reporting period that require disclosure.

26. CONTROLLING PARTY

There is considered to be no ultimate controlling party.

LUDGROVE SCHOOL TRUST LIMITED

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

27. SUBSIDIARY

Company name	Country	Percentage shareholding	Description
The Ludgrove School Foundation	United Kingdom	100%	Charitable foundation

The Charity is the ultimate controlling party of The Ludgrove School Foundation Limited as established by its memorandum and articles of association dated 7 August 2012, company number 08170775 and charity number 1149573. The objective of The Ludgrove School Foundation Limited is to distribute funds available to it in support of charitable purposes approved by its directors. The assets and liabilities of the subsidiary which have been included in the consolidated accounts are shown below as are a summary of its income and expenditure. The registered office of The Ludgrove School Foundation is Ludgrove, Wokingham, RG40 3AB.

Summary of subsidiary assets and liabilities

	2021 £	2020 £
Debtors	3,175	9,082
Cash	379,391	1,112,976
Creditors	<u>(26,417)</u>	<u>(746,886)</u>
Net Assets	<u>356,149</u>	<u>375,172</u>

Income and expenditure summary

	2021 £	2020 £
Voluntary income	19,977	95,979
Costs of generating voluntary income	(2,472)	(33,416)
Donations	(25,213)	(863,114)
Professional fees	(65)	(74)
Governance costs	<u>(11,250)</u>	<u>(11,175)</u>
Deficit	<u>(19,023)</u>	<u>(811,800)</u>
Funds brought forward	<u>375,172</u>	<u>1,186,972</u>
Total	<u>356,149</u>	<u>375,172</u>

LUDGROVE SCHOOL TRUST LIMITED

England & Wales - Charity number 309100

Accounts

Registered number: 01053039
Charity number: 309100

LUDGROVE SCHOOL TRUST LIMITED
(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

LUDGROVE SCHOOL TRUST LIMITED
(A company limited by guarantee)

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LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2020**

Directors

P D Edey, Chairman

C L Butterworth, Deputy chairman

G W Barker

N R Brooks

R N T Cormack

R M den Besten

A B Henshilwood

A J Hinchliff

B J Holden

W S Johnston

M A Smyth-Osbourne

D D Vigers

R M Wiggin

Company secretary

M E Brittain

Company registered number

01053039

Charity registered number

309100

LUDGROVE SCHOOL TRUST LIMITED

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2020**

Registered office

Ludgrove School
Wokingham
Berkshire
RG40 3AB

Auditor

Nexia Smith & Williamson
Chartered Accountants
Statutory Auditor
Onslow House
Onslow Street
Guildford
Surrey
GU1 4TL

Bankers

Barclays Bank Plc
P O Box 61
Bracknell
Berkshire
RG12 1GJ

Natwest Bank Plc
13 Market Place
Reading
RG1 2EG

Bank of Scotland
600 Gorgie Road
Edinburgh
EH11 3XP

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2020

The directors present their annual report and the financial statements for the year ended 31 August 2020. The financial statements consolidate the results of the School and Ludgrove School Foundation Limited.

Legal and administrative details

The School is a private company limited by guarantee incorporated under the Companies Acts 1948 to 1967, registered number 01053039, and a registered charity, number 309100. The Company was incorporated on 4 May 1972 and its governing document is the Memorandum and Articles of Association.

Directors

The directors, who are also governors and trustees, of the School at 31 August 2020 and during the year were:

P D Edey, Chairman
C L Butterworth, Deputy chairman
G W Barker
N R Brooks
E C Chappell (resigned 11 March 2020)
R N T Cormack
R M den Besten (appointed 24 June 2020)
A B Henshilwood
A J Hinchliff (appointed 12 February 2020)
B J Holden
W S Johnston
M A Smyth-Osbourne
D D Vigors
R M Wiggan

D D Vigors and R M den Besten have boys who attended the School during the year. Fees were paid on normal commercial terms.

There are no trustees other than the directors. Meetings of the full board of directors were held three times during the year, virtually in the summer term. As well as these meetings, there is frequent communication between the directors and there are sub-committee meetings with appropriate professional advisors in attendance. A Covid-19 Sub-Committee of Directors was set up to assist the School and provide oversight in relation to dealing with the effect of Covid-19 on the School. Regular contact is maintained with the headmaster between full board meetings. Details of new legislation, new regulations and news of other significant developments which will affect the School, together with appropriate training material, are sent to the directors as they arise.

The Board is responsible for identifying, recruiting and appointing new directors. New directors are inducted by individual board members, the headmaster and company secretary. The day to day running of the School is delegated to the headmaster, S W T Barber and deputy headmaster, W S D Austen.

LUDGROVE SCHOOL TRUST LIMITED

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

The principal aim and activity of the Company continues to be the provision and promotion of a first class education. Ludgrove seeks to be a school where boys can grow and develop in a happy, caring environment, learn an awareness and concern for others around them and achieve their full potential, at the same time as providing facilities, employment and resources for the local community of Wokingham. The Company's strategies for achieving its aims include the recruitment, employment and training of a high quality, caring and professional workforce; the maintenance of a high standard of academic, moral and personal education; the maintenance, continual improvement and, when necessary, the addition of facilities at the School; and making available and seeking opportunities for the use of the School's grounds and facilities by other schools, clubs and other organisations in the local community.

The School had 191 (2019: 191) pupils on the register at the year end. The School rose to the extraordinary challenges thrown up by the Covid-19 pandemic, which meant the School was required to be closed physically for most of the Summer term. Teaching took place virtually and every effort was made to provide as complete an all round education as was possible in the circumstances. Some staff were furloughed for the Summer term but all received 100% of their salaries. Fees charged to parents were reduced to reflect the fact that the pupils were not able to attend the School for most of the term, resulting in a substantially reduced surplus for the Summer term. Throughout, the School followed the relevant guidance. The School was one of the first in the country to welcome some boarders back once permitted to do so.

Achievements and performance

As always we remain unashamedly ambitious for our boys in whatever they do, particularly on the academic front and it is a fact that every year, with a non-selective intake in Year 4, our boys achieve incredible academic success. We were delighted that all the top year boys gained entry to twelve distinguished schools, including ten to Eton, fourteen to Radley, four to Harrow, three each to Marlborough and Sherborne, two to Wellington, and one each to Bryanston, Charterhouse, St. Paul's, Stowe and Winchester.

When one thinks of a curriculum it is very easy to focus on the academic side of things. However, life outside the classroom is just as much a part of a child's education and sporting activity, cultural, musical and artistic studies continue to be an important part of life at the school. Sadly, Covid-19 meant such activities could only take place remotely in the Summer Term, but before that, team games of football and rugby were played against other schools at all ages and at all levels of ability. Additional matches are arranged in hockey, tennis, squash, fives, swimming, golf, chess, general knowledge, judo and athletics. Music and drama continue to play an important role in school life and all the boys take part in public speaking and poetry reciting events as well as in debates. The theatre, in its sixth year, continues to exceed expectations providing another spectacular dimension to our community. It has without doubt enhanced the confidence and character of the boys providing a 21st Century platform for their performances. It is also a venue which attracts high quality speakers and the lectures enjoyed this year have significantly enriched us all.

Once again the Chapel Choir sang at a charity Carol Service at St. Luke's Church, Chelsea, in aid of the Henry van Straubenzee Memorial Trust. The School's dramatic production 'Oliver!' in December involved over forty boys. Sadly, Covid restrictions prevented both the Middle School (Year 6) Play and the Fours' (Year 5) Summer Production from taking place.

During the summer holidays the construction of the Exploration Centre neared its completion and there was continued investment in ICT as well as a refurbishment of some dormitories. Likewise, there was re-painting of the exterior of the Chapel and extensive general repairs and redecoration.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2020

Public Benefit

Ludgrove strives to fulfil its charitable objects to promote and provide for the advancement of education for the benefit of both its pupils and the wider community. The Governors, as charity trustees, have a duty to report in their Annual Report on the public benefit provided by the school.

The Governors have given consideration to the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on running a charity and charging for services, and have concluded:

1. That there are clearly identifiable benefits from the School's work which relate directly to its aims as set out above;
2. There is no significant detriment flowing directly from the School's work which we consider needs to be balanced against those benefits;
3. That the benefits which the school provides are widely available. A bursary policy has been established and funds put aside to provide a genuine opportunity for those who cannot afford the School's fees to benefit from it.

Bursary policy

The School has a subsidiary charitable foundation to raise money to be available for the funding and advertising of scholarships and bursaries to be offered by the School. Until the foundation has raised sufficient funds to be able to provide such funding, the School makes a budgetary provision of an appropriate and affordable proportion of gross fee income to be applied to means tested bursaries (ranging up to 100% remission of fees). This bursary funding is available for all prospective and existing pupils including those in receipt of Continuity of Education Allowance and those supported by the Royal National Children's SpringBoard Foundation. Ludgrove is proud to be a RNCSF approved school. A bursary policy is in operation and is available to be viewed on the School's website. In addition, the School has arrangements in place with certain public schools for the identification of potential bursary candidates.

Ancillary or incidental educational and other associated activities

Locally Ludgrove does not exist in isolation and is part of the wider community. It offers educational support to members of the public on different levels, employs many local people and wherever possible supports local suppliers and businesses. During the year the school facilities were used on numerous occasions for the educational benefit of teachers and pupils from other schools. It is our intention to build on existing relationships to forge stronger links with local community schools, in particular:

- During the first national lockdown the school has supported the community by producing 500 protective visors which were distributed to local schools, surgeries, care homes and hospices. With the national shortage of PPE, organisations of this type were struggling to source items such as this and were tremendously grateful of the support.
 - In addition, a number of furloughed staff volunteered to cook, pack and deliver meals for vulnerable school age children and their families in conjunction with the Grub Club, a local organisation set up to feed children in receipt of free school meals during school holidays. The staff volunteered their time and the school allowed use of the kitchen and provided the ingredients. While the school was closed deliveries to 160 people in 33 families were taking place twice weekly.
 - During the lockdown links were forged with local care homes and a large number of our boys corresponded with, and sent Easter cards to, elderly residents which was greatly appreciated.
-

LUDGROVE SCHOOL TRUST LIMITED

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2020

- Ludgrove has entered into a partnership with a cluster of six local state schools and employs a part-time administrator who is responsible for identifying and implementing opportunities for collaborative working with those schools. In addition, Ludgrove provides a budget to allow the organisation of a range of curriculum enrichment events, ranging from large scale events reaching 1,000 + students to targeted activities designed to focus on small groups with specific needs.
- Ludgrove provides the use of the pool and pays the salary of a specialist swimming teacher to work with poor and non-swimmers in years 7 and 8, from a local state-funded secondary school, with a view to making them competent swimmers. This will be continued on a rolling basis with candidates for the programme being identified each year at the start of their secondary school careers.
- Ludgrove has made a specialist EAL teacher available one day a week to work one-to-one and with small groups of children with little or no English in KS1 and KS2 at three local state-funded primary schools. The schools do not have the specialist resources to provide the right level of support so Ludgrove's input both releases local school staff to work elsewhere and ensures that the children make the best progress possible with their English language development.
- Ludgrove has made a specialist teacher of Classics available one morning per week to deliver 'Archaeology of Language' course to gifted and talented English students in years 7, 8 and 9 at a local state-funded secondary school. About 180 children are benefitting from this experience
- During the year a quantity of surplus books was identified and distributed to local state schools to be made available to children who otherwise would have no access to books during school holidays. This helps to ensure that literacy skills do not deteriorate during periods away from school.
- Ludgrove's drama department lent a variety of props and costumes to local state-funded primary schools for use in their end-of-year productions.

In addition to the above, the minibuses, swimming pool and sports hall are all used by the wider community.

Six members of staff are currently serving on the governing bodies of local state schools.

The School will continue to further foster links with the local community and Local Authority funded schools focusing on the provision of access to the School's facilities and opportunities to share expertise in academic, cultural and sporting activities as well as regularly reviewing how it can best deliver its charitable objectives.

Fundraising

All fundraising activities for the School are carried out by our staff with assistance from parents for specific fundraising events. The School does not use professional fundraisers. All fundraising activities are managed by the Head of Development and monitored by the directors. The School's subsidiary charity, The Ludgrove School Foundation, carries out fundraising activity for the Group and during the year raised £95,979 (2019: £850,344) in donations.

LUDGROVE SCHOOL TRUST LIMITED

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2020

No complaints relating to fundraising activities have been received by the School during this financial year. The School does not currently subscribe to any specific fundraising standards or schemes but considers that it has set appropriate standards for the operations and management of its fundraising activities. In particular the School considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion.

Reserves policy

The Group's reserves of £11,715,364 (2019: £11,959,497) are held to enable the School to meet its objectives. The unrestricted reserves are substantially represented by fixed assets enabling the School to provide its services. During the year an amount of £893,715 was transferred from designated funds to unrestricted funds to cover Exploration Centre costs and to offset the small loss suffered in the Summer term as a result of the School closure in the School (2019: £477,946 was transferred from unrestricted funds into designated funds). The Group also holds £770,616 (2019: £1,191,362) in restricted funds, as explained in note 19. £479,630 was transferred from restricted funds in the year, mainly in respect of the cost of the Exploration Centre which has been partially funded by donations restricted for this purpose.

Investment policy

The Company's investments are held as cash. This cash and the Company's unrestricted funds are held by three different banks. Some of the cash that is not immediately required is held on time deposits.

Market value of land and buildings

The directors do not consider it possible to quantify the difference between the net book value and the market value of the Company's fixed assets without a professional valuation.

Guarantee

Each of the directors has guaranteed to contribute to the assets of the Company a sum of £1 in the event of a deficiency on winding up.

Voluntary help

During the year various individuals gave their time in supporting the School's activities. The value of this substantial support cannot be readily quantified and has not been included in the financial statements.

Financial Review

The surplus for the year amounted to £180,867 (2019: £1,231,267). This surplus is before actuarial gains and losses on the defined benefit pension scheme. The actuarial loss for 2020 was £425,000 (2019: £933,000) and the net decrease in funds totals £244,133 (2019: £298,267). At the year end, the Group had retained reserves of £11,715,364 (2019: £11,959,497) of which £9,947,243 (2019: £8,535,351) relates to tangible fixed assets in the school and the balance of these funds is to be used in financing current and future developments. During the year there was capital expenditure of £1,704,254 (2019: £521,113).

The principal key financial performance indicators monitored by the governors are number of boys and operating surplus. The operating surplus has reduced on the prior year as a result of the directors' policy of seeking to keep fees as manageable as possible, while maintaining the necessary investment in the school and its staff. The number of boys in the school at the year end was 191 (2019: 191) and the directors consider this to be satisfactory.

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED FOR THE YEAR ENDED 31 AUGUST 2020

The Ludgrove School Foundation

The Ludgrove School Foundation, a wholly owned subsidiary of Ludgrove School Trust Limited and a registered charity with the objects of the advancement of education, in particular by the support and promotion of Ludgrove School, had a deficit for the year of £811,800, after making donations of £863,114 to the School (2019: surplus of £790,368), and is consolidated in these accounts.

Remuneration of Key Management Personnel

The remuneration of staff is set by the board with the objective of providing appropriate incentives to encourage first class performance and of rewarding members of staff fairly for their contributions to the success of the School. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single component of the School's charitable expenditure.

Staff remuneration is reviewed annually, with benchmarking exercises against other comparable independent schools carried out as appropriate to ensure the School remains aware of the broader issues of pay and employment conditions elsewhere.

Impact of COVID-19

In early 2020, a coronavirus pandemic, COVID-19, emerged. The duration of this pandemic and the wider economic impacts are as yet unknown. In the UK there were immediate social and economic restrictions imposed, including the Government mandated closure of all schools. Ludgrove responded by arranging for the boys to travel home immediately, and the School buildings closed on 23 March 2020. The boys participated in lessons remotely for the duration of the Summer Term with a partial re-opening for some groups of boys from 1 June 2020.

Plans for future periods

The Exploration Centre was partially opened in September 2020 and promises to be an excellent addition to the School. The School was open as usual throughout the Michaelmas Term 2020 but closed again, as directed by the Government, for the first half of the Lent Term 2021. Robust remote learning plans are in place and the school is confident in its ability to function effectively remotely and safely physically depending on the guidelines laid down by the authorities.

Principal risks and uncertainties

The board has assessed the major risks to which the School is exposed, in particular those related to the operations and finances of the School and is satisfied that systems are in place to mitigate exposure to the major risks. The directors' risk assessment process has identified those risks standard in owning and operating any private school. These include inter alia financial/fiscal, operational, legal/regulatory, strategic, and reputational risks.

These are regularly and carefully monitored by the directors and appropriate risk management measures implemented.

The Company keeps a risk register, to which newly identified risks are added as and when they are noted. Consideration is given to appropriate mitigation of all risks identified. The whole register is reviewed annually by the directors. The School put in place and maintains a separate COVID-19 related risk register.

LUDGROVE SCHOOL TRUST LIMITED
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TRUSTEES' ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2020

The principal risks to the school arise as a result of the importance of maintaining its outstanding reputation. This ensures that that school is able to attract sufficient boys and to recruit and retain the highest quality staff. This is of paramount importance to the directors who closely monitor all the factors that influence these areas to ensure that any risk to the school is minimal. The high level of demand for places and the school's excellent track record of supporting boys with gaining places at their first choice of public school are testament to their success in managing these risks.

In addition, the school has a significant deficit on its defined benefit pension scheme. This scheme is now closed, and the directors have approved a deficit repayment plan. The repayment plan carefully balances the need to reduce the deficit with the operational needs of the school and will have a very limited impact on operational finances. The governors have appointed a dedicated board of directors to manage the risks associated with the scheme; these directors work closely with a team of professional advisers to manage and minimise any risks associated with the scheme and to ensure compliance with all legislation.

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

This report, incorporating the Group Strategic Report, was approved by the directors on 10 March 2021.
and signed on their behalf by:


.....
P Edey
Director

LUDGROVE SCHOOL TRUST LIMITED

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Trustees' Responsibilities Statement

The trustees (who are also directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Annual Report (incorporating the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LUDGROVE SCHOOL TRUST LIMITED

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED

Opinion

We have audited the financial statements of Ludgrove School Trust Limited (the 'Parent Charitable Company') and its subsidiary (the 'Group') for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Statements of Financial Position, the Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 August 2020 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Parent 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the Parent 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.

LUDGROVE SCHOOL TRUST LIMITED

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED (continued)

Other information

The other information comprises the information included in the Trustees' Annual Report and Consolidated Financial Statements, other than the financial statements and our auditor's report thereon. The trustees 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report, which includes the Strategic Report and 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 Strategic Report and the Directors' Report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' 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 sufficient accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, the trustees (who are directors of the Parent Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LUDGROVE SCHOOL TRUST LIMITED (continued)

In preparing the financial statements, the trustees are responsible for assessing the Group's and the Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Group or the Parent 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

We have been appointed as auditor under the Companies Act 2006 and under section 151 of the Charities Act 2011, and report in accordance with those Acts and relevant regulations made or having effect thereunder.

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.

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

Use of our report

This report is made solely to the Parent Charitable Company's members and trustees, 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 Parent Charitable Company's members and trustees, 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 Parent Charitable Company, and the Parent Charitable Company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Nexia Smith & Williamson

Julie Mutton (Senior Statutory Auditor)

for and on behalf of

Nexia Smith & Williamson

Statutory Auditor
Chartered Accountants

Onslow House
Onslow Street
Guildford
Surrey
GU1 4TL

Date: 19 April 2021

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:						
Donations	3	29,876	68,932	-	98,808	814,960
Charitable activities	4	4,850,745	-	-	4,850,745	5,426,767
Other trading activities	5	17,238	-	-	17,238	16,349
Investments	6	13,239	-	-	13,239	15,359
Other income	7	120,663	-	-	120,663	1,097
TOTAL INCOME		5,031,761	68,932	-	5,100,693	6,274,532
EXPENDITURE ON:						
Raising funds	8	33,416	-	-	33,416	28,160
Charitable activities	9	4,876,362	10,048	-	4,886,410	5,015,105
TOTAL EXPENDITURE		4,909,778	10,048	-	4,919,826	5,043,265
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		121,983	58,884	-	180,867	1,231,267
Transfers between funds	20	1,373,345	(479,630)	(893,715)	-	-
Other recognised (losses)/gains:						
Actuarial losses on defined benefit pension schemes		(425,000)	-	-	(425,000)	(933,000)
NET INCOME / MOVEMENT IN FUNDS FOR THE YEAR		1,070,328	(420,746)	(893,715)	(244,133)	298,267
Reconciliation of funds:						
<i>Total funds at 1 September 2019</i>		<i>7,250,775</i>	<i>1,191,362</i>	<i>3,517,360</i>	<i>11,959,497</i>	<i>11,661,230</i>
TOTAL FUNDS AT 31 AUGUST 2020		8,321,103	770,616	2,623,645	11,715,364	11,959,497

All activities relate to continuing operations.

The notes on pages 18 to 37 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2020

	Note	£	2020 £	£	2019 £
NON CURRENT ASSETS					
Property, plant and equipment	15		9,947,243		8,535,351
Investments	16		<u>2,121,411</u>		<u>2,119,964</u>
			12,068,654		10,655,315
CURRENT ASSETS					
Trade and other receivables	17	205,490		352,746	
Cash and cash equivalents			<u>2,722,752</u>		<u>4,047,819</u>
			2,928,242		4,400,565
CURRENT LIABILITIES					
Trade and other payables	18	<u>(1,544,532)</u>		<u>(1,604,383)</u>	
NET CURRENT ASSETS			<u>1,383,710</u>		<u>2,796,182</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			13,452,364		13,451,497
PROVISIONS FOR LIABILITIES					
Pension liability	22		<u>(1,737,000)</u>		<u>(1,492,000)</u>
NET ASSETS			<u>11,715,364</u>		<u>11,959,497</u>
CONSOLIDATED FUNDS					
Designated funds	20		2,623,645		3,517,360
Restricted funds	20		770,616		1,191,362
Unrestricted funds	20		<u>8,321,103</u>		<u>7,250,775</u>
TOTAL FUNDS			<u>11,715,364</u>		<u>11,959,497</u>

The financial statements were approved by the directors on 10/3/21 and signed on their behalf, by:

P Edey

The notes on pages 18 to 37 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED

(A company limited by guarantee)

**COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2020**

		2020		2019	
	Note	£	£	£	£
NON CURRENT ASSETS					
Property, plant and equipment	15		9,947,243		8,535,351
Investments	16		<u>2,121,411</u>		<u>2,119,964</u>
			12,068,654		10,655,315
CURRENT ASSETS					
Trade and other receivables	17	933,214		191,699	
Cash and cash equivalents		<u>1,609,776</u>		<u>3,012,154</u>	
		2,542,990		3,203,853	
CURRENT LIABILITIES					
Trade and other payables	18	<u>(1,534,452)</u>		<u>(1,594,643)</u>	
NET CURRENT ASSETS			<u>1,008,538</u>		<u>1,609,210</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			13,077,192		12,264,525
PROVISION FOR LIABILITIES					
Pension liability	22		<u>(1,737,000)</u>		<u>(1,492,000)</u>
NET ASSETS			<u>11,340,192</u>		<u>10,772,525</u>
CHARITY FUNDS					
Designated funds	20		2,623,645		3,517,360
Restricted funds	20		764,664		410,456
Unrestricted funds	20		<u>7,951,883</u>		<u>6,844,709</u>
TOTAL FUNDS			<u>11,340,192</u>		<u>10,772,525</u>

The unconsolidated net surplus of Ludgrove School Trust Limited for the year was £567,667 (2019: deficit of £492,371).

The financial statements were approved by the directors on 10/3/2021 and signed on their behalf, by:

P Edey

The notes on pages 18 to 37 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash generated from operating activities	A	208,472	1,560,802
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received		13,239	15,359
Purchase of property, plant and equipment		(1,545,331)	(311,659)
Increase in fixed asset investments		<u>(1,447)</u>	<u>(1,736)</u>
Net cash used in investing activities		<u>(1,533,539)</u>	<u>(298,036)</u>
Change in cash and cash equivalents in the reporting period		(1,325,067)	1,262,766
Cash and cash equivalents at the beginning of the reporting period		4,047,819	2,785,053
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD		<u>2,722,752</u>	<u>4,047,819</u>

NOTE TO THE STATEMENT OF CASH FLOWS:

A. RECONCILIATION OF NET INCOME TO NET CASH GENERATED FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income before other recognised gains and losses	180,867	1,231,267
Interest received	(13,239)	(15,359)
Depreciation of property, plant and equipment	292,362	286,190
Decrease/(Increase) in trade and other receivables	147,256	(161,054)
(Decrease)/Increase in trade and other payables	(218,774)	151,758
Defined benefit pension scheme adjustments	<u>(180,000)</u>	<u>68,000</u>
NET CASH GENERATED FROM OPERATING ACTIVITIES	<u>208,472</u>	<u>1,560,802</u>

The notes on pages 18 to 37 form part of these financial statements.

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The consolidated accounts are prepared under the Companies Act 2006 and the historical cost convention, in accordance with applicable United Kingdom Generally Accepted Accounting Practice including FRS 102 “The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland” (FRS 102) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with FRS 102 (effective 1 January 2019) - (Charities SORP (FRS 102)).

Ludgrove School Trust Limited is a school offering education to boys aged 8 to 13, which meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The Parent Company has taken advantage of the exemption available to qualifying entities under FRS 102 from preparing a Statement of Cash Flows.

1.2 Basis of consolidation

The consolidated financial statements present the results of Ludgrove School Trust Limited and its subsidiary undertaking ('the Group'). The Company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.3 Going concern

The School has revised its cashflow projections to take account of the COVID-19 related closure from January 2021. The full impact of the pandemic is as yet unknown but the directors have reviewed the funds available to the School together with the expected ongoing demand for places and the future projected cash flows, and have concluded that the school has adequate resources to continue its activities for the foreseeable future. Additionally, despite the current uncertainty in the wider economy, the strength of the School's Balance Sheet is such that the directors consider that there is currently no material uncertainty over the school's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.4 Company status

The School is a registered charity and a private company limited by guarantee incorporated in England and Wales. The members of the Company are the directors named on page 1. The registered office is Ludgrove School, Wokingham, Berkshire, RG40 3AB. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company.

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1.5 Fund accounting

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

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

Restricted funds represent unspent monies received for a particular donor-specified purpose, as explained in the notes to the financial statements.

1.6 Income

All incoming resources are included in the Consolidated Statement of Financial Activities when the Company has entitlement to the funds, it is probable that monies will be received, and the amount can be measured with sufficient reliability.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Fee income represents fees, extras and disbursements, received for the education of the pupils attending the school, less discounts. Income received from the rendering of tuition services is recognised over the period the service is provided.

1.7 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

All resources expended are inclusive of irrecoverable VAT.

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1.8 Property, plant and equipment

All assets costing more than £2,000 are capitalised.

Property, plant and equipment are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	2% straight-line
Leasehold buildings	-	over the term of the lease
Freehold land	-	not depreciated
Plant and machinery	-	15% straight-line
Motor vehicles	-	25% reducing balance

Included in leasehold properties are buildings held under short leases which are being depreciated at the rate of 2% per annum. In the directors' opinion the leases will be renewed indefinitely.

1.9 Operating leases

Rentals under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.10 Taxation

As a charity, the Company and its subsidiary are exempt from tax on income and gains under current tax legislation to the extent that these are applied to charitable objects. No tax charges have arisen in the Group.

The Group is unable to recover the input VAT associated with the supply of goods and services as the provision of education is exempt from VAT. The irrecoverable VAT is included in the total cost applicable to each expense heading.

1.11 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

The Company additionally maintains a funded defined benefit pension scheme called the Ludgrove School Staff Pension Scheme. This scheme ceased to accrue benefits for active members as from 31 August 2011. Under the provisions of FRS 102, any surplus or deficit on the pension scheme is included in the Company's Balance Sheet.

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1.11 Pensions (continued)

A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. The liability recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Group engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other recognised gains/losses. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises: (a) the increase in pension benefit liability arising from employee service during the period; and (b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in the Income and expenditure account as 'Finance expense'.

1.12 Financial instruments

The charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

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

LUDGROVE SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1.12 Financial instruments (continued)

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial liabilities are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability.

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

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

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

2. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Defined benefit pension scheme

The Charity has an obligation to pay pension benefits to employees. The costs of these benefits and the present value of the obligation depend on a number of factors including life expectancy, salary and pension increases, and the discount rate on corporate bonds. The directors make appropriate judgements and estimates based on professional advice received from the scheme's actuary. The discount rate used as at 31 August 2020 has reduced to 1.60% from 1.90% at the previous year end. This has resulted in a significant increase in the present value of scheme liabilities and therefore an increase in the net deficit recorded on the Balance Sheet.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based upon the utility of assets.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

3. INCOME FROM DONATIONS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	<u>29,876</u>	<u>69,932</u>	<u>-</u>	<u>98,808</u>	<u>814,960</u>

Included in donations income of £814,960 for the year ended 31 August 2019 is £780,906 which relates to restricted funds and the balance of £34,054 relates to unrestricted funds.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £	Total funds 2019 £
Fees receivable	4,736,690	-	-	4,736,690	5,178,900
Extras	263,964	-	-	263,964	352,961
Non-refundable registration fees	10,497	-	-	10,497	14,285
Discounts and bursaries	(160,406)	-	-	(160,406)	(117,470)
Release of refundable deposits	-	-	-	-	(1,909)
	<u>4,850,745</u>	<u>-</u>	<u>-</u>	<u>4,850,745</u>	<u>5,426,767</u>

All income from other charitable activities in 2019 relates to unrestricted funds.

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Designated funds 2019 £	Total funds 2020 £	Total funds 2019 £
Rent receivable	4,098	-	-	4,098	4,098
Other income	13,140	-	-	13,140	12,251
	<u>17,238</u>	<u>-</u>	<u>-</u>	<u>17,238</u>	<u>16,249</u>

All income from other trading activities in 2019 relates to unrestricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

6. INCOME FROM INVESTMENTS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	<u>13,239</u>	<u>-</u>	<u>-</u>	<u>13,239</u>	<u>15,359</u>

All investment income in 2019 relates to unrestricted funds.

7. OTHER INCOME

	Unrestricted funds 2020 £	Restricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £	Total funds 2019 £
Insurance proceeds	-	-	-	-	1,097
Job Retention Scheme grant income	120,663	-	-	120,663	-
	<u>120,663</u>	<u>-</u>	<u>-</u>	<u>120,663</u>	<u>1,097</u>

All other income in 2019 relates to unrestricted funds.

8. EXPENDITURE ON RAISING FUNDS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank charges	-	-	-	-	1,926
Fundraising events	2,217	-	-	2,217	-
Fundraising administration	9,558	-	-	9,558	-
Staff costs	21,641	-	-	21,641	26,234
	<u>33,416</u>	<u>-</u>	<u>-</u>	<u>33,416</u>	<u>28,160</u>

All expenditure on raising funds in 2019 relates to unrestricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. EXPENDITURE BY CHARITABLE ACTIVITY

	Unrestricted funds 2020 £	Restricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	3,000,104	-	-	3,000,104	2,956,205
Direct costs	655,474	10,048	-	665,522	881,675
Depreciation	292,361	-	-	292,361	286,190
Support costs (note 10)	928,423	-	-	928,432	891,035
	<u>4,876,362</u>	<u>10,048</u>	<u>-</u>	<u>4,886,410</u>	<u>5,015,105</u>

Included in direct costs in 2019 is £13,252 which relates to restricted funds. All other expenditure on charitable activities in 2019 relates to unrestricted funds.

10. SUPPORT COSTS

	Basis of Allocation	Support costs £	Total 2020 £	Total 2019 £
Other finance expense (note 13)	Direct	26,000	26,000	13,000
Office costs	Direct	1,788	1,788	3,840
Premises	Direct	575,439	575,439	561,143
Garden & grounds	Direct	75,849	75,849	80,996
Professional fees	Direct	47,604	47,604	66,301
Other support costs	Direct	133,428	133,428	142,526
Donations	Direct	5,009	5,009	1,269
Governance costs	Direct	63,306	63,306	21,960
		<u>928,423</u>	<u>928,423</u>	<u>891,035</u>

All expenditure on support costs relates to unrestricted funds.

11. NET INCOME

This is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets: - owned by the Charitable Group	292,362	286,190
Auditor's remuneration:		
- statutory audit of the Group	15,000	6,160
- statutory audit of the subsidiary	8,400	9,600
- statutory audit of the pension fund	10,788	9,540
- accounting services	39,144	54,258
- tax advisory	1,944	1,920
Operating lease rentals	<u>75,234</u>	<u>63,421</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

12. STAFF COSTS

Staff costs were as follows:

	2020	2019
	£	£
Wages and salaries	2,492,417	2,521,339
Social security costs	234,317	236,411
Defined contribution pension costs	295,011	169,689
Defined benefit pension cost (note 22)	-	55,000
	<u>3,021,745</u>	<u>2,982,439</u>

The average monthly number of employees during the year was as follows:

	2020	2019
	No.	No.
Teaching, pastoral and household	93	93
Maintenance	6	6
Administration	7	7
	<u>106</u>	<u>106</u>

The number of higher paid employees was:

	2020	2019
	No.	No.
In the band £60,001 - £70,000	3	3
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	<u>1</u>	<u>-</u>

The Charity and Group's key management personnel comprise the directors, the headmaster, the deputy head and the bursar. Total remuneration paid to key management personnel was £281,991 (2019: £227,915).

13. DIRECTORS' REMUNERATION

During the year, no directors received any remuneration (2019: none).

During the year, no directors received any benefits in kind (2019: none).

During the year retirement benefits were accruing to no directors (2019: none) in respect of defined benefit pension schemes.

During the year, no directors were reimbursed expenses (2019: none).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

14. FINANCE EXPENSE

	2020 £	2019 £
Interest income on pension scheme assets	172,000	221,000
Interest on pension scheme liabilities	(198,000)	(234,000)
Net interest on net defined benefit liability	<u>(26,000)</u>	<u>(13,000)</u>

15. PROPERTY, PLANT AND EQUIPMENT

Group and Company	Assets under the course of construction £	Land & Buildings £	Plant & machinery £	Motor vehicles £	Total £
Cost					
At 1 September 2019	383,714	10,412,279	1,452,351	30,469	12,278,813
Additions	<u>1,591,737</u>	<u>60,564</u>	<u>51,953</u>	<u>-</u>	<u>1,704,254</u>
At 31 August 2020	<u>1,975,451</u>	<u>10,472,843</u>	<u>1,504,304</u>	<u>30,469</u>	<u>13,983,067</u>
Depreciation					
At 1 September 2019	-	2,598,189	1,119,319	25,954	3,743,462
Charge for the year	<u>-</u>	<u>208,728</u>	<u>82,505</u>	<u>1,129</u>	<u>292,362</u>
At 31 August 2020	<u>-</u>	<u>2,806,917</u>	<u>1,201,824</u>	<u>27,083</u>	<u>4,035,824</u>
Net book value					
At 31 August 2020	<u>1,975,451</u>	<u>7,665,926</u>	<u>302,480</u>	<u>3,386</u>	<u>9,947,243</u>
At 31 August 2019	<u>383,714</u>	<u>7,814,090</u>	<u>333,032</u>	<u>4,515</u>	<u>8,535,351</u>
Included in net book value of land and buildings is:					
				2020 £	2019 £
Freehold land and buildings				9,316,514	7,922,577
Long leasehold				62,015	62,980
Short leasehold				<u>262,847</u>	<u>212,247</u>

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

16. FIXED ASSET INVESTMENTS

Group and Company	Other investments £
Market value	
At 1 September 2019	2,119,964
Additions	<u>1,447</u>
At 31 August 2020	<u><u>2,121,411</u></u>

The investments held are held in sterling cash accounts.

17. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Trade receivables	70,573	88,598	69,073	88,598
Amounts owed by group undertakings	-	-	736,806	594
Prepayments and accrued income	126,856	218,028	126,856	102,028
Grant receivables	7,582	-	-	-
Other receivables	479	46,120	479	479
	<u>205,490</u>	<u>352,746</u>	<u>933,214</u>	<u>191,699</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. TRADE AND OTHER PAYABLES:
Amounts falling due within one year

	Group		Company	
	2019 £	2019 £	2020 £	2019 £
Other payables	220,114	226,478	220,114	226,478
Accruals	505,952	405,960	495,872	396,360
Deferred income (note 19)	818,466	971,945	818,466	971,805
	<u>1,544,532</u>	<u>1,604,383</u>	<u>1,534,452</u>	<u>1,594,643</u>

19. DEFERRED INCOME

Deferred income relates to school fees paid in advance.

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
As at 1 September	971,945	817,856	971,805	817,856
Amounts released to SOFA	(971,945)	(817,856)	(971,805)	(817,856)
Amounts deferred in the year	818,466	971,945	818,466	971,805
As at 31 August	<u>818,466</u>	<u>971,945</u>	<u>818,466</u>	<u>971,805</u>

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NOTES TO THE FINANCIAL STATEMENTS
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20. STATEMENT OF FUNDS - GROUP

	Brought forward 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward 31 August 2020 £
General Funds - all funds	<u>7,250,775</u>	<u>5,031,761</u>	<u>(4,909,778)</u>	<u>1,373,345</u>	<u>(425,000)</u>	<u>8,321,103</u>
Designated funds						
Strategic reserve	750,000	-	-	-	-	750,000
Long-term investment reserve	750,000	-	-	-	-	750,000
Bursary reserve	-	-	-	-	-	-
Facilities development reserve	40,002	-	-	(40,002)	-	-
Special projects reserve	<u>1,977,358</u>	-	-	<u>(853,713)</u>	-	<u>1,123,645</u>
Total designated funds	<u>3,517,360</u>	-	-	<u>(893,715)</u>	-	<u>2,623,645</u>
Restricted funds						
Learning support	10,456	-	-	-	-	10,456
COVID-19 hardship fund	-	47,464	(10,048)	(9,420)	-	27,996
Exploration Centre	<u>1,180,906</u>	<u>21,468</u>	-	<u>(470,210)</u>	-	<u>732,164</u>
Total restricted funds	<u>1,191,362</u>	<u>68,932</u>	<u>(10,048)</u>	<u>(479,630)</u>	-	<u>770,616</u>
Total of funds	<u>11,959,497</u>	<u>5,100,693</u>	<u>(4,919,826)</u>	<u>-</u>	<u>(425,000)</u>	<u>11,715,364</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

20. STATEMENT OF FUNDS (continued) - COMPANY

	Brought forward 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward 31 August 2020 £
General Funds - all funds	<u>6,844,709</u>	<u>5,004,449</u>	<u>(4,896,312)</u>	<u>1,424,037</u>	<u>(425,000)</u>	<u>7,951,883</u>
Designated funds						
Strategic reserve	750,000	-	-	-	-	750,000
Long-term investment reserve	750,000	-	-	-	-	750,000
Bursary reserve	-	-	-	-	-	-
Facilities development reserve	40,002	-	-	(40,002)	-	-
Special projects reserve	<u>1,977,358</u>	-	-	<u>(853,713)</u>	-	<u>1,123,645</u>
Total designated funds	<u>3,517,360</u>	-	-	<u>(893,715)</u>	-	<u>2,623,645</u>
Restricted funds						
Learning support	10,456	-	-	-	-	10,456
COVID-19 hardship fund	-	31,464	-	(9,420)	-	22,044
Bursary fund	-	10,048	(10,048)	-	-	-
Exploration Centre	<u>400,000</u>	<u>853,066</u>	-	<u>(520,902)</u>	-	<u>732,164</u>
Total restricted funds	<u>410,456</u>	<u>894,578</u>	<u>(10,048)</u>	<u>(530,322)</u>	-	<u>764,664</u>
Total of funds	<u>10,772,525</u>	<u>5,899,027</u>	<u>(4,906,360)</u>	-	<u>(425,000)</u>	<u>11,340,192</u>

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

20. STATEMENT OF FUNDS (continued)

Designated funds

The Strategic reserve has been set up to cover possible future expenditure of an exceptional nature.

The Long-term investment reserve has been set up to cover future expenditure on the School's land and buildings.

The Facilities development reserve has been set up for the provision of future development requirements of the School.

The Special projects reserve has been set up for potential future requirements of the school.

Restricted funds

The Learning support fund was created by the donation of funds specifically for learning support.

The Bursaries fund was created by the donation of funds in the subsidiary charity specifically for the purpose of providing bursaries.

The Hardship fund was created by donations in response to the COVID-19 pandemic and will be used to fund bursaries for families in need as a result of the pandemic.

The Exploration Centre fund was created by the donation of funds specifically for the creation of a new Exploration Centre within the school grounds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	Unrestricted funds 2020 £	Restricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £	Total funds 2019 £
Tangible fixed assets	9,947,243	-	-	9,947,243	8,535,351
Fixed asset investments	-	-	2,121,411	2,121,411	2,119,964
Current assets	1,655,392	770,616	502,234	2,928,242	4,400,565
Creditors due within one year	(1,544,532)	-	-	(1,544,532)	(1,604,383)
Provisions for liabilities and charges	(1,737,000)	-	-	(1,737,000)	(1,492,000)
	<u>8,321,103</u>	<u>770,616</u>	<u>2,623,645</u>	<u>11,715,364</u>	<u>11,959,497</u>

All tangible fixed assets for 2019 relate to unrestricted funds. All fixed asset investments for 2019 relate to designated funds. Included within current assets for 2019 is £1,191,362 relating to restricted funds, £1,397,396 relating to designated funds, with the balance of £1,811,807 relating to unrestricted funds. All creditors and provisions for liabilities and charges for 2019 relate to unrestricted funds.

COMPANY	Unrestricted funds 2020 £	Restricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £	Total funds 2019 £
Tangible fixed assets	9,947,243	-	-	9,947,243	8,535,351
Fixed asset investments	-	-	2,121,411	2,121,411	2,119,964
Current assets	1,276,092	764,664	502,234	2,542,990	3,203,853
Creditors due within one year	(1,534,452)	-	-	(1,534,452)	(1,594,643)
Provisions for liabilities and charges	(1,737,000)	-	-	(1,737,000)	(1,492,000)
	<u>7,951,883</u>	<u>764,664</u>	<u>2,623,645</u>	<u>11,340,192</u>	<u>10,772,525</u>

All tangible fixed assets for 2019 relate to unrestricted funds. All fixed asset investments for 2019 relate to designated funds. Included within current assets for 2019 is £410,456 relating to restricted funds, £1,397,396 relating to designated funds, with the balance of £1,396,001 relating to unrestricted funds. All creditors and provisions for liabilities and charges for 2019 relate to unrestricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

22. PENSION COMMITMENTS

Ludgrove School Trust Limited operates a Group Personal Pension scheme, a defined contribution scheme, for the benefit of certain employees. Contributions in the year were £295,011 (2019: £166,582).

The Group also operates a defined benefit pension scheme.

Contributions by both employees and the Company are held in director administered funds completely independent of the Company's finances. The profit and loss charge is based upon actuarial advice by a professionally qualified actuary. The Scheme's Actuary is not an employee of the sponsoring employer.

The amounts recognised in the Balance Sheet are as follows:

	2020 £	2019 £
Present value of funded obligations	(10,868,000)	(10,631,000)
Fair value of scheme assets	<u>9,131,000</u>	<u>9,139,000</u>
Net balance	<u><u>(1,737,000)</u></u>	<u><u>(1,492,000)</u></u>

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2020 £	2019 £
Past service cost - Guaranteed Minimum Pension equalisation	-	55,000
Net interest cost	<u>26,000</u>	<u>13,000</u>
	<u><u>26,000</u></u>	<u><u>68,000</u></u>

No amounts (2019: £Nil) were included in the cost of assets.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

22. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation and the fair value of scheme assets were as follows:

	Assets £	Liabilities £	Total £
At 1 September 2019	9,139,000	(10,631,000)	(1,492,000)
Interest income on scheme assets	172,000	-	172,000
Expected return on assets	4,000	-	4,000
Interest cost	-	(198,000)	(198,000)
Actuarial gains / (losses)	-	(429,000)	(429,000)
Contributions by the employer	206,000	-	206,000
Past service cost	-	-	-
Benefits paid	(390,000)	390,000	-
At 31 August 2020	<u>9,131,000</u>	<u>(10,868,000)</u>	<u>(1,737,000)</u>

The date of the most recent actuarial valuation of the scheme assets and liabilities was 5 August 2019.

The Group expects to contribute £nil (2019: £200,000) to its defined benefit pension scheme in 2021 representing contributions made by the school.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2020	2019
Pension revaluation in deferment (CPI, maximum 5% with effect from 6 April 1999 to 31 July 2007)	2.40%	2.50%
Pension revaluation in deferment (CPI, maximum 2.5% with effect from 1 August 2007)	2.40%	2.50%
Discount rate	1.60%	1.90%
Pension escalation in payment (RPI, max 2.5% with effect from 1 August 2007)	2.10%	2.10%
Pension escalation in payment (RPI, max 5% with effect from 6 April 1999 to 31 July 2007)	3.10%	3.20%
RPI inflation	3.20%	3.30%
CPI inflation	2.40%	2.50%

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FOR THE YEAR ENDED 31 AUGUST 2020

23. OPERATING LEASE COMMITMENTS

At 31 August 2020 the Group had annual commitments under non-cancellable operating leases as follows:

Group and Company	Land and buildings		Other	
	2020	2019	2020	2019
	£	£	£	£
Expiry date:				
Less than 1 year	46,143	40,923	12,609	17,376
Between 2 and 5 years	28,053	28,053	6,572	2,604
Greater than 5 years	<u>2,338</u>	<u>30,391</u>	<u>204</u>	<u>1,952</u>

24. CAPITAL COMMITMENTS

The School has a capital commitment in respect of construction costs of the Exploration Centre which amounted to £524,549 (2019: £nil) at the year end.

25. RELATED PARTY TRANSACTIONS

The Foundation made bursary grants of £10,048 (2019: £20,130) and grants in support of the Exploration Centre building project of £853,066 (2019: £nil) to the School during the year. £736,806 (2019: £Nil) was outstanding at the year end.

The Headmaster's wife works at the school and received remuneration in the year of £51,266 (2019: £53,304). The Deputy Headmaster's wife also works at the school and received remuneration in the year of £35,940 (2019: £34,978).

During the year, the Group received donations from trustees of £300 (2019: £5,000).

There have been no other related party transactions in the reporting period that require disclosure.

26. CONTROLLING PARTY

There is considered to be no ultimate controlling party.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

27. SUBSIDIARY

Company name	Country	Percentage shareholding	Description
The Ludgrove School Foundation	United Kingdom	100%	Charitable foundation

The Charity is the ultimate controlling party of The Ludgrove School Foundation Limited as established by its memorandum and articles of association dated 7 August 2012, company number 08170775 and charity number 1149573. The objective of The Ludgrove School Foundation Limited is to distribute funds available to it in support of charitable purposes approved by its directors. The assets and liabilities of the subsidiary which have been included in the consolidated accounts are shown below as are a summary of its income and expenditure. The registered office of The Ludgrove School Foundation is Ludgrove, Wokingham, RG40 3AB.

Summary of subsidiary assets and liabilities

	2020 £	2019 £
Debtors	9,082	161,641
Cash	1,112,976	1,035,665
Creditors	<u>(746,886)</u>	<u>(10,334)</u>
Net Assets	<u>375,172</u>	<u>1,186,972</u>

Income and expenditure summary

	2020 £	2019 £
Voluntary income	95,979	850,344
Costs of generating voluntary income	(33,416)	(26,234)
Donations	(863,114)	(20,130)
Professional fees	(74)	(1,926)
Governance costs	<u>(11,175)</u>	<u>(11,416)</u>
(Deficit)/surplus	(811,800)	790,638
Funds brought forward	<u>1,186,972</u>	<u>396,334</u>
Total	<u>375,172</u>	<u>1,186,972</u>

