



CHARITY COMMISSION
FOR ENGLAND AND WALES

Trustees' Annual Report for the period

**From 1st Aug 2020 (Period start date) To 31st July 2021
(Period end date)**

Charity name: St Mary's School Gerrards Cross Limited

Charity registration number: 310634

Objectives and Activities

	SORP reference	
Summary of the purposes of the charity as set out in its governing document	Para 1.17	We provide an excellent education in a caring, happy environment, where each girl develops self-confidence and achieves her full potential.
Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.	Para 1.17 and 1.19	We aim, through our Prep and Senior School, to provide a first class education to girls from the ages of 3 to 18. We seek to provide a structured educational environment that develops our pupils' capabilities, competences and skills. We promote the academic, moral and physical development of our pupils through our academic curriculum, pastoral care, sporting and other activities. We provide an educational environment where each student can develop and fulfil his or her potential, building their self-confidence and inculcating a desire to contribute to the wider community. In so doing, we prepare our pupils for the opportunities, responsibilities and experience of later life.
Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit	Para 1.18	Confirmed.

Additional information (optional)

You may choose to include further statements where relevant about:

	SORP reference	
Policy on grant making	Para 1.38	N/A

Policy on social investment including program related investment	Para 1.38	N/A
Contribution made by volunteers	Para 1.38	N/A
Other		N/A

Achievements and Performance

	SORP reference	
Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.	Para 1.20	<p>We consistently achieve excellent GCSE and A-Level results.</p> <p>As an independent school we have the luxury of being able to consider what is best in the reforms and initiatives being handed down to schools and to ensure that the curriculum is tailored to the girls. As an all-through school, we have the privilege of creating a curriculum that is at all times set within a framework of prior learning and future expectations.</p> <p>Education at St Mary's includes academic rigour and in addition, we offer a full range of co-curricular, enrichment and leadership opportunities. We work to ensure that our students leave us as well rounded, confident individuals, ready to embrace the next stage of their educational journey and to take their place in the wider world.</p>

Additional information (optional)

You may choose to include further statements where relevant about:

Achievements against objectives set	Para 1.41	
Performance of fundraising activities	Para 1.41	

against objectives set		
Investment performance against objectives	Para 1.41	
Other		

Financial Review

Review of the charity's financial position at the end of the period	Para 1.21	Completed through Critchleys Auditors and submitted to Companies House.
Statement explaining the policy for holding reserves stating why they are held	Para 1.22	Any funds are re-invested into the organisation for the benefit of the education of the girls.
Amount of reserves held	Para 1.22	£268,951
Reasons for holding zero reserves	Para 1.22	n/a
Details of fund materially in deficit	Para 1.24	n/a
Explanation of any uncertainties about the charity continuing as a going concern	Para 1.23	n/a

Additional information (optional)

You may choose to include further statements where relevant about:

The charity's principal sources of funds (including any fundraising)	Para 1.47	Collection of fees
Investment policy and objectives including any social investment policy adopted	Para 1.46	
A description of the principal risks facing the charity	Para 1.46	
Other		

Structure, Governance and Management

Description of charity's trusts:		
Type of governing document (trust deed, royal charter)	Para 1.25	Governing Body Terms of Reference
How is the charity constituted? (e.g unincorporated association, CIO)	Para 1.25	Limited Company
Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees	Para 1.25	

Additional information (optional)

You may choose to include further statements where relevant about:

Policies and procedures adopted for the induction and training of trustees	Para 1.51	
The charity's organisational structure and any wider network with which the charity works	Para 1.51	
Relationship with any related parties	Para 1.51	
Other		

Reference and Administrative details

Charity name	St Mary's School Gerrards Cross Limited
Other name the charity uses	
Registered charity number	310634

Charity's principal address	St Mary's School 92-94 Packhorse Road Gerrards Cross Bucks SL9 8JQ

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Mrs Christine Bayliss	Governor		
2	Mr David Campkin	Governor		
3	Mr Derek Wilson	Chair of Governors		
4	Ms Anne Freeman	Governor		
5	Mr Nicholas Hallchurch	Governor		
6	Mr Nicholas Moss	Governor		
7	Mrs Marina Hall	Governor		
8	Dr Devinder Bansi	Governor		
9				
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17				
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20				

Corporate trustees - names of the directors at the date the report was approved

Director name		

Name of trustees holding title to property belonging to the charity

[illegible]

Funds held as custodian trustees on behalf of others

Description of the assets held in this capacity	n/a
Name and objects of the charity on whose behalf the assets are held and how this falls within the custodian charity's objects	n/a
Details of arrangements for safe custody and segregation of such assets from the charity's own assets	n/a

Additional information (optional)

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address

Name of chief executive or names of senior staff members (Optional information)

--

Exemptions from disclosure

Reason for non-disclosure of key personnel details

--

Other optional information

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Declarations

The trustees declare that they have approved the trustees’ report above.

Signed on behalf of the charity’s trustees

Signature(s)

--	--

Full name(s)

--	--

**Position (eg
Secretary, Chair, etc)**

--	--

Date

--

Charity Registration No. 310634

Company Registration No. 389663 (England and Wales)

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Headmistress	Mrs Patricia Adams MA(Oxon)	
Governors	Derek Wilson (Chair of Governors) M Hall H Philips David Campkin (Finance Lead Governor) N S Moss Chris Bayliss (Education Lead Governor) S Clifford N Hallchurch D Bansi D Bansi	(Appointed 20 March 2021) (Appointed 18 January 2022) (Appointed 18 January 2022)
Secretary	L Andrews	
Charity number	310634	
Company number	389663	
Registered office	St. Mary's School Gerrards Cross Bucks SL9 8JQ	
Auditor	Critchleys Audit LLP Beaver House 23-38 Hythe Bridge Street Oxford Oxfordshire OX1 2EP	
Bankers	The Royal Bank of Scotland 40-42 High Street Maidenhead Berks SL6 1QE	
Solicitors	Veale Wasborough Vizards, LLP 24 King William Street London EC4R 9AT	

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

CONTENTS

	Page
Governors' report	1 - 5
Statement of Governors' responsibilities	6
Independent auditor's report	7 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 27

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2021

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objectives of the Charity are set out in the Memorandum of Association. They may be summarised as the carrying on of a School for girls where the students may obtain an education of the highest order, the holding of religious services and delivering religious instruction in accordance with the doctrine and principles of the Church of England and the undertaking of activities to advance the cause of education.

The Charity has the general mission of providing an excellent education in a caring, happy environment, where each girl develops self-confidence and achieves her full potential.

When considering the strategies employed to achieve the School's objectives, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public guidance on advancing education and on fee charging.

The strategies employed to achieve the Charity's objectives are:

To continually monitor the quality of teaching, through target setting, inset training, observation, sharing and discussion of good practice, as well as updating resources and adding new curricula.

To offer equal opportunities to all girls; to ensure all individual needs are addressed, that all opportunities are accessible to everyone, providing flexible streaming and rotation of staff.

To provide moral and spiritual guidance and support, fostering self-confidence, self-esteem, and wellbeing, as well as aiding learning.

To promote an active partnership with the local community and parents through regular formal and informal meetings, as well as communication through email and Parent mail.

To ensure high levels of pastoral care, by building strong pupil-staff relationships as well as being able to offer the support of a qualified school counsellor.

To regularly assess leadership and management, through professional and independent review and feedback from departments, pupils and parents.

To provide continuing support of our pupils already in receipt of bursaries.

To maintain the provision of means tested bursary places to not lower than 5% of total income.

To continue to develop links with local state schools.

The primary activity of the Charity is to educate girls from the ages of 3 to 18 within a Christian framework. In addition to the wide range of academic subjects offered and taught, the School is able to enhance the educational experience through the many clubs and extracurricular activities offered. Christian values are incorporated through assemblies and in everyday school life.

The Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

Achievements and performance

As a result of the Coronavirus pandemic summer examinations results 2021 were based on teacher assessments at both GCSE and A-level.

The results obtained by the girls showed an improvement from the previous year which reflected the hard efforts of all our students and despite a Covid Lockdown for most of the Lent term. At A-Level, from the grades achieved, 71% were A*/A and Level 3 Distinction, and 98% A*/A/B. All students obtained a university or placement of their choice.

The results achieved at GCSE by Year 11 girls matched the high expectations placed upon them. From the grades achieved, 58% were Level 9-7 and 99% Level 9-4.

St Mary's offers a wide range of subjects at GSCE and A-Level, including EPQ, and has an established enrichment programme.

The School continues to recruit high quality teaching staff which alongside the investment into facilities offers an excellent environment to all students. It is this environment that allows our students to deliver such creditable examination results.

Pupil numbers increased again this year. The School maintained a three-form entry into Year 7, for which teaching staff and teaching assistants have been employed to maintain the School's ethos, ensuring that time is invested into each girl to allow everyone to reach their full potential. Importance is still placed on extra-curricular activities, with girls involved in sport, drama, music, debating and a large increase to numbers participating in the Duke of Edinburgh award scheme.

The charity's objectives are foremost in all planning. The provision of a sound education remains the key and investment in staff is seen to be a driver to the excellent results obtained by students, year-on-year. St Mary's Christian roots are maintained through the close relationship held with St James Church and the Christian message is delivered to the girls through weekly assemblies.

At the start of the year a new dedicated Nursery and Reception facility was opened and has attracted a good increase in early years pupils.

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

Financial review

The School continues to build its strong financial position allowing the Governors to invest in the infrastructure of the School. The new Nursery building was paid for out of reserves. The Governors will maintain a level of reserves adequate to protect against any unforeseen circumstances.

The most damaging and exceptional event this year, seemingly far from resolution, has been the devastating impact on schools and on society and the economy generally of the Coronavirus pandemic, which took hold in early 2020. The School was fully open from the start of the school year but returned to lockdown for almost the whole of Lent term. It was to the credit of the School's management and teaching staff that the high standard of virtual at home education developed in 2020 was immediately available, and a high standard of teaching were maintained. The Governors are indebted to all staff that gave unstintingly to achieve the best experience for the girls in very difficult circumstances.

In common with many independent schools, St Marys offered a discount on the Lent Term fees. At £250 per pupil, which cost the School £111,000, the discount was much lower than the 20% across the board discount granted for the previous year's Trinity term which had reduced revenues by £476,000.

The School continued to reflect its charitable commitments through the distribution of bursaries, scholarships and discounts worth a total of £803,000 in the year, 12% of fee income. The school also applied discounts of £111,766 in relation to Covid-19. The School received £3,892 from the Governments Furlough Scheme. This commitment is important to the School and the Governors are committed to maintaining these levels into the future.

The commitment to improving the infrastructure continues as shown by the construction of the new Nursery in the summer of 2020. A new Multi Use Games Area (MUGA) began construction in July 2021, for completion in October 2021.

The funds of the Charity are wholly invested in School property and other fixed assets. School fees receivable, less any discounts given, for tuition and extra-curricular activities, cover the cost of providing tuition and other running costs of the School. The fees are set at a level that will provide sufficient funds to cover the cost of regular maintenance, modernisation of existing facilities and funding new buildings in the future.

The Governors regularly review all financial and operational risks which may have an impact on the School. Procedures are adopted to mitigate perceived risk and these are subject to regular review to ensure that there are adequate safeguards in place.

The School is aware that in the current economic and financial climate, a number of risks exist that could negatively impact St Mary's. Risks fall into the following categories – Governance, Operational, Financial, External and Compliance. A full review of these risks was conducted during the year and the School's risk Register was re-written and updated to include recent shifts in both the economic and political climates. These risks are not expected to have any immediate major impact on the School's Objectives and Activities, however the Governors will continue to review these to ensure the continued smooth running of St Mary's School.

Founded in 1872, the school is due to celebrate its 150th anniversary in 2022 and initial plans are under way to ensure that this historic moment is celebrated in a suitable manner.

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

The School's public benefit remains in the forefront of the Governor's thinking and the School's ethos. As a charity, the parents of our pupils have the assurance that all the income of the School will be applied for educational purposes. As an educational charity, the School's educational activities benefit directly from tax exempt status and the School's bursary and accessibility policies benefit indirectly from the tax exemption. The availability of bursaries is publicised widely through advertisements as well as through the School's website.

Over the course of the last year 29 girls benefited from bursarial awards, including 2 students with a 100% bursary. A total of 101 girls received fee reductions through scholarships varying between 15-40%. Scholarship awards have increased in number from last year, allowing more students to benefit. A further 13 girls were in receipt of sister discounts. In total St Mary's discounted £803,000 worth of fees.

In addition to these sums St Mary's has a small fund used to assist those families in need with the cost of trips and extra-curricular activities.

St Mary's continues to offer its facilities free of charge to local netball and gymnastic clubs.

Due to Covid-19 regulations, St Mary's were not able to hold as many fundraising events as in previous years. Nevertheless, charities benefiting from fundraising included Sport Relief, MacMillan Cancer Support and Red Nose Day.

Structure, governance and management

St Mary's School, Gerrards Cross, Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 6 September 1944 and amended to allow for current governance arrangements on 9 February 1955, 3 July 1955, 10 May 2012 and 6 May 2016. It is registered as a Charity with the Charity Commission. The liabilities of the members are limited to £1.

The Governors of the Charitable Company (the Charity) are its Trustees for the purpose of charity law and Directors for the purposes of company law but by custom and practice throughout the School they are always referred to as Governors. The Board of Governors is comprised of members with a broad range of expertise. There are Governors with backgrounds in law, accountancy, education, business management and real estate. Throughout the year the Governors have been:

Derek Wilson (Chair of Governors)

M Hall

H Phillips

David Campkin (Finance Lead Governor)

R Martin

(Resigned 10 October 2021)

N S Moss

Chris Bayliss (Education Lead Governor)

S Clifford

(Appointed 20 March 2021)

N Hallchurch

D Bansi

(Appointed 18 January 2022)

D Bansi

(Appointed 18 January 2022)

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

As set out in the Articles of Association the Chairman of the Board of Governors is appointed by the members of the Board at an ordinary general meeting. The Governors may also appoint a new Governor subject to ratification at the next ordinary general meeting.

Organisation

The Board of Governors determines the general policy of the School. The day to day management of the School is delegated to the Headmistress and the Bursar. The Board meets twice each term. There are no formal sub-committees though there are Lead Governors for Education, Finance & General Purposes, Health & Safety, and Child Protection

Governor Induction and Training

All new members are issued with the Guidelines for Governors. They are encouraged to attend appropriate external training events. All Governors attended internal Child Protection training.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

The Governors' report was approved by the Board of Governors.



L Andrews

Secretary

Dated: 19/3/2022

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2021

The Governors, who are also the directors of St Mary's School, Gerrards Cross, Limited for the purpose of company law, are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE GOVERNORS OF ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

Opinion

We have audited the financial statements of St Mary's School, Gerrards Cross, Limited (the 'Charity') for the year ended 31 July 2021 which comprise the statement of financial activities, the balance sheet, the 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 charitable company's affairs as at 31 July 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Charity 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 Governors' 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 Charity'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 Governors 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 annual report other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Governors' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Governors are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act 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:

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with governors, and from our knowledge and experience of the client's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including Charities Act 2011, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates (set out in Note 1) were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions; and

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

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

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

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

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

A further description of our responsibilities 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 charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



1 April 2022

Katherine Wilkes (Senior Statutory Auditor)
For and on behalf of Critchleys Audit LLP

Chartered Accountants
Statutory Auditor

Beaver House
23-38 Hythe Bridge Street
Oxford
Oxfordshire
OX1 2EP

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations and legacies	3	-	-	-	-	34,059	34,059
Charitable activities	4	5,566,455	-	5,566,455	4,952,987	-	4,952,987
Investments	5	120	-	120	4,033	-	4,033
Total income		5,566,575	-	5,566,575	4,957,020	34,059	4,991,079
Expenditure on:							
Charitable activities	6	5,297,624	-	5,297,624	4,987,961	-	4,987,961
Total expenditure		5,297,624	-	5,297,624	4,987,961	-	4,987,961
Net gains/(losses) on investments		-	-	-	-	-	-
Net incoming resources before transfers		268,951	-	268,951	(30,941)	34,059	3,118
Gross transfers between funds		-	-	-	94,511	(94,511)	-
Net movement in funds		268,951	-	268,951	63,570	(60,452)	3,118
Reconciliation of funds							
Fund balances at 1 August 2020		7,828,748	2,830	7,831,578	7,677,178	63,282	7,740,460
Fund balances at 31 July 2021		8,097,699	2,830	8,100,529	7,740,748	2,830	7,743,578

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	9		8,674,337		8,816,200
Current assets					
Debtors	10	160,863		487,818	
Cash at bank and in hand		1,881,104		1,132,616	
		<u>2,041,967</u>		<u>1,620,434</u>	
Creditors: amounts falling due within one year	12	<u>(1,049,141)</u>		<u>(938,788)</u>	
Net current assets			992,826		681,646
Total assets less current liabilities			9,667,163		9,497,846
Creditors: amounts falling due after more than one year	13		(1,391,634)		(1,491,268)
Provisions for liabilities			(175,000)		(263,000)
Net assets			<u>8,100,529</u>		<u>7,743,578</u>
Income funds					
Restricted funds	17		2,830		2,830
Unrestricted funds:					
General unrestricted funds		5,621,630		5,352,679	
Revaluation reserve		2,651,069		2,651,069	
Pension reserve		<u>(175,000)</u>		<u>(263,000)</u>	
			8,097,699		7,740,748
			<u>8,100,529</u>		<u>7,743,578</u>

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Governors on 19 March 2022



Derek Wilson

Chair of Governors

Company Registration No. 389663

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	21		926,785		505,594
Investing activities					
Purchase of tangible fixed assets		(78,783)		(426,796)	
Investment income received		120		4,033	
Net cash used in investing activities			(78,663)		(422,763)
Financing activities					
Repayment of bank loans		(99,634)		(89,288)	
Net cash used in financing activities			(99,634)		(89,288)
Net increase/(decrease) in cash and cash equivalents			748,488		(6,457)
Cash and cash equivalents at beginning of year			1,132,616		1,139,073
Cash and cash equivalents at end of year			1,881,104		1,132,616

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Charity information

St Mary's School, Gerrards Cross, Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is St. Mary's School, Gerrards Cross, Bucks, SL9 8JQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Memorandum of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Governors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Governors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Governors in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, after any performance conditions have been met. The amount can be measured reliably and it is probable that the income will be received.

Fees receivable, less any discounts given, for tuition and extracurricular activities are recognised and accounted for in the period in which the service is provided. Fees paid in advance are treated as deferred income and included in other creditors.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation which requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Investment income is earned through holding assets for investment purposes and is included when the amount can be measured reliably. Interest income is recognised using the effective interest method.

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Expenditure on charitable activities

These are costs incurred on the charitable activities, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters.

1.6 Tangible fixed assets

Assets are capitalised as tangible fixed assets using a threshold of £1,000 and judgement. They are carried at cost or valuation, net of depreciation and any provision for impairment. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

School buildings completed since July 1996	2% per annum
Fixtures and fittings	15% per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

1.7 Cash and cash equivalents

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

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

1.8 Financial instruments

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

The School recognises the cost of salaries paid to teaching staff in the August holiday period following the year end, as staff are entitled to these payments as a result of service rendered during the reporting period.

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

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Basic financial assets

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year

1.9 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. No charge to corporation tax arises on the results for this or the previous financial year as all income arises from non-trading activities and is applied to the charitable purposes of the School.

1.10 Retirement benefits

The School participates in a multi-employer pension scheme, The Governments' Teachers Pension Defined Benefits Scheme, for its teaching staff. As a result it is not possible to identify the assets and liabilities of the scheme that are attributable to the school. The pension liability is the responsibility of the teachers' pension scheme. Accordingly, under FRS 102 the scheme is accounted for as if it were a defined contributions scheme. The school is liable to contribute to the scheme at the rate prescribed by the actuary from time to time.

The school previously participated in a career average revalued earnings (CARE) defined benefit scheme for non-teaching staff. Under FRS 102, the net present value of deficit contributions payable, per the latest deficit funding arrangement, has been recognised as a liability.

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Total	Restricted funds
	2021	2020
	£	£
Donations and gifts	-	34,059

The income from donations and capital grants was £Nil (2020: £34,059) of which £Nil was unrestricted (2020: £Nil) and £Nil restricted (2020: £34,059)

4 Charitable activities

	Charitable Activities Total	Charitable Activities Total
	2021	2020
	£	£
School fees	6,447,040	6,214,989
Less discounts	(915,298)	(1,491,941)
Catering income	-	100
Trip income	2,632	95,467
Other income	32,081	134,372
	5,566,455	4,952,987

Income from charitable activities was £5,566,455 (2020: £4,952,987) of which £5,580,990 was unrestricted (2020: £4,952,987) and £Nil restricted (2020: £Nil)

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

5 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Interest receivable	120	4,033
	<u>120</u>	<u>4,033</u>

The investment income was £120 (2020: £4,033) of which £120 was unrestricted (2020: £4,033) and £Nil restricted (2020: £Nil)

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

6 Charitable activities

Direct costs:

	2021 £	2020 £
Staff costs	3,147,644	3,017,724
Catering	203,217	190,963
Educational supplies	89,465	51,896
Trips and activities	-	83,278
Staff support and development	12,315	9,954
	<u>3,452,641</u>	<u>3,353,815</u>

Support costs:

	2021 £	2020 £
Staff costs	912,855	721,512
Depreciation and impairment	220,646	245,781
Administration	118,307	109,673
House and grounds	243,674	185,348
Overhead and IT costs	265,265	270,700
Financial and other expenses	52,054	61,936
Other non-capital expenditure	7,252	-
Repairs and maintenance	102,368	51,343
FRS102 pension finance adjustment	(88,791)	(21,000)
	<u>1,833,630</u>	<u>1,625,293</u>

Governance costs:

	2021 £	2020 £
Auditors remuneration	10,600	8,500
Other	753	353
	<u>11,353</u>	<u>8,853</u>

Total charitable expenditure

<u>5,297,624</u>	<u>4,987,961</u>
------------------	------------------

Expenditure on charitable activities was £5,297,624 (2020: £4,987,961) of which £5,297,624 was unrestricted (2020: £4,987,961) and £Nil restricted (2020: £Nil)

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

7 Governors

None of the Governors (or any persons connected with them) received any remuneration or benefits from the Charity during the year (2020: £Nil).

None of the Governors had any expenses reimbursed by the Charity during the year (2020: £Nil).

The key management personnel of the charity comprise the Headteacher, Deputy Headteacher and Bursar. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the charity was £287,122 (2020: £314,087).

8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Teaching - full time	40	40
Teaching - part time	21	22
Non teaching - full time	23	16
Non teaching - part time	20	19
Total	104	97

Employment costs

	2021 £	2020 £
Wages and salaries	4,060,499	3,739,236

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
£60,001-£70,000	-	1
£70,001-£80,000	1	1
£110,001-£120,000	1	1

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

9 Tangible fixed assets

	School buildings completed since July 1996	Assets under construction	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 August 2020	9,572,630	5,860	528,061	10,106,551
Additions	-	57,106	21,677	78,783
At 31 July 2021	9,572,630	62,966	549,738	10,185,334
Depreciation and impairment				
At 1 August 2020	1,020,790	-	269,561	1,290,351
Depreciation charged in the year	156,283	-	64,363	220,646
At 31 July 2021	1,177,073	-	333,924	1,510,997
Carrying amount				
At 31 July 2021	8,395,557	62,966	215,814	8,674,337
At 31 July 2020	8,551,840	5,860	258,500	8,816,200

10 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Scholars accounts	139,262	444,442
Other debtors	21,601	43,376
	160,863	487,818

11 Loans and overdrafts

	2021	2020
	£	£
Bank loans	1,522,073	1,621,707
Payable within one year	130,439	130,439
Payable after one year	1,391,634	1,491,268

The Bank loan, which includes rolled-up interest, is repayable by fixed monthly instalments of £10,870 per month until the final repayment date, 31 January 2036, when any balance on the account becomes repayable. Interest is accrued at the rate of 1.84% above base rate.

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

12 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	11	130,439	130,439
Deferred income	15	271,963	239,035
Trade creditors		19,208	11,851
Other creditors		288,589	184,664
Accruals		338,942	372,799
		<u>1,049,141</u>	<u>938,788</u>

13 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	11	<u>1,391,634</u>	<u>1,491,268</u>

Provisions for liabilities

	Notes	2021 £	2020 £
Retirement benefit obligations	16	<u>175,000</u>	<u>263,000</u>
		<u>175,000</u>	<u>263,000</u>

15 Deferred income

	2021 £	2020 £
Deferred income at 1 August	239,035	225,448
Released from previous years	(239,035)	(225,448)
Resources deferred in the period	<u>271,963</u>	<u>239,035</u>
Deferred income at 31 July	<u>271,963</u>	<u>239,035</u>

Deferred income represents fees received in advance.

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

16 Retirement benefit schemes

The majority of the staff participate in one of two pension schemes; the Teachers' Pension Scheme England and Wales (TPS) for teaching and related staff; and the Flexible Retirement Scheme for non-teaching staff.

Teachers' Pension Scheme

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

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The latest actuarial valuation of the TPS was prepared as at 31 March 2016 and the valuation report was published in September 2018.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Scheme changes

The key provisions of the reformed scheme implemented from 1 April 2015 include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

Flexible Retirement Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 37 non-associated employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2019. This valuation showed assets of £79m, liabilities of £93.9m and a deficit of £14.9m. To eliminate this funding shortfall, the Trustees asked the participating employers to pay additional Deficit Contributions to the scheme aggregating £1,530,000 per annum increasing by 3% per annum. These additional contributions were allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

16 Retirement benefit schemes

(Continued)

Defined benefit schemes

Key assumptions

	2021 %	2020 %
Discount rate	0.84	0.77

The amounts included in the balance sheet arising from the Charity's obligations in respect of defined benefit plans are as follows:

	2021 £	2020 £
Present value of defined benefit obligations	175,000	263,000
Deficit in scheme	175,000	263,000

PRESENT VALUE OF PROVISION

	2021 £	2020 £	2019 £
Present value of provision	174,977	262,998	283,947

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	2021 £	2020 £
Provision at start of period	262,998	283,947
Unwinding of the discount factor (interest expense)	1,917	3,116
Deficit contribution paid	(28,160)	(28,339)
Remeasurements - impact of any change in assumptions	(378)	4,274
Remeasurements - amendments to the contribution schedule	(61,400)	-
Provision at end of period	174,977	262,998

INCOME AND EXPENDITURE IMPACT

	2021 £	2020 £
Interest expense	1,917	3,116
Remeasurements - impact of any change in assumptions	(378)	4,274
Remeasurements - amendments to the contribution schedule	(61,400)	-

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

16 Retirement benefit schemes

(Continued)

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	July 2021 £	July 2020 £	July 2019 £
Year 1	26,946	29,189	28,339
Year 2	27,755	30,065	29,189
Year 3	28,587	30,967	30,065
Year 4	29,445	31,896	30,967
Year 5	30,328	32,853	31,896
Year 6	31,238	33,838	32,853
Year 7	5,309	34,854	33,838
Year 8	-	35,899	34,854
Year 9	-	12,203	35,899
Year 10	-	-	12,203

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Balance at 1 August 2019 £	Incoming resources £	Transfers £	Balance at 1 August 2020 £	Incoming resources £	Balance at 31 July 2021 £
Development fund	60,452	34,059	(94,511)	-	-	-
Maths prize	1,080	-	-	1,080	-	1,080
Sports award	750	-	-	750	-	750
General	1,000	-	-	1,000	-	1,000
	<u>63,282</u>	<u>34,059</u>	<u>(94,511)</u>	<u>2,830</u>	<u>-</u>	<u>2,830</u>

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

18 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 July 2021 are represented by:						
Tangible assets	8,674,337	-	8,674,337	8,816,200	-	8,816,200
Current assets/ (liabilities)	989,996	2,830	992,826	678,816	2,830	681,646
Long term liabilities	(1,391,634)	-	(1,391,634)	(1,491,268)	-	(1,491,268)
Provisions and pensions	(175,000)	-	(175,000)	(263,000)	-	(263,000)
	<u>8,097,699</u>	<u>2,830</u>	<u>8,100,529</u>	<u>7,740,748</u>	<u>2,830</u>	<u>7,743,578</u>

19 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	33,333	25,984
Between two and five years	144,474	25,078
	<u>177,807</u>	<u>51,062</u>

20 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

ST MARY'S SCHOOL, GERRARDS CROSS, LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

21 Cash generated from operations	2021 £	2020 £
Surplus for the year	268,951	3,118
Adjustments for:		
Investment income recognised in statement of financial activities	(120)	(4,033)
Depreciation and impairment of tangible fixed assets	220,646	245,781
Movements in working capital:		
Decrease in debtors	326,955	59,989
Increase in creditors	77,425	187,152
Increase in deferred income	32,928	13,587
Cash generated from operations	926,785	505,594
22 Analysis of changes in net funds/(debt)		
	At 1 August 2020 £	Cash flows £ At 31 July 2021 £
Cash at bank and in hand	1,132,616	748,488 1,881,104
Loans falling due within one year	(130,439)	- (130,439)
Loans falling due after more than one year	(1,491,268)	99,634 (1,391,634)
	<u>(489,091)</u>	<u>848,122</u> <u>359,031</u>

Management letter to the Governors of St Mary's School

Year ended 31 July 2021

30 November 2021

Critchleys Audit LLP
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

T 01865 261100
www.critchleys.co.uk

Contents

Introduction.....	3
Purpose of the document	3
Acknowledgements	3
Limitations	3
Executive Summary.....	4
Further assistance.....	4
Audit Status	5
Areas of Audit Focus.....	5
Audit differences.....	6
Summary of adjusted differences from draft numbers provided by management	6
There were no non-trivial unadjusted differences identified	6
Potential Control Weaknesses.....	7
Update on matters raised in previous reports	7
New matters arising in this year	11
Proposed Letter of Representation.....	13
Other audit matters	14
Detailed comments on the financial statements and audit opinion	14
Qualitative aspects of accounting practices.....	14
Judgements made by management.....	14
Independence matters	14
Serious incident reporting.....	14
Current and future issues in the sector.....	15

Introduction

Purpose of the document

In accordance with our normal practice and the International Standards on Auditing (UK and Ireland) 260, we are writing to draw your attention to various matters which arose during the course of our audit of your financial statements for the year ended 31 July 2021.

This letter includes an executive summary of the key findings below which are supported by the detailed sections thereafter.

The purpose of the audit is to enable us to express an opinion on the financial statements. Our audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal controls. The matters reported are limited to those deficiencies that the auditor has identified during the audit and that the auditor has concluded are of sufficient importance to merit being reported to those charged with governance.

Our audit included obtaining sufficient and appropriate audit evidence to support our opinion. We use a variety of audit techniques to obtain audit evidence, including tests of design of controls; analytical review; verification of specific transactions and balances; and third-party verification. We also assessed the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Our audit involved a risk-based approach and included an examination of evidence on a sample basis. Because of the sample nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, there is an unavoidable risk that some errors and material misstatements may remain undiscovered. Any errors and irregularity identified have been included within this report.

This letter is in respect of all entities within the group, specifically St Mary's School (the School).

Acknowledgements

We would also like to take this opportunity of expressing our thanks to your staff for their assistance during our audit and with the account's preparation. A substantial amount of preparation work was required in order to be fully ready for the audit and we appreciate the efforts of Lisa Andrews and her finance team.

Limitations

Please note that this report has been prepared for the sole use of St Mary's School and it must not be disclosed to third parties, quoted or referred to, without our prior written consent. No responsibility is assumed by us to any other person or entity.

Executive Summary

We are pleased to attach our report and our key findings are summarised below.

- We identified seven audit adjustments. Overall, their impact is immaterial. Page 6.
- We have provided an update on previous control weaknesses identified. Five new potential low risk control weaknesses were identified. Page 7-12.
- Other matters of significance are detailed on page 14.
- No significant findings were identified from our audit risks. Page 5.
- A number of specific points within the proposed letter of representation have been outline on page 13.

Further assistance

Should Governors or management wish to ask any questions regarding the matters raised in this letter or if we can be of any further assistance, please contact Katherine Wilkes.

Katherine Wilkes
Audit Partner

Email
kwilkes@critchleys.co.uk

Telephone
01865 261100

Website
Find out more about Katherine by watching her introductory video on <https://www.critchleys.co.uk/Experts/Katherine-Wilkes>

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Audit Status

Our audit is substantially complete. There have been no significant changes to our audit plan, dated 8 October 2021.

There are no significant matters that are outstanding and need to be resolved prior to issuing our audit opinion. We have a small amount of routine completion procedures to conclude prior to issuing our audit opinion.

Areas of Audit Focus

As detailed in our audit plan, dated 8 October 2021 we identified the following significant risk areas during our audit planning and have included a brief summary of the work carried out and our findings below.

	Risk area	Work carried out	Conclusion
1.	Incorrect treatment of restricted funds.	Review of income and expenditure relating to individual funds to ensure correct restrictions are adhered to. Work was carried out on the nominal activity relating to the fund's balances.	No issues noted with regards to fund movements and treatment of restricted funds.
2.	Capital expenditure treated as repairs.	Costs spent on building works were reviewed to see if they were appropriately categorized as repairs or fixed assets.	No issues were noted
3.	Bad debts- risk that debtors are overstated, therefore bad debt provision understated.	Review of debtors to check if the adequacy of the bad debt provision.	No issues were noted
4.	Management override of controls	Review of journal adjustments made during the year to assess appropriateness.	No issues were noted.
5.	Related party transactions	Disclosures in note 17 were reviewed. The Register of Governors interests was reviewed to identify any other related parties	No issues were noted
6.	Fraud in relation to revenue recognition.	Testing was completed over income which included vouching entries to documentation, cut off and a proof in total of school fees. No issues of fraudulent revenue recognition were identified.	No issues were noted.

Our audit procedures go beyond the above higher risk areas to cover material areas of the financial statements. No significant issues were noted during the procedures.

Audit differences

In the normal course of an audit, we can identify misstatements in the financial data provided to us at the start of the audit. Where individual errors or their aggregation exceed our materiality level. (£83,717 for the school) we are required to modify our audit report if they are not adjusted in the final financial statements. For the interest of Governors and management, we have summarised both the errors that have been corrected and those that have not.

In accordance with ICAEW guidance on triviality limits for audit, we report all items exceeding 5% of the materiality, which for this year is £4,186

Summary of adjusted differences from draft numbers provided by management

No.	Description of error	Impact on SOFA (£)	Impact on Balance sheet (£)
1.	Audit fees not accrued	£10,600	(£10,600)
2.	Catering costs not accrued (costs relate to current financial yr but were paid in the next financial yr)	£17,369	(£17,369)
3.	Construction costs relating to MUGA not accrued for: -Fixed asset additions -Accruals		£52,392 (£52,392)
4.	Movement in pension fund valuation -Pension scheme liabilities -Pension reserve		£88,000 (£88,000)
5.	Reallocate credit balance in the trade debtor ledger to other creditors -Debtors -Creditors		£18,379 (£18,379)
6.	Adjust school fees (to write off old balance in order to bring balance in line with deposit schedule)	£14,535	(£14,535)
7.	Catch up on pension contributions made	£54,651	(£54,651)
TOTAL		£97,155	(£97,155)

There were no non-trivial unadjusted differences identified

Potential Control Weaknesses

Your management is responsible for identification, assessment and monitoring of risk, and for developing, operating and monitoring the systems of internal control. Our audit procedures are designed primarily for the purpose of expressing an opinion on the financial statements and therefore do not constitute a full and detailed review of all aspects of the systems and controls and therefore cannot be relied upon to identify all actual and potential weaknesses. We have included a summary of the issues that we have identified below.

Update on matters raised in previous reports

Observation	Implications & risk	Recommendation	Update 2020/21
During the testing of the discounts, bursary and scholarships, it was identified that no supporting documentation as proof of terms and to show the bursary or scholarship was awarded could be provided for 2 students from the sample of 10.	In the event of any disputes, there is no evidence to support the terms of the bursary or scholarship provided	In the event of any disputes, there is no evidence to support the terms of the bursary or scholarship provided	During testing carried out in the year in relation to discounts, bursary and scholarships no issues were noted with lack of supporting documentation present. This point is considered closed.
During the testing of the controls over payroll the employee selected as a leaver, no supporting documentation could be provided as the employee's folder could not be located.	In the event of any disputes there is no evidence to support the employment terms or proof of the employee's current status with the school.	Despite the employment status records should be maintained for the legal requirement of 6 years.	During testing carried out in the year a leaver was again selected, no issues were noted with supporting documentation in relation to the leaver being present. This point is considered closed.

Observation	Implications & risk	Recommendation	Update 2020/21
<p>The capitalisation policy of £1,000 is not being adhered to. The repairs and maintenance accounts were reviewed for expenditure in excess of the threshold. 16 items were identified and upon further investigation 3 were determined to be treated incorrectly. The 3 items represented 40% of the total value of the items selected for review.</p>	<p>A capitalisation policy which is not enforced can lead to an understatement of fixed assets and an overstatement of expenditure.</p> <p>This can cause a material impact to the financial statements and could result in not showing a true or fair representation to the users.</p>	<p>A clear capitalisation policy should be established. The policy should provide guidance on when the policy can be overridden example: decorating a hall.</p> <p>The capitalisation policy should be circulated to all relevant staff.</p> <p>This assists comparability of the financial statements.</p>	<p>As per our audit testing carried out we did not note any instances where items were not capitalised according to the capitalisation policy. This point is considered closed.</p>
<p>A formal schedule of deposits made by parents is not held. In the prior year an adjustment was made to agree the parent deposits to the number of students as at the year-end. However, in the previous years the deposit was £250, and the current deposit is £500. As such the method previously used which was deemed reasonable would no longer be appropriate unless all pupils are required to pay £500 regardless of when they entered.</p>	<p>Without a formal register of the parents deposit especially in the current year situation reconciliation is almost impossible.</p> <p>In the event of any legal actions against the school by the parents the records are not appropriate as proof can't be presented of what was actually paid by parents.</p>	<p>A formal register should be kept of parents' deposits. This would enable the school to account for the changes to the deposit requirement when they occur.</p> <p>Additionally, a reconciliation of the balance should be performed at every year end. Ensuring the balance matches the number of students as the year end and discrepancies could be explained.</p>	<p>As per work carried out in relation to the debtors testing it was noted that a formal register of deposits was being prepared. This point is considered closed.</p>

Observation	Implications & risk	Recommendation	Update 2020/21
<p>Trip income and expenditure are netted in the accounting records. A schedule showing the income and expenditure for the financial year could not be provided.</p> <p>Additionally, trips were recorded with other transactions such as book cost which made it difficult to identify smaller trips.</p> <p>Trips include all form of outings; this can be international or local.</p>	<p>Trip income and expenditure are required to be shown separately in the financial statements as to not mislead the users. Without the required information income and expenditure would be understated and reduces the comparability year on year without a consistent way to measure income in place.</p>	<p>Trips should be given their own nominal code which is easily identifiable. Upon review of these codes, income and expenditure should easily be distinguished.</p> <p>Alternatively, a schedule of trip income and expenditure for the financial year could be put in place to facilitate the preparation of the financial statements.</p>	<p>As per our audit testing carried out, we noted that trip income was being treated in the same way as in the previous year.</p>
<p>Depreciation was not charged on the current year additions. This was not in line with the prior years.</p>	<p>Not following the established policies reduces the comparability of the accounts.</p> <p>This can cause an overstatement of the net book value of fixed assets and a corresponding understatement of depreciation expense.</p>	<p>Once the current policy is to charge a full year depreciation on additions which meet the criteria (which is advised as a fixed asset register is not held), the policy should be applied consistently annually.</p>	<p>As per our audit testing carried out we noted that all additions were correctly depreciated according to the appropriate policy in place. This point is now closed.</p>



Observation	Implications & risk	Recommendation	Update 2020/21
No Register of Interests was able to be provided	There is a risk that that related party transactions may be undisclosed in the accounts. This is a statutory requirement.	We recommend that all Trustees complete declaration of interest forms which is then stored in the form of a Register of Interest. This should be updated each year and at each board meeting Trustees should be asked if there are any new interests to be aware of.	As per our audit testing carried out we noted that a register of interest was in place and was being updated regularly. This point is now closed.
As part of our review of personnel files, we were unable to locate a signed contract of employment of two employees.	Unable to provide clarity in the event of legal disputes.	It is best practice that signed contracts are retained for all employees as this shows positive employee acceptance of the terms and conditions set out	As per audit testing carried out in relation to payroll testing no issues were noted with regards to employee contracts or personnel files. This point is now closed.

New matters arising in this year

Observation	Implications & risk	Recommendation	Management response
No fixed asset register was being prepared	No record is being kept of additions and disposals of fixed assets, this could result in depreciation being incorrectly calculated or disposals being mis-accounted for.	A fixed asset register should be kept detailing all the assets which make up each of the asset classes along with dates of when they came into use so that depreciation can be correctly calculated based on these dates.	We will keep the need for this under review.
The formal schedule of deposits total balance is different to the total value of deposits on the trial balance due to historical issues.	This has resulted in a small difference between what the accounts reflects as deposits owed and reality, this is understating creditors by a small amount due to these historical differences which have been brought forward over the year.	An adjustment is to be proposed in order to ensure that the schedule of deposits agrees back to the trial balance. As part of year end procedures the formal schedule should be agreed to the trial balance.	A working schedule of refunds and deposits is held and continually updated.
Accruals balance not including 3 additional accruals noted during testing	As per the cut off testing it was noted that there were 3 accruals which were not accounted for. These accruals were for the audit fees, catering costs and the MUGA construction costs. This resulted in the accruals balance being understated by these amounts noted.	A review of costs paid in the first week of the following financial year should be carried out in order to understand if they relate to the new financial year or the current financial year, this will help identify any potential accruals.	We agree with this point.



New matters arising in this year

Observation	Implications & risk	Recommendation	Management response
Credit balances noted on the aged debtors ledger	As per testing carried out on trade debtors it was noted that there were a number of overpayments which resulted in credit balances. These balances were understating the trade debtors balance.	A regular review of the aged debtor ledger should be carried out in order to identify and reallocate these balances so that they do not sit on the debtors ledger as credit balances.	When the credit balance arises, the reason should be identified and the balance either repaid or taken to income. Ongoing item that is continuously reviewed.
The employer pension contributions were not completely up to date	As indicated by the Bursar it was noted that in previous years the employer pension contributions were not correctly accounted for, this was as a result of the previous Bursars management of the accounts function. The risk is that the accounts did not correctly reflect the total value of contributions paid.	A monthly review should be carried out as part of the payroll procedures to identify what amounts are due to be paid for the employer pension contributions	A monthly review is completed every month since the employment of the new bursar from September 2020. This was provided to auditors during the audit process.

Proposed Letter of Representation

In accordance with standard practice for such an audit and based on the work carried out to date, we will ask the Governors to approve and sign the attached letter of representation to accompany the signed final financial statements. We draw your attention to the specific representations contained within point 15 as follows below, otherwise the letter is routine.

- The allocation of expenditure between the headings of cost of generating funds, charitable activities, support costs and governance costs has been reviewed and it is considered that the allocations are reasonable.
- No restricted income has been received in the year, other than that disclosed in note 17 to the accounts.
- The charity has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the CARE pension scheme (the scheme for administrative employees) based on the financial position of the scheme at 30 September 2014. The Governors consider that the possibility of the school leaving the scheme to be so remote that they consider that neither a provision in the accounts or a note to the accounts regarding a contingent liability is required.
- We confirm our agreement to the journal adjustments in the accounts.
- The provision for doubtful debts is adequate to cover all balances which are likely to be uncollectable.
- The trustee neither received nor waived any remuneration during the year and they did not have any expenses reimbursed during the year.



Other audit matters

Detailed comments on the financial statements and audit opinion

Based upon our work carried out to date, and subject to no significant events occurring prior to the signing of the audit report, we anticipate issuing an unmodified audit report in your statutory financial statements.

Qualitative aspects of accounting practices

We have no comments to make concerning the qualitative aspects of the School's accounting practices and financial reporting, including accounting policies, accounting estimates and financial statement disclosures.

Judgements made by management

During our audit, we are required to review the main judgements or estimates made by management, which would have a material or significant impact on the financial statements. We have identified the following main judgement areas and our comments thereon.

Depreciation rates – no issues noted

Bad debt provision – no issues noted

Independence matters

We provide accounting and taxation compliance services to the school in addition to acting as auditors.

We consider that there are no issues that affect our independence as statutory auditors to the school because the Governing Body takes any decisions where judgment is required. We consider Lisa Andrews (Bursar) to be informed management.

We have therefore complied with the relevant ethical requirements concerning independence.

Serious incident reporting

All trustees are responsible for identifying and reporting, in a timely fashion, any serious incidents to the Charity Commission, in accordance with their requirements for all registered charities. Whilst our audit scope does not specifically require us to identify any such matters, we report to the Governors that there were no such actual or potential matters that came to our attention.

Current and future issues in the sector

Reputation is everything

Reputation is something to be cherished. As we have seen with some cases in the past few years such as Oxfam and Kids Company, reputation can easily be damaged, and it takes a long time to repair. The good news that Oxfam has been taken out of special measures hasn't hit the front pages in quite the same way. The Charity Commission conducted some research just before the pandemic hit which showed trust within the charity sector has improved since these scandals hit and the enormous amount of charity work that has taken place in the pandemic is only going to have further increased that trust.

Support for trustees

The Charity Commission has produced some 5-minute guides for trustees which can be found at <https://www.gov.uk/government/collections/5-minute-guides-for-charity-trustees>. Although not groundbreaking, these guides help trustees understand their responsibilities and cover topics such as:

- Charity purpose and rules
- making decisions at a charity
- Managing charity finances
- Managing conflicts of interest in a charity
- What to send to the Charity Commission and how to get help

Safeguarding in charities

Safeguarding continues to be a focus by the Charity Commission who has recently published some guidance on safeguarding in international aid charities. Safeguarding improvements have been made in 4 key areas:

1. Accountability to people they work with, including improved safeguarding policies and procedures.
2. Organisational culture, such as the [new tool for leaders on developing and modelling a positive safeguarding culture](#).
3. The employment cycle, for example the creation of the [Misconduct Disclosure Scheme](#) in 2019 to stop perpetrators of sexual misconduct from moving around the sector undetected.
4. Reports and complaints mechanisms, with improved transparency and accountability reflected by the increased number of safeguarding serious incident reports received by the Commission.

Although these arose from work within international aid charities, they are very applicable to the wider sector.

Better together - collaboration within the charity sector

Working closely with other similar charities, a network of branches, and/or pooling resources to work in a smarter way is becoming increasingly key when setting a charity's strategy. It's about working together, helping each other, learning from each other, realising our strengths and realising the strengths of others to be more effective, not to mention the potential positive impacts it could have on the environment. Similar charities can come together and create a powerful voice when it comes to lobbying government – and this can make a real difference.



SORP 2024

Now that seems like a long way into the future, but it will be here before we know it. The SORP making body has been formed with greater emphasis on representation of view of 'users' as well as technical, regulatory and academic voices. We are expecting a draft SORP sometime between July 2022 and July 2023 with the final SORP to be in place for periods commencing on or after 1 January 2024. So, for a March year-end charity this will not impact the accounts until 2025, but an early read recommended to identify the impacts on the comparative period.

Related parties

The Charity Commission has recently published a report about related party transactions not always being transparent. The Trustees remain responsible for ensuring such disclosures are comprehensive and complete.

The Fundraising Regulator

Fundraising has certainly been a challenge during the pandemic and the Fundraising Regulator has been publishing regular updates and guidance to the sector as to how to run safe fund-raising activities during this time. These are definitely worth a read for any charity running fundraising events.

<https://www.fundraisingregulator.org.uk/guidance/coronavirus>

New Charities Bill announced in Queen's Speech

On 11 May 2021, the Queen announced the introduction of a new Charities Bill. This is a significant and has been a long time coming for the sector. The Bill has been designed to reduce the bureaucracy that charities face and will make it easier for charities to change their governing documents, sell their land, deal with permanent endowment funds, and to merge with other charities.

Charity annual return

An annual return is required by the Charity Commission for all registered charities in England and Wales. On 30 June 2021 the Charity Commission updated the question document required to be completed during this process.

Charities and Terrorism

The Charity Commission has updated its Charities and Terrorism which is designed to help trustees familiarise themselves with the legal framework which aims to protect the UK from terrorist abuse and understand how this affects charities. It provides summary information on key aspects of the UK's counter-terrorism legislation and highlights how particular provisions are likely to affect charities and their work.

<https://www.gov.uk/government/publications/charities-and-terrorism/compliance-toolkit-chapter-1-charities-and-terrorism>