

OLD VICARAGE SCHOOL TRUST
(A Company Limited by Guarantee)
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2020

Registered Company No: 01092758
Registered Charity No: 312671

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OLD VICARAGE SCHOOL TRUST

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Old Vicarage School Trust is governed by its Articles of Association.

Governance and Management

The Governors are responsible for the overall management of the Old Vicarage School Trust. The Board of Governors always meet formally three times a year. Governors volunteer for specific responsibilities to the Governing Body; the Board has Governors with responsibility for safeguarding and child protection, finance, human resources, property, information technology, legal matters, health and safety, and education. In this way, Governors can acquire an in-depth knowledge of issues affecting the School within their area of responsibility. The following committees meet before and report at each termly meeting of the Board of Governors:

Finance Committee
Education Committee
Safeguarding Committee
Health & Safety Committee

Governors attend the committee meetings relevant to them and members of the school management team attend all committee meetings. Governors are welcome to visit the School at any time and often spend half a day in School observing lessons.

The Finance Committee meets at least one week before each Governors' meeting specifically to review budgets and financial reports. The Headmistress and Bursar also attend meetings of the Governors and the Finance Committee.

The day to day running of the School is delegated to the Headmistress and the Bursar supported by other members of the Senior Management Team.

Appointment, induction and training

New Governors are appointed by existing Governors at a full meeting of the Board of Governors. In making such appointments consideration is given to complementing the professional skills of the existing Governors so that a broad range of expertise is maintained.

Governors are appointed for a term of office of four years. A retiring Governor may be re-elected for a second term of four years. Governors are encouraged to attend relevant training to keep them up to date with developments in the educational sector and ensure that they are aware of their responsibilities.

New Governors are briefed by the Chairman and inducted into the workings of the School and also of the company as a registered charity.

Related parties

All Governors give their time freely and receive no remuneration. No trustees have been reimbursed for expenses incurred during this year (2019: Nil).

OLD VICARAGE SCHOOL TRUST

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

KEY MANAGEMENT PERSONNEL

The Governors consider that they, together with the Headmistress and the Bursar, comprise the Key Management Personnel (see note 7 to the accounts). The Governors give of their time freely to the School and the pay and remuneration of the Headmistress and the Bursar is set by the Board of Governors and is kept under annual review. A number of criteria are used in setting pay:

- nature of the role and responsibilities
- competitor salaries in the region and trends in pay
- the sector average salary for comparable positions

OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

Objects

The School's Charitable Objects as set out in its Articles of Association are "to promote and provide for the advancement of education and in connection therewith 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".

Principal Activity

The School's principal activity expanded during the current year and now includes the provision of nursery education for girls from the age of 3 as well as the provision of a day school for 4 to 11-year-old girls.

Aim

The School aims to be the leading girls' prep school in South-West London.

Objectives

Objectives are set as part of the School's Development Plan to continue the School's journey towards becoming the best girls' prep school in South-West London. The overall vision is that an Old Vicarage School pupil is a happy, confident and considerate girl, who achieves personal success through challenge, inspiration and support. This is achieved by developing girls:

- who are inspired by experienced specialist teachers, using first class facilities
- who have a breadth and depth across all academic and extra-curricular activities
- who aim for excellence in every aspect of school life
- who are creative and independent thinkers
- whose talent and potential has been recognised and fostered
- who have received excellent preparation for leading senior schools
- who are happy and friendly, with a strong sense of community and good citizenship
- who have developed confidence and self-belief.

In setting our objectives and planning our activities the Governors have carefully considered the Charity Commission's guidance on public benefit.

OLD VICARAGE SCHOOL TRUST

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

REVIEW OF ACHIEVEMENTS AND PERFORMANCE IN THE YEAR

The year ended 31 August 2020 was a truly outstanding year for the School under the leadership of the Headmistress Mrs Gillian Linthwaite, despite the disruption caused by Covid-19. The School's high reputation in the area and excellent results have ensured strong demand for places, with average pupil numbers for the year of 205, exceeding our target figure of 200. Fifteen scholarships and three exhibitions to St Paul's Girls', Lady Eleanor Holles, Putney High, Kingston Grammar, Emanuel, Frances Holland, St George's Ascot, St James Girls', Benenden, Kensington Park School and Claremont Fan Court School were received.

This year has been highly unusual due to the pandemic and the government instruction in March that all schools and businesses should either close or move to remote working unless providing essential services. The school site remained open for a very small number of children whose parents were key-workers. Online teaching was therefore implemented fully at the beginning of the Summer term, using Firefly and Microsoft Teams. Teaching staff gave all pupils live lessons, pastoral support and access to a full curriculum. Many supportive emails were received from parents applauding the online provision.

Fees continue to include the cost of lunches, all day trips and visiting educational workshops at the School. The Governors are committed to showing Public Benefit by broadening access to education to parents who cannot afford fees. The School makes available bursaries for a girl to attend a secondary independent school in the area, while continuing to offer bursaries within the school and assisting exiting families who experience financial hardship.

Class sizes are at a maximum of 15 throughout the School and our overall pupil/teacher ratio is below 1:9. This is one of the lowest in our sector and we believe contributes significantly to the success enjoyed by our pupils. The School prepares the girls for entry to a wide variety of senior schools. The exam preparation in the Autumn term of Year 6 includes before and after school clubs providing support and extension work. Once again, all girls leaving at the end of the Summer Term gained places at the secondary school of their choice.

The School successfully opened the Little Vic Pre School in The Vineyard Life Church in September 2019. By the end of the year 18 pupils were attending, most of them full time. The Little Vic is intended as a way of giving girls aged 3 years the best tools available to help them transition into the Old Vicarage School. It will educate up to 30 girls each year and will become the natural entry point for the Old Vicarage School in two years.

The School has made very good use of the sports ground at King George's Field at Ham. The School was delighted to financially support the London Borough of Richmond upon Thames in refurbishing the tennis and netball courts to benefit the wider local community as well as provide excellent facilities for the school to use. Over the Summer Term, we were able to hold weekly sports sessions for younger girls in addition to the regular use by the Upper School. This has continued into the Autumn Term of 2020.

The fabric of the building continues to be modernised and developed. Essential repair work on the roof was carried out and exploratory work leading to the proposed new dining room access was undertaken. This major project has been put on hold due to the Covid-19 pandemic. We have continued our programme of upgrading storage in classrooms so that each will contain a "learning wall" and continued to upgrade the lighting to LED lighting in classrooms. Additional classrooms had air-conditioning installed, so that all those that are south facing are now covered. During the lockdown and re-opening post-lockdown, extensive cleaning, sanitising and fogging of the school was undertaken and continued to provide as hygienic and safe an environment for work and learning as possible.

The School has been pleased with the quality of food provided at lunch and break by our new caterer, Accent Catering, in their first year. Everything is cooked fresh on site, including condiments and sauces, and the healthy and delicious food has been appreciated by all. In the Summer Term, during the re-opening of the school following lockdown, Accent Catering adapted their offering to pupils effectively to provide packed lunches in classrooms and hot food in takeaway containers.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE IN THE YEAR (continued)

The School is committed to providing an education which has both breadth and depth. The teaching of Mandarin is now well established with girls taking Mandarin Common Entrance. The girls are offered many opportunities to enhance their curriculum studies, for example competing in various Maths Challenge days at local senior schools. The School takes part in events such as the International Women's Day, as well as a Book Day to celebrate and enjoy children's literature, and a Maths Day to recognise how all-encompassing maths is in our lives.

There is a strong tradition of music and drama at the School. In Years 5 and 6 pupils are entered for English Speaking Board examinations. These had to be cancelled due to Covid – 19 but pupils prepared and performed their presentations within class, thus benefitting from the research undertaken and experience of presenting. Girls start in Reception by performing regularly to parents in Class Assemblies. They progress to Nativity plays and, from Year 3 upwards, Spring Concerts for which each year performs their own dramatic production. Some of these had to be filmed for parents as the school locked down in the Spring. The Leavers' production of Bugsy was curtailed and filmed, due to social distancing requirements, but still highly effective and enjoyable.

Music is taught throughout the School by a specialist music teacher and peripatetic music lessons are offered to all pupils. These have continued on-line during the lockdown and summer re-opening of the School. The Senior Choir performed the Messiah as part of a 1,000 voice choir in aid of Barnardo's at the Royal Albert Hall. The Junior Choir worked with other local schools towards a performance by the Richmond Music Singing Festival at the Rose Theatre. This unfortunately had to be cancelled due to the pandemic.

Supporting an excellent academic education is a focus on British values and good citizenship, kindness and consideration for others. This is promoted throughout our curriculum and we have a strong PSHE programme which reinforces these ideas.

The standard of sporting achievement remains very high, particularly so given the size of the School. Success in several netball tournaments culminated in becoming the Richmond Borough High 5 netball champions out of 36 schools. This would have led to representation at the London Youth Games had it not been cancelled. The School also triumphed in the IAPS swimming competition with 4 first places and then shields and records in the Richmond Borough Swimming Finals.

The School participates in the Local Authority's STARS Travel Plan scheme. Gold, Silver and Bronze stars are awarded depending on the ability to reduce the number of cars used to transport children to school as well as ensuring children are taught about road safety and the value of protecting the local environment. The School has retained its Gold Star, confirming our commitment to minimising the use of cars to transport girls and staff to and from school.

The School's curriculum is complimented by a wide variety of educational visits for all year groups, which this year has included Barnes Wetland Centre, the local fire station, the Science Museum, the Golden Hinde, Verulamium and a Magistrates Court. The girls are usually challenged to develop their independence with residential trips from Year 3 upwards to Marchants Hill, Hooke Court in Dorset, Bushcraft and France. While all these trips had to be cancelled, the girls showed remarkable resilience and found new ways to illustrate their growing independence, albeit remotely.

The School provides a diverse range of lunchtime and afterschool clubs which, over the course of the year, included a variety of choirs and sports clubs. Other activities ranged from Debating to Gardening and Stop-Frame Animation.

The Old Vicarage School seeks to benefit the public through the pursuit of its stated aims. Fees are set at a level to ensure the continued financial viability of the School and at a level that is consistent with our aim of providing a first-class education to become the leading girls' prep school in west London.

OLD VICARAGE SCHOOL TRUST

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

PUBLIC BENEFIT

The School offers means-tested bursaries and continues to set aside funds for the purpose of supporting girls in the local area to attend a secondary independent school and currently supports once pupil on this basis. The School also has a hardship fund to provide funding for girls to continue their education at the Old Vicarage School whose parents would otherwise not be able to afford the fees. The Governors are committed to broadening access to parents who cannot afford fees for independent education. During the year the school provided assistance to the value of £77,539 and has set aside funds of £200,000 to assist families in financial distress as a result of the pandemic.

Pupils are encouraged to feel part of the wider community. The girls vote each year for the charity they wish to support and chose Skylarks, a charity in Richmond providing activities and therapies for children with disabilities and additional needs. As many of the school's main fund-raising activities were due to take place in the summer term, and hence did not take place, the School has re-adopted Skylarks for another year. So far £3,800 has been raised this year.

Each year the School raises money for the NSPCC at Christmas, through the posting of Christmas Cards and the retiring collection at the Carol Service.

This year, the School's Harvest collection was donated to the Richmond Foodbank, based in the nearby Vineyard Life Church Community Centre. Pupils help with sorting donations and preparing food bags and this year over 500kg of supplies were donated.

FINANCIAL REVIEW

The financial statements show net expenditure of £32,674 (2019: net income £221,271). The principal source of income is fees amounting to £2,779,127 (2019: £2,858,298). The result for the year is significantly less than originally forecast due to the financial impact of the Covid-19 virus. A fee reduction was offered to parents for the Summer term and there was an increase in operational costs when the school reopened to implement safe working arrangements.

The Governors continue the policy of investing all the net income in the building and educational resources of the School.

As a charity we enjoy exemption from Corporation Tax on our educational activities and on our investment income provided these are applied for our charitable aims. We also receive an 80% reduction on our business rates. The financial benefits we receive from these tax advantages are all applied for educational purposes and indirectly help to fund our bursary programme.

As an educational charity we are exempt from VAT so are unable to reclaim input VAT on our costs. We also pay employers' national insurance contributions on our payroll costs.

Reserves Policy

The School's reserves are analysed as follows:

Buildings Fund	£1,319,503
Capital Reserve	£ 498,747
Major Repairs Reserve	£ 200,000
Education Fund	£ 200,000
Unrestricted Funds	<u>£1,513,860</u>
Total	£3,732,110

The Governing Body regularly reviews the levels of reserves held by the School. Reserves are held for any future expansion of the School, for major repairs and improvements and to fund bursaries. The special nature of our buildings means that repair costs, either arising from our planned maintenance programme or unexpectedly, require a prudent level of reserves. The level of the Major Repairs Reserve is based on knowledge of the current state of repair of the property and the future issues which might be discovered but are currently not anticipated, such as dry rot.

The Buildings Reserve has been set up this year and represents the value of assets already invested in buildings and which are therefore not available for other purposes.

OLD VICARAGE SCHOOL TRUST

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Reserves Policy (continued)

The Education Fund is held to provide for the cost of our bursary programme and the furtherance of education in the wider community. It is also used to help finance educational or similar costs of current pupils in hardship, particularly those who may need help to complete their final years at the School. The Governors responded to the potential economic impact of the pandemic by setting up a hardship fund of £200,000.

The Capital Reserve is held because the Governing Body are now wishing to support the London Borough of Richmond upon Thames in the upgrade of a sports pavilion at St George's Field where the school delivers a large part of its sport programme. In the future, the school is open to expanding the school site if an opportunity arose and is therefore working towards holding enough capital to be able to make this investment. Situated on a prime site in Richmond upon Thames, the level of investment required will be substantial.

Unrestricted Funds are held by the School to ensure the long-term viability of the School. The Governing Body consider that the Unrestricted General Fund should be maintained at a level equal to 6 months' budgeted expenditure. The general fund total of £1,513,860 is in line with this target.

Freehold Property

In the opinion of the Governors the value of freehold land and buildings is in excess of the book value but no useful purpose would be served by undertaking a revaluation.

Principal Risks and Uncertainties

The Governing Body is responsible for the management of the risks faced by the School, and a formal review of the School's risk management processes is undertaken on an annual basis. Through the risk management systems which have been established for the School, the Governing Body is satisfied that major risks identified have been adequately mitigated. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed. The Governors consider the major risks to which the School is currently exposed include:

- A serious loss of pupil numbers, particularly in the light of the Covid-19 pandemic
- The health and financial risks posed by the Covid-19 pandemic
- A lack of direction, strategy and forward planning
- Loss of excellent reputation
- Political instability

The key controls over these risks include:

- Active review of trends in pupil numbers, monitoring of competition and a comprehensive marketing plan
- Dynamic risk assessment processes to respond to the Covid-19 risks to pupils and staff
- Monitoring of and responding to the additional costs of operation during the pandemic
- A five-year Strategic Plan for the School
- The School follows the government's Safeguarding guidance as laid out in Keeping Children Safe in Education 2019

Principal Risks and Uncertainties (continued)

The School has responded to the risks presented by the Covid-19 pandemic and the subsequent lockdown at the end of March 2020 as follows:

- Transmission of Covid-19 amongst pupils and staff has been mitigated by following Government advice regarding hygiene, restricting visitors to the site and moving educational provision online once the Government required school sites to be open only for children of key workers. A tremendous effort was made to transfer to teaching online with a system which was already in use. This made the transition easier and although it is not ideal to deliver primary education entirely online, it was well received. The school site remained open for a small number of children of key workers and then opened on 1 June for additional selected groups, as guided by the Government. Remote teaching continued successfully during this period for all groups not on site. During this period of mostly online education there was no loss of pupils and numbers remained at a similar level for the start of Autumn term 2020.
- During the pandemic full risk assessments have been carried out and updated each time Government guidance was changed and the school is continuing to monitor and adapt its practices and communications to pupils, parents and staff in response to changing levels of risk.
- In recognition to the change to educational provision, a reduction in the fee rate of 20% was offered to parents for the whole of the summer term. The school has also supported those experiencing financial distress or cashflow issues due to the pandemic. Additionally, fees for the next academic year have been frozen.
- Staff unable to work during the lockdown were furloughed until June to protect jobs.

There is a possibility that the pandemic will affect pupil numbers in the future, however as at November 2020 pupil numbers are comparable to the year ending 31 August 2020. The Governors are confident that the steps taken to ensure that the School is able to continue to provide a caring and enriching environment for its pupils will mitigate against this.

There is a risk that the spread of the virus amongst pupils and staff could result in reputational damage to the School. However, the Governors assess that the Schools' commitment of significant resources to ensuring that it is able to protect its pupils and staff. Additional cleaning products and systems have been introduced and deep cleaning is carried out frequently as well as "fogging" (misting) the buildings with an anti-viral product which settles on all surfaces. The School has also significantly changed its operational routines, timetables and catering provision to reduce movement around the School, avoid contact during times of movement and maintain "bubbles" of children and staff. All measures are under continual reassessment and are updated where changes are identified as beneficial to mitigation of risk.

Reputational damage might also have occurred due to the abrupt change from face to face teaching onto the online platform. However, the excellence of the online educational provision which was swiftly implemented provided an opportunity for the school to enhance its reputation amongst other local competitor schools by responding quickly and effectively to the challenges of successfully delivering teaching in this different and difficult environment. The governors recognise the tremendous staff effort put into ensuring that expectations were not only met but exceeded.

As a result of the measures taken which are set out above the Governors consider that the School's operations are sustainable and financially viable, and therefore it remains appropriate to prepare the Financial Statements under the Going Concern basis. The Trustees anticipate that the School will be able to continue operating normally within its existing unrestricted reserves.

OLD VICARAGE SCHOOL TRUST

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

FUTURE PLANS

The School will continue to maintain and develop the School buildings to provide excellent facilities for the girls and staff. In the coming year we intend to build still further on the academic sporting and pastoral strengths of the School. The current excellent pupil/teacher ratio will be maintained.

The School is in talks with the London Borough of Richmond upon Thames to help finance the refurbishment of facilities at King George's Field in Ham, by supporting a staged renovation of the sports pavilion. This will help to provide a true base for girls' sport in the local area and will be the "Home of Sport for the Old Vicarage School".

Future plans will be influenced by the progress of our UK Government and the world in bringing the Covid-19 pandemic under control. Any restrictions imposed in order to do this will inevitably have an effect on the economy and the school will need to adapt its plans accordingly. The risks are under continuous review in order to modify strategy and operations as necessary.

Governors are also fully conscious of the many political challenges facing independent schools at this time, and are continually risk assessing the external environment and making plans to secure the long-term success of the school.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also directors of Old Vicarage School Trust for the purposes 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

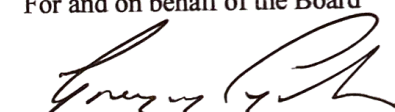
The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Governors' Report has been prepared in accordance with the special provisions relating to companies subject to the small companies regimes within Part 15 of the Companies Act 2006.

For and on behalf of the Board


Mr G Caplan

3 December 2020

Opinion

We have audited the financial statements of Old Vicarage School Trust for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of the charitable company's net movement in funds, including the 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 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.

Responsibilities of governors for the financial statements

As explained more fully in the Statement of Governors' Responsibilities, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance 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.

Conclusions relating to going concern

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

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

Other information

The governors are responsible for the other information. The other information comprises the information included in the Governors' Report. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates the directors' 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 accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the governors were not entitled to take advantage of the small companies exemption in preparing the Governors' Report or from the requirement to prepare a Strategic Report.

Use of our report

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



Tracey Young
Senior Statutory Auditor
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 23 December 2020

OLD VICARAGE SCHOOL TRUST**STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)****FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	Total Funds 2020 £	Total Funds 2019 £
INCOME FROM			
Charitable activities:			
Fees	2	2,779,127	2,858,298
Other educational income	3	61,209	123,249
Other income	4	102,171	112,241
Voluntary income			
Donations and grants	5	42,836	-
Investments		9,697	11,557
TOTAL INCOME		<u>2,995,040</u>	<u>3,105,345</u>
EXPENDITURE			
Charitable activities			
School operating costs		3,027,714	2,884,074
TOTAL EXPENDITURE	6	<u>3,027,714</u>	<u>2,884,074</u>
Net (expenditure)/income	8	(32,674)	221,271
Fund balances brought forward at 1 September 2019		<u>3,764,784</u>	<u>3,543,513</u>
Fund balance carried forward at 31 August 2020	14	<u><u>3,732,110</u></u>	<u><u>3,764,784</u></u>

All amounts relate to continuing activities. All funds were unrestricted in both the current and prior year.


The notes on pages 15 to 22 form part of these financial statements.

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	9	1,975,798	2,066,613
CURRENT ASSETS			
Debtors	10	710,256	508,080
Cash at bank and in hand		2,709,382	2,748,025
		<u>3,419,638</u>	<u>3,256,105</u>
CREDITORS - due within one year	11	<u>(1,311,868)</u>	<u>(1,211,434)</u>
NET CURRENT ASSETS		<u>2,107,770</u>	<u>2,044,671</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,083,568	4,111,284
CREDITORS - due after more than one year	12	<u>(351,458)</u>	<u>(346,500)</u>
NET ASSETS		<u><u>3,732,110</u></u>	<u><u>3,764,784</u></u>
Represented by:	14		
UNRESTRICTED GENERAL FUND		1,513,860	1,632,564
DESIGNATED FUNDS		<u>2,218,250</u>	<u>2,132,220</u>
		<u><u>3,732,110</u></u>	<u><u>3,764,784</u></u>

The financial statements were approved and authorised for issue by the Board of Governors on 3 December 2020 and were signed below on its behalf by:



 G CAPLAN

The notes on pages 15 to 22 form part of these financial statements.

OLD VICARAGE SCHOOL TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	2019 £
Net cash provided by operations	A	41,006	181,257
Cash flows from investing activities:			
Interest received		9,697	11,557
Payments to acquire tangible fixed assets		(89,346)	(267,806)
Net cash (used in) investing activities		(79,649)	(256,249)
Change in cash and cash equivalents in the reporting period		(38,643)	(74,992)
Net cash and cash equivalents at beginning of period		2,748,025	2,823,017
Net cash and cash equivalents at end of period	B	2,709,382	2,748,025

NOTES TO THE CASHFLOW STATEMENT

A.	RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH INFLOW FROM OPERATIONS		2020 £	2019 £
	Net movement in funds		(32,674)	221,271
	Interest received		(9,697)	(11,557)
	Depreciation		180,161	163,949
	(Increase) in debtors		(202,176)	(125,299)
	Increase/(decrease) in creditors		105,392	(67,107)
			41,006	181,257
B.	ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS			
		At 1 September 2019 £	Cashflows £	At 31 August 2020 £
	Cash at bank and in hand	2,107,169	(43,449)	2,063,720
	Deposit accounts	640,856	4,806	645,662
		2,748,025	(38,643)	2,709,382

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – Second Edition, effective 1 January 2019.

The financial statements are drawn up under the historical cost convention.

The School is a Public Benefit Entity registered as a charity and company in England and Wales, it was registered in 1973 (charity number 312671 and company registration number 01092758).

Going concern

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The Covid-19 pandemic introduces uncertainties about the economy going forwards into the medium term and what the effect might be on the school. However, the school holds strong cash reserves which are all unrestricted, is not relying on borrowing, has strong pupil numbers at the beginning of the academic year 2020-21 and is developing a strategy should pupil numbers start to fall.

Critical accounting judgements and key sources of estimation uncertainty

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

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

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

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

Fees and similar income

Fees receivable and charges for services and use of the premises, less any allowances or bursaries granted by the School against those fees, but including contribution received from restricted funds, are accounted for in the period in which the service is provided.

Donations

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

Government grant income

Government grant income represents the total amount claimed from HM Revenue and Customs under the Coronavirus Job Retention Scheme (CJRS). The income is accounted for in the period in which the associated salary payments are made to furloughed staff.

OLD VICARAGE SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Investment income

Investment income from bank balances is accounted for on an accruals basis.

Expenditure

Expenditure is accounted for on an accruals basis. Charitable activity costs represent costs directly associated with the provision of education and related support costs.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, external audit, any legal advice for the School's Governors, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Financial Instruments

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

Fixed Assets

All items of a capital nature with a value of over £1,000 are capitalised. Depreciation is provided on fixed assets to write off their cost less their estimated residual value, over their estimated useful lives at the following rates:

Freehold buildings	- 2% on cost
Leasehold Improvements	- 10% on cost
Furniture and equipment	- 10% on cost
Computer equipment	- 33⅓% on cost

Items costing less than £1,000 are written off as an expense as acquired. Land is not depreciated.

Debtors

School fee and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash

Cash and cash equivalents includes cash in hand and deposits held at banks.

Creditors and provisions

Creditors and provisions are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Fund accounting

Funds held by the charity are:

Unrestricted general funds

These are funds which can be used in accordance with the charitable objects at the discretion of the Governors.

Designated funds

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the note 13 to the financial statements.

Restricted funds

Restricted funds are those where there are specific donor restrictions as to their use.

OLD VICARAGE SCHOOL TRUST**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 AUGUST 2020****1. ACCOUNTING POLICIES (continued)****Pension costs**

The School is a member of the Teachers' Superannuation Scheme run by Teachers' Pensions. The scheme is an unfunded, defined benefit scheme. It is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. Accordingly under FRS102 section 28 the scheme is accounted for as if it were a defined contribution scheme.

The School also contributes to a defined contribution scheme for non-teaching staff. The School's contributions to pension funds for its employees are charged to the Statement of Financial Activities on an accruals basis in the year in which they fall due.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

2. SCHOOL FEES	2020 £	2019 £
Gross fees (including lunches)	2,833,612	2,918,736
Less: bursaries and sibling discounts	(54,485)	(60,438)
	<u>2,779,127</u>	<u>2,858,298</u>
3. OTHER EDUCATIONAL INCOME	2020 £	2019 £
Extras	52,509	114,249
Registration fees	8,700	9,000
	<u>61,209</u>	<u>123,249</u>
4. OTHER INCOME	2020 £	2019 £
Deposits	27,129	24,000
Other income	75,042	88,241
	<u>102,171</u>	<u>112,241</u>
5. VOLUNTARY INCOME	2020	2019
Donation income	11,447	-
CJRS grant income	31,389	-
	<u>42,836</u>	<u>-</u>

OLD VICARAGE SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

6. ANALYSIS OF TOTAL EXPENDITURE - 2020	2020 Staff Costs £	2020 Other Costs £	2020 Depreciation £	2020 Total £
Charitable Activity				
School operating costs:				
Teaching and welfare	1,662,957	402,972	-	2,065,929
Property and premises	79,215	165,125	180,161	424,501
Support costs of schooling	376,092	157,360	-	533,452
Grants	-	3,832	-	3,832
	<u>2,118,264</u>	<u>729,289</u>	<u>180,161</u>	<u>3,027,714</u>

ANALYSIS OF TOTAL EXPENDITURE - 2019	2019 Staff Costs £	2019 Other Costs £	2019 Depreciation £	2019 Total £
Charitable Activity				
School operating costs:				
Teaching and welfare	1,388,687	567,625	-	1,956,312
Property and premises	57,781	132,699	163,949	354,429
Support costs of schooling	367,332	157,391	-	524,723
Grants	-	48,610	-	48,610
	<u>1,813,800</u>	<u>906,325</u>	<u>163,949</u>	<u>2,884,074</u>

ANALYSIS OF SUPPORT COSTS	2020 £	2019 £
Staff costs	376,092	367,332
Office expenses	132,773	130,005
Staff training	8,286	9,085
Governance costs	16,301	18,301
	<u>533,452</u>	<u>524,723</u>

The bad debt write off expense in the year was £nil (2019: £nil).

OLD VICARAGE SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

7. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	1,644,675	1,475,309
Social security costs	168,728	148,151
Pension costs	304,861	190,340
	<u>2,118,264</u>	<u>1,813,800</u>

	2020	2019
	No.	No.
The number of employees whose emoluments exceeded £60,000 during the year was as follows:		
£60,001 - £70,000	2	-
£70,001 - £80,000	-	1
£80,001 - £90,000	-	1
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1
	<u>1</u>	<u>1</u>

During the year, no Governors received any remuneration or benefits in kind. No Governors received reimbursement of expenses during the year (2019: £nil).

	No.	No.
The average number of employees analysed by the function was:		
Teaching	33	28
Support staff	13	12
	<u>46</u>	<u>40</u>

The total remuneration paid to Key Management in the year was £233,201 (2019: £300,896). In 2019 an extra member of the senior management team was included.

8. NET (EXPENDITURE)/INCOME FOR THE YEAR

	2020	2019
	£	£
The net income for the year is stated after charging and crediting:		
Depreciation of tangible fixed assets	180,161	163,949
Auditors remuneration - audit fees	13,601	11,000
Auditors remuneration - other	2,196	-
Operating lease charges	74,363	16,722
	<u>270,321</u>	<u>191,671</u>

OLD VICARAGE SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

9. TANGIBLE FIXED ASSETS

	Freehold Land And Permanent Buildings £	Furniture And Equipment £	Computers And Equipment £	Leasehold Improvements £	Total £
Cost					
At 1 September 2019	1,776,289	1,165,261	386,648	96,178	3,424,376
Additions	30,655	55,697	2,994	-	89,346
Disposals	-	-	(86,197)	-	(86,197)
At 31 August 2020	1,806,944	1,220,958	303,445	96,178	3,427,525
Depreciation					
At 1 September 2019	539,709	493,490	323,208	1,356	1,357,763
Charge for the year	31,998	98,819	38,788	10,556	180,161
Eliminated on disposal	-	-	(86,197)	-	(86,197)
At 31 August 2020	571,707	592,309	275,799	11,912	1,451,727
Net Book Value					
At 31 August 2020	1,235,237	628,649	27,646	84,266	1,975,798
At 31 August 2019	1,236,580	671,771	63,440	94,822	2,066,613

10. DEBTORS

	2020 £	2019 £
Fee debtors	502,803	446,083
Prepayments	140,631	61,142
Other debtors	66,822	855
	710,256	508,080

11. CREDITORS: amounts falling due within one year

	2020 £	2019 £
Fees received in advance	1,044,160	983,420
Trade creditors	25,036	67,893
Payroll taxes and social security costs	40,925	40,954
Extras in advance	48,701	1,320
Accruals	32,847	32,345
Other creditors	37,599	10,815
Parent deposits	82,600	74,687
	1,311,868	1,211,434

12. CREDITORS: amounts falling due after more than one year

	2020 £	2019 £
Parent deposits	351,458	346,500

OLD VICARAGE SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

13. COMMITMENT UNDER OPERATING LEASES

At 31 August 2020 the charity had commitments under non-cancellable leases for vehicles and equipment are set out below:

	2020 £	2019 £
Within 1 year	70,457	73,039
Within 2 to 5 years	236,659	261,335
In greater than 5 years	-	310,000
	<u>307,116</u>	<u>644,374</u>

14. MOVEMENT ON FUNDS 2020	Brought Forward £	Income £	Expenditure £	Transfers £	Carried forward £
Unrestricted funds					
General funds	1,632,564	2,995,040	(3,027,714)	(86,030)	1,513,860
Designated funds					
Education fund	142,220	-	-	57,780	200,000
Capital reserve	1,790,000	-	-	(1,291,253)	498,747
Major repairs reserve	200,000	-	-	-	200,000
Buildings reserve	-	-	-	1,319,503	1,319,503
	<u>3,764,784</u>	<u>2,995,040</u>	<u>(3,027,714)</u>	<u>-</u>	<u>3,732,110</u>
MOVEMENT ON FUNDS 2019	Brought Forward £	Income £	Expenditure £	Transfers £	Carried forward £
Unrestricted funds					
General funds	1,411,293	3,105,345	(2,884,074)	-	1,632,564
Designated funds					
Education fund	142,220	-	-	-	142,220
Capital reserve	1,790,000	-	-	-	1,790,000
Major repairs reserve	200,000	-	-	-	200,000
	<u>3,543,513</u>	<u>3,105,345</u>	<u>(2,884,074)</u>	<u>-</u>	<u>3,764,784</u>

Education Fund

The Education Fund is held to provide for the cost of our bursary scheme, for the furtherance of education in the wider community and to provide financial assistance to families at the school in financial distress due to Covid.

Capital Reserve

The Capital Reserve is held to provide for the future purchase of additional premises for the School's use.

Major Repairs Reserve

The special nature of the School's buildings require considerable expense to maintain them in good repair. This reserve is held to cover such costs.

Buildings Reserve

The Buildings Reserve represents the book value of the School's assets already invested in buildings, and these funds are unavailable to use for other purposes.

15. PENSION COMMITMENTS

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £257,062 (2019: £152,576) and at the year-end £nil (2019 - £nil) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The school's contributions to the pension schemes of non-teaching staff in the year were £44,373 (2019: £34,460).

16. RELATED PARTY TRANSACTIONS

Two of the Governors had children who are pupils at the School (2019: two governors). School fees paid and discounts received were at the same rate and on the same terms as for all other parents of pupils at the school. No other related party transactions during the year. (2019: No other related party transactions).