

Charity Registration No. 309914

Company Registration No. 00414674 (England and Wales)

**SUNNYLANDS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

# SUNNYLANDS LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Governors</b>	T Fray S Dawson J E Lamb Mrs E S Bell S Bowers P M Drage
<b>Charity number</b>	309914
<b>Company number</b>	00414674
<b>Registered office</b>	52 Headlands Kettering Northamptonshire United Kingdom NN15 6DJ
<b>Auditor</b>	Azets Thorpe House 93 Headlands Kettering Northamptonshire United Kingdom NN15 6BL
<b>Solicitors</b>	Lamb & Holmes Solicitors West Street Kettering Northamptonshire United Kingdom NN16 0AZ

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# SUNNYLANDS LIMITED

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# SUNNYLANDS LIMITED

## COUNCIL OF GOVERNORS REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

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The governors present their report and financial statements for the year ended 31 August 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 school's governing document, 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 School as stated in its Memorandum and Articles of Association are to establish, maintain, manage, develop and carry on a school for boys and/or girls at 'Sunnylands' in Kettering.

In meeting these objectives, St Peter's School's public benefit aim is to provide a first class education, independent of the State system, to pupils between the ages of 2½ and 11, based on a sound Christian foundation. It aims to do this through strong academic tuition, and also the development of sporting, artistic, musical and social skills. This is intended to provide an environment where each pupil can develop and fulfil his or her potential, and to prepare them for a senior school of theirs and their parents' choice.

St Peter's School also provides employment for 35 local people, and seeks to source as many of its suppliers and contractors from the local area as is economically viable.

### **Public Benefit – Bursaries and discounts**

St Peter's School educates almost 100 pupils (average for the year) independently of the State system. The School offers discretionary means tested Bursaries and parents and the public in general are made aware of this either upon enquiry, on the School registration form and also through the School's website. Applications are considered by the Finance Committee in accordance with the Bursary Policy, and based upon individual situation and need. Bursaries are intended to provide assistance when possible to benefit parents experiencing financial hardship who wish to enter or remain at the School. Sibling and staff discounts are also available. The School was able to offer bursaries and discounts to 21 children (26 pupils in 2019/20) during the year including those discounts offered to parents with more than one child at the School. By educating over 65 primary age pupils outside of the the state system the school has saved the public purse a sum in the region of £325,000 calculated at £5,000 (2018/19) per primary school aged child.

### **Public Benefit – Associated activities for the benefit of the community**

Links are maintained with a nearby state maintained school, resulting in the sharing of resources and supporting career development for young people. The School also supports the local Higher Education College and local secondary schools by providing work experience opportunities in several parts of the curriculum and in the nursery. This is a valuable work experience opportunity provided to local students to aid the transition from full time education into work.

The School passionately encourages the support of local and national charities and continues to raise money for donation through varied activities throughout the year. As COVID restrictions ease, the school will continue its support of charities such as Macmillan Cancer Care, Children in Need, Red Nose Day, Race4life and Sport Relief. The School maintains its links and support of the Goodwill Children's Homes in India.

The upper part of the school is housed in 'Sunnylands'. This is a Grade 2 listed property which is the former home of a locally born renowned philanthropic national businessman. This maintains and preserves a Grade 2 listed property which was once one of the largest private houses in Kettering, for generations to come.

The School is also committed to extending its facilities to the local community wherever possible, offering the site to linked community groups free of charge. The school also participates in the local small schools sports partnership promoting sport in smaller schools locally across the maintained sector. The thriving PTA hosts many events including the Christmas Fayre, Harvest Supper, Halloween events, Spring Ball which are extended to the wider public through advertising and recommendation by parents. Adapting to the restrictions of COVID has also seen the PTA host some online events which are well attended, such as a family quiz event and online bingo.

# SUNNYLANDS LIMITED

## COUNCIL OF GOVERNORS REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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In setting objectives and planning activities, the Governors have given due regard to the public benefit guidance published by the Charities Commission, and in particular to its supplementary public benefit guidance on advancing education and on fee charging. The Board considers that through the Bursary Scheme, local employment opportunities and the assistance given to the local community it is fulfilling its public benefit responsibilities. The School has not received any approach from local maintained schools as part of the 'Schools Together' programme.

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

#### Achievements and performance

##### Review of the School's progress and the impact of COVID-19 (COVID)

The Board is pleased to report that it considers this to have been another successful year in terms of progress made despite the continuing disruption caused by the pandemic. Once again in this year the national lockdown and measures required to remain COVID secure has impacted all schools in the sector and this required a continuation of the swift and flexible responses developed to ensure that those pupils remaining at home could continue to access their education remotely. The dynamic use of technology has enabled the School to continue to adapt swiftly to minimize the impact caused by COVID. Close control of costs enabled the School to rebate some fees and extras to those children unable to attend during periods of lockdown to the value £9.3k. The Governors and management of the School continue to monitor and adhere to Government guidance as it changes with the resulting inevitability of additional cost across the whole of the cost base required to ensure that the School remains compliant and COVID secure. It was pleasing that during the Summer term and with careful consideration of guidelines, the School was able to host its sports days, outdoor concerts and the annual Founders Day which this year was followed by an Alumni event in celebration of the School's 75th year.

As expected, pupil numbers in the year continue to be influenced by uncertain economic indicators and the impact of COVID restrictions. Interest in the school via Social Media channels continues to be strong and the launch of a new refreshed website has enhanced our online presence. This will shortly be supplemented by a new prospectus to support the general marketing efforts in seeking to attract pupils from the area and interest in places is growing. The nursery continues to appeal to both prospective pupils of the School and to those families seeking a good nursery education for their children who will then go on elsewhere for Primary schooling. Attendance levels in the nursery during the year grew, and interest is high from parents booking places from September 2021. Sunnylands Nursery has an excellent local reputation and continues to offer flexible attendance patterns incorporating the various funding schemes available from Government via the LEA to support working parents.

This has been a year of many successes, both on an individual level but also as a school, the latter being recognised by a Rose of Northamptonshire Award, the NOS Safe Remote Education Accreditation, the Music Mark Award, and the listing as 25th best Prep School in the Country in the Sunday Times list. The School continues to develop its curriculum, improve assessment and reporting and reflect on the latest pedagogies for all of its teachers. Attendance figures remain significantly above national average and the school is beginning to grow.

Assessment data shows that, on average, St Peter's School children are working well above age related expectations compared to that of their peers and significantly above those in maintained schools. Our data reveals that the school cohort is working over 10 standardised score points higher than expected in Reading, Maths, Science and Spelling. The results show excellent progress (2.9 to 10.6 points) across the whole school but particularly good progress by SEND and EAL groups. The group making the most progress (up to 26 points in Science) were the new children who have joined us since September 2020. This clearly demonstrates the effectiveness of our teaching and learning strategies. The gap between boys and girls has closed and there is no notable difference between Maths and Reading scores.

## **SUNNYLANDS LIMITED**

### **COUNCIL OF GOVERNORS REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2021**

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As a school, St Peter's prioritises the social and emotional wellbeing of every child and this supports accelerated progress. Lessons are engaging, children are happy and work hard and the values of curiosity, creativity, community and confidence are being embedded across the school.

Despite much of the country being locked down with many events unable to happen, the children and staff of St Peter's School continued to be an active part of the community throughout the year. At Christmas, the School hosted its annual Carol Concert virtually from the local church of St Peter and St Paul. Music of the highest standard continued, and together with art and creative work this was shared and enjoyed through our Google Classrooms. Speech and Drama provision has been strengthened through the introduction of LAMDA taught by a specialist teacher working with over a third of the school, and music continues to flourish with over half the school receiving peripatetic music lessons taught by specialists.

Sport continues to grow with extra resource and focus this year being placed on promoting healthy living and exercise, enthusing the children in a range of new sporting ventures. Sports clubs every evening are full and an increased amount of time in the school week is given to playing a wide variety of sports including dance, cricket nets and hockey. All of this has resulted in a boost to sporting capabilities and the associated obvious health benefits.

The School was last inspected in November 2018 as part of the regular rolling inspection cycle by the Independent School's Inspectorate (ISI). This was its first Regulatory Compliance Inspection under the new inspection framework by ISI on behalf of Ofsted. The report received in November 2018 confirms that new regulatory requirements which are expected of educational establishments are in place and in practice at the school and that all requirements are met. This type of report does not provide graded judgements. The expected routine Educational Quality Inspection did not take place due to the cycle of inspections being suspended by the DfE in response to the pandemic. The last full inspection was in 2016.

#### **Building and Development**

The Development Committee continues to review facilities across the School to enable resources to be allocated appropriately.

Once again this year, the new eco building known as The Cedar Hub has proved invaluable as a multi-functional space, incorporating a larger teaching space for Art & DT, a wrap-around care provision, and a space for teaching multiple larger groups whilst maintaining safe distancing during this period of the pandemic.

The program of planned investment in the fabric and facilities of the School continues, and the School continues to invest in resources, equipment and IT across the curriculum to keep the learning exciting, whilst still ensuring that the curriculum is underpinned by traditional and well established teaching methods. The School is continuing to take advantage of online resources to ensure that the curriculum remains fresh and stimulating.

Every effort has been made to improve the position of the School and to enhance the curriculum. The School is in a position to look forward cautiously as the pandemic continues to unfold, taking decisions to secure expansion and success in the coming years, and seeks to extend its provision further by active marketing opportunities and refreshment of the online and internet presence.

#### **Financial review**

The funds of the Company have been applied in providing a Christian education for the pupils of the School. It is for this purpose that the charity's assets are held. The financial position at the balance sheet date is considered by Governors to be satisfactory for the future of the School, and the Governors and staff continue to seek to attract more pupils to the School.

## SUNNYLANDS LIMITED

### COUNCIL OF GOVERNORS REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2021

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The financial statements show that at the Balance Sheet date the Company had unrestricted reserves of £956,473 (2020: £955,878) of which £872,236 (2020: £873,915) is invested in fixed assets. Note 18 to the accounts shows in detail that designations of £75,000 have been set aside for various purposes. The remaining level of reserves not designated or invested in fixed assets at the balance sheet date are £9,237 (2020: £6,963). The Governors anticipate that the School will continue to generate sufficient reserves by means of annual operating surpluses to generate resources for the maintenance and development of the School, and that undesignated reserves are sufficient to give adequate levels of working capital to cover unexpected emergencies.

The Governors review the reserve levels of the Company annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves.

The Governors intend to continue their current strategies of maintaining the School's position in a competitive market by investing to provide high quality education for our pupils, achieving high academic results and maintaining the breadth and depth of extra-curricular activities and experiences for our pupils.

The Headteacher and senior staff continue to review the curriculum to ensure that the educational qualifications remain entirely appropriate for our pupil's development.

Future development plans are financed primarily from fee income and reserves. Fixed assets are detailed at note 11 and are depreciated in accordance with the depreciation policies, and are invested to protect the balance between a sound infrastructure and financial base for the next generation of pupils.

#### **Structure, governance and management**

The School is registered as a charitable company limited by guarantee and was incorporated on 9th July 1946. The liability of its members is limited by guarantee as stated in its Memorandum and Articles of Association.

The management of the School is the responsibility of the Governors whose appointment is governed by the Memorandum and Articles of Association. The terms Director and Governor are interchangeable. The Board of Governors consists of six persons.

The day to day running of the School is delegated to the Headteacher.

The members of the Council who have served during the year are listed below:

T Fray

S Dawson

J E Lamb

Mrs E S Bell

S Bowers

P M Drage

Mrs A Bowers

(Resigned 7 December 2020)

Revd. Canon L McCormack

(Resigned 7 December 2020)

Mr Dawson and Mr Lamb retire by rotation and being eligible offer themselves for re-election.

The School is proactive in recruiting new Governors. When considering recruitment, particular note is made of the qualifications and skills of the potential Governor. It is the School's aim for Governors to have sufficient knowledge of charity, educational, legal and financial matters to ensure that a good mix of skills is achieved within the Board as a whole.

## **SUNNYLANDS LIMITED**

### **COUNCIL OF GOVERNORS REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2021**

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Appointment of Governors is carried out either by approach to suitable candidates in the case of vacancy, or by an approach being made from a member of the public, or a person already connected to the School. The Board will assess the suitability of the candidate and due consideration is given to the mix of skills. All Governors are subject to a check by the Disclosure and Barring Service, and a s128 Prohibition from Management check (the Chairman is DBS checked by the Secretary of State for Education). Upon appointment, Governors receive a comprehensive induction pack which includes documents outlining their responsibilities as Directors, Governors and Trustees of the charity. Each Governor signs a declaration as to their willingness to serve the school, and undertake a DBS check and a s128 prohibition from management check. Governors are welcomed and encouraged to visit the school regularly and the Bursar provides legislative and regulation updates via the Finance Committee reports.

The Board of Governors meet regularly twice each term to a pre-set schedule, timetabled at the beginning of each year. The Finance Committee also meets twice per term, the schedule set to allow the minutes and contents of its meeting to be fed into each Board meeting. Other Committees consist of Personnel, Development, Education and Complaints Panel Committees which meet on a needs basis through the year. The Headteacher prepares a briefing report for review and discussion at each Board meeting, and the Bursar prepares briefing reports for the Finance Committee, Personnel Committee and Development Committee meetings. The Headteacher and Chairman attend both main committee meetings. Sub Committees report into the main two committees. All meetings are run to a pre circulated agenda, and minutes are published. All Governors are entitled to attend any committee meeting on an ex officio basis. Governors are appointed as link Governors with special responsibility for Child Protection and Safeguarding (Mrs Bell), and Health and Safety (Mr Bowers).

#### **Internal Control**

The School's financial controls are reviewed in conjunction with the audit of the year end financial statements. The School employs a Chartered Accountant in the role of Bursar to strengthen the financial operations and improve efficiency and internal controls. The Board considers that the internal controls that have been in operation during the year under review are sufficient and appropriate for the size of the School.

#### **Persons with Significant Control**

The Board knows or has reasonable cause to believe that there is no registrable person or entity in relation to the School who has significant control.

#### **Risk Management**

The Governors are responsible for dealing with the risks faced by the School. The Board of Governors has considered the major risks to which the School is exposed, and is satisfied that systems have been established to lessen those risks. It is recognised that this system can only provide reasonable, but not absolute assurance, that the major risks have been adequately managed.

Governors use the following key controls in order to manage the risks faced and any matters of concern regarding them are reported and discussed at the Board meetings.

- Formal agendas for all Board and Committee activity with published minutes.
- Detailed terms of reference for all Sub Committees reporting into the Board.
- Comprehensive strategic budgeting, planning and management accounting processes
- Formal written policies (with regular review) in accordance with the Independent Schools Inspectorate on behalf of the DfE.
- Clear pre authorisation and approval systems for all expenditure
- Vetting procedures as required by law for the protection of the vulnerable
- Adequate and appropriate training for Governors as necessary, and key staff

#### **Auditor**

In accordance with the company's articles, a resolution discussing appointment of auditors of the company will be discussed at a General Meeting.



## **SUNNYLANDS LIMITED**

### **COUNCIL OF GOVERNORS REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

#### ***FOR THE YEAR ENDED 31 AUGUST 2021***

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Each of the governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

**T Fray**

Chair of Governors

Dated: 13 December 2021

## **SUNNYLANDS LIMITED**

### **STATEMENT OF COUNCIL OF GOVERNORS RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 AUGUST 2021***

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The governors, who are also the directors of Sunnylands Limited for the purpose of company law, are responsible for preparing the Council Of 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 school 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 school 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 school 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 school and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# SUNNYLANDS LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SUNNYLANDS LIMITED

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### Opinion

We have audited the financial statements of Sunnylands Limited (the 'school') for the year ended 31 August 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 August 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 school 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 Council of 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 school'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.

## **SUNNYLANDS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF SUNNYLANDS LIMITED**

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#### **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 Council of 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 Council of Governors responsibilities, the governors, who are also the directors of the school 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 school'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.

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

## SUNNYLANDS LIMITED

### INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF SUNNYLANDS LIMITED

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

#### **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.

**Mr Ian Chown (Senior Statutory Auditor)**  
for and on behalf of Azets

14 December 2021

**Chartered Accountants**  
**Statutory Auditor**

Thorpe House  
93 Headlands  
Kettering  
Northamptonshire  
United Kingdom  
NN15 6BL

# SUNNYLANDS LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<b><u>Income from:</u></b>			
Donations and legacies	3	20,093	67,471
Charitable activities	4	865,452	874,112
Investments	5	62	651
<b>Total income</b>		<b>885,607</b>	<b>942,234</b>
<b><u>Expenditure on:</u></b>			
Raising funds	6	20,121	20,724
Charitable activities	7	864,891	915,232
<b>Total resources expended</b>		<b>885,012</b>	<b>935,956</b>
<b>Net Income for the year/ Net movement in funds</b>		<b>595</b>	<b>6,278</b>
Fund balances at 1 September 2020		955,878	949,600
<b>Fund balances at 31 August 2021</b>		<b>956,473</b>	<b>955,878</b>

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.

# SUNNYLANDS LIMITED

## BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	11		872,236		873,915
<b>Current assets</b>					
Stocks	12	17,352		18,560	
Debtors	13	177,643		180,459	
Cash at bank and in hand		399,590		386,989	
		<u>594,585</u>		<u>586,008</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(380,898)</u>		<u>(374,595)</u>	
Net current assets			213,687		211,413
<b>Total assets less current liabilities</b>			1,085,923		1,085,328
<b>Creditors: amounts falling due after more than one year</b>	15		(129,450)		(129,450)
<b>Net assets</b>			<u>956,473</u>		<u>955,878</u>
<b>Income funds</b>					
Unrestricted funds					
Designated funds	18	75,000		75,000	
General unrestricted funds		<u>881,473</u>		<u>880,878</u>	
			956,473		955,878
			<u>956,473</u>		<u>955,878</u>

## **SUNNYLANDS LIMITED**

### **BALANCE SHEET (CONTINUED)**

***AS AT 31 AUGUST 2021***

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

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.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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 6 December 2021

T Fray  
**Chair of Governors**

**Company Registration No. 00414674**



# SUNNYLANDS LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	20		12,540		(10,581)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(1)		(16,000)	
Investment income received		62		651	
<b>Net cash generated from/(used in) investing activities</b>			61		(15,349)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			12,601		(25,930)
Cash and cash equivalents at beginning of year			386,989		412,919
<b>Cash and cash equivalents at end of year</b>			399,590		386,989

# SUNNYLANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

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### 1 Accounting policies

#### Charity Information

Sunnylands Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 52 Headlands, Kettering, Northamptonshire, NN15 6DJ, United Kingdom.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the school's governing document, 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 school is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. 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 school 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.

In March 2020, the impact of the COVID-19 pandemic became apparent globally and the uncertainties caused by the pandemic continue to exist after the reporting date. In assessing the appropriateness of the going concern assumption, the Governors have reviewed the financial position of the School, considering all reasonably foreseeable potential scenarios and uncertainties in relation to revenue and expenditure. Based on this information, the Governors have reasonable expectation that the school can meet its liabilities as they fall due and the Governors have therefore concluded that the COVID-19 pandemic does not create a material uncertainty in relation to going concern.

#### 1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the governors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

#### 1.4 Income

Income is recognised when the school is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the school has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the school has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# SUNNYLANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 1 Accounting policies

(Continued)

Income from grants is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably. Coronavirus Job Retention Scheme grants are normally recognised as income in the period in which the salary expense was incurred and all condition of the furlough scheme have been met.

Fee income is the total amount receivable by the company in the accounting period for services provided in teaching children, and for services ancillary to their education. School fees are stated after deducting bursaries and discounts.

#### 1.5 Expenditure

Expenditure which is charged on an accruals basis and includes irrecoverable value added tax, is analysed between:

- expenditure on charitable activities which is expenditure incurred directly to the fulfillment of the charities objectives;
- costs of raising funds which is expenditure incurred directly in the effort to raise income;

Support costs are those functions that assist the work of the school but do not directly undertake charitable activities. Support costs include office costs, personnel and governance costs which support the School's activities. These costs have been allocated to expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 7.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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:

Freehold land and buildings	Not depreciated
Temporary classrooms, tennis courts and hard playing area	7 years straight line
Equipment, fixtures & fittings	1 - 7 years straight line

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.

No depreciation is provided on freehold land and buildings as it is the charitable company's policy to maintain these assets in a continual state of sound repair and to extend and make improvements to them from time to time. The useful economic lives of these assets are thus so long and residual values so high that any depreciation would not be material. Provision is made for any permanent diminution in value. Any expenditure in respect of building and infrastructure maintenance and improvement is written off in the year of expenditure.

#### 1.7 Impairment of fixed assets

At each reporting end date, the school reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

# SUNNYLANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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### 1 Accounting policies

(Continued)

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.9 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.

#### 1.10 Financial instruments

The school has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the school's balance sheet when the school becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the school's contractual obligations expire or are discharged or cancelled.

# SUNNYLANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 1 Accounting policies

(Continued)

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the school is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

The School makes contributions for its academic and related staff to a defined contribution scheme designed for independent schools. The school also contributes to a defined contribution scheme for its non-teaching staff. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the school'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

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Coronavirus Job Retention Scheme	20,093	67,471

# SUNNYLANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 4 Charitable activities

	Operation of school	Operation of school
	2021	2020
	£	£
Tuition and related fees	608,197	634,628
Dinners	60,364	51,743
Grants	141,485	126,886
Music and uniforms	28,654	23,056
Late club	10,443	16,682
Clubs and outings	9,407	11,398
Other income	6,902	9,719
	<u>865,452</u>	<u>874,112</u>

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	62	651
	<u>62</u>	<u>651</u>

### 6 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Membership schemes and social lotteries	19,285	17,354
Staging fundraising events	836	3,988
Fundraising agents	-	(631)
Advertising	-	13
	<u>20,121</u>	<u>20,724</u>
Fundraising and publicity	<u>20,121</u>	<u>20,724</u>

# SUNNYLANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 7 Charitable activities

	Operation of school	Operation of school
	2021	2020
	£	£
Teachers salaries	489,112	435,641
Text books	30,856	25,768
Food and kitchen costs	74,104	94,176
School materials	43,288	45,659
	<u>637,360</u>	<u>601,244</u>
Share of support costs (see note 8)	221,736	308,888
Share of governance costs (see note 8)	5,795	5,100
	<u>864,891</u>	<u>915,232</u>

### 8 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	178,649	-	178,649	251,609	-	251,609
Depreciation	1,680	-	1,680	16,000	-	16,000
Other costs	41,407	-	41,407	41,279	-	41,279
Audit fees	-	4,300	4,300	-	4,000	4,000
Accountancy	-	1,495	1,495	-	1,100	1,100
	<u>221,736</u>	<u>5,795</u>	<u>227,531</u>	<u>308,888</u>	<u>5,100</u>	<u>313,988</u>
Analysed between						
Charitable activities	<u>221,736</u>	<u>5,795</u>	<u>227,531</u>	<u>308,888</u>	<u>5,100</u>	<u>313,988</u>

Governance costs includes payments to the auditors of £4,300 (2020- £4,000) for audit fees.

### 9 Governors

None of the governors (or any persons connected with them) received any remuneration or benefits from the school during the year. No expenses were reimbursed to the governors during the year or previous period.

## SUNNYLANDS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

#### 10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Teaching staff	12	11
Teaching support and nursery	10	9
Catering and domestic staff	9	11
Administration	4	5
Total	35	36

Employment costs	2021 £	2020 £
Wages and salaries	574,535	585,226
Social security costs	40,284	45,603
Other pension costs	52,942	56,421
	667,761	687,250

The total number of full-time equivalent employees during the year was 22 (2020: 22).

There were no employees whose annual remuneration was £60,000 or more.

The school considers that its key management personnel comprise the governors and the headteacher. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel was £67,626 (2020: £72,388).



# SUNNYLANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 11 Tangible fixed assets

	Freehold land and buildings	Temporary classrooms tennis courts and hard playing area	Equipment, fixtures & fittings	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2020	878,909	54,806	136,512	1,070,227
Additions	-	-	1	1
Disposals	-	-	(456)	(456)
Transfer	(5,040)	-	5,040	-
At 31 August 2021	873,869	54,806	141,097	1,069,772
<b>Depreciation and impairment</b>				
At 1 September 2020	5,094	54,706	136,512	196,312
Depreciation charged in the year	-	-	1,680	1,680
Eliminated in respect of disposals	-	-	(456)	(456)
At 31 August 2021	5,094	54,706	137,736	197,536
<b>Carrying amount</b>				
At 31 August 2021	868,775	100	3,361	872,236
At 31 August 2020	873,815	100	-	873,915

All fixed assets are used for charitable purpose.

The governors consider the market value of the freehold land and buildings to exceed their book value but have not conducted a recent valuation.

### 12 Stocks

	2021 £	2020 £
Raw materials and consumables	17,352	18,560

### 13 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	163,357	169,883
Prepayments and accrued income	14,286	10,576
	177,643	180,459

## SUNNYLANDS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

#### 14 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Other taxation and social security		13,532	10,506
Deferred income	16	245,539	239,252
Trade creditors		25,602	21,393
Other creditors		28,434	28,893
Accruals and deferred income		67,791	74,551
		<u>380,898</u>	<u>374,595</u>

#### 15 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Borrowings	129,450	129,450
	<u>129,450</u>	<u>129,450</u>

Sunnylands Trust is a registered charity, the charitable objects of which generally benefit the School and its pupils in the form of funding for the School and bursaries for pupils. J E Lamb, a governor, is also a trustee of Sunnylands Trust.

A loan of £129,450 is secured on the freehold property and is repayable in full in the event of the cessation of the charitable company's activities or the breach of certain covenants attached to the loan. Interest payable at bank base rate has been waived by the trustees of Sunnylands Trust.

#### 16 Deferred income

	2021 £	2020 £
Other deferred income	245,539	239,252
	<u>245,539</u>	<u>239,252</u>

#### 17 Retirement benefit schemes

##### Defined contribution schemes

The school operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the school in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £52,942 (2020 - £56,421).

# SUNNYLANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 September 2019 £	Movement in funds incoming resources £	Balance at 1 September 2020 £	Movement in funds incoming resources £	Balance at 31 August 2021 £
Development reserve	50,000	-	50,000	-	50,000
General reserve	25,000	-	25,000	-	25,000
	<u>75,000</u>	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>75,000</u>

The Council of Governors have set aside, in the Development Reserve, funds of £50,000 for major repair costs that arise from time to time, to the fabric of the school buildings. The General Reserve fund of £25,000 represents earmarked funds for anticipated future revenue spend.

### 19 Related party transactions

Mr S Dawson, a governor of the School, has an interest in R B Travel, a firm which provides services to the School. The value of services provided was £1,660 (2020 - £5,760).

20 Cash generated from operations	2021 £	2020 £
Surplus for the year	595	6,278
Adjustments for:		
Investment income recognised in statement of financial activities	(62)	(651)
Depreciation and impairment of tangible fixed assets	1,680	16,000
Movements in working capital:		
Decrease in stocks	1,208	3,989
Decrease in debtors	2,816	16,296
Increase/(decrease) in creditors	16	(24,060)
Increase/(decrease) in deferred income	6,287	(28,433)
<b>Cash generated from/(absorbed by) operations</b>	<u>12,540</u>	<u>(10,581)</u>

## SUNNYLANDS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2021*

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21 Analysis of changes in net funds

	At 1 September 2020	Cash flows	At 31 August 2021
	£	£	£
Cash at bank and in hand	386,989	12,601	399,590
Loans falling due after more than one year	(129,450)	-	(129,450)
	<u>257,539</u>	<u>12,601</u>	<u>270,140</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.