

Charity Number 309914
Company Number 00414674

SUNNYLANDS LTD
(A COMPANY LIMITED BY GUARANTEE)

REPORT AND ACCOUNTS
31ST AUGUST 2018

SMITH HODGE & BAXTER

Accountants

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)

REPORT OF THE COUNCIL OF GOVERNORS AND ACCOUNTS - 31ST AUGUST 2018

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SUNNYLANDS LIMITED (REGISTERED NO. 00414674)**REPORT OF THE COUNCIL OF GOVERNORS - YEAR ENDED 31ST AUGUST 2018**

The Governors, who are also the Directors of the Company for the purposes of the Companies Act, are responsible for preparing the Report of the Council of Governors and the financial statements in accordance with the applicable law and UK Accounting Standards, and hereby submit their annual report and the audited accounts of St Peter's School for the year ended 31 August 2018.

Objectives and Public Benefit

1. 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 2¾ 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 34 local people, and seeks to source as many of its suppliers and contractors from the local area as is economically viable.

2. Public Benefit – Bursaries and discounts

St Peter's School educates over 130 pupils (as at July 2018) 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 41 children (53 pupils in 2016/17) during the year including those discounts offered to parents with more than one child at the School. By educating 93 primary age pupils outside of the the state system the school has saved the public purse a sum in the region of £372,000 calculated at £4,000 per primary school aged child.

3. 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. 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 has raised and donated monies through various activities throughout the year, including Readathon, Macmillan Cancer Care, Children in Need, Red Nose Day, and Sport Relief. The parents and children continue to support the Goodwill Children's Homes in India, The School has engaged in fundraising events to raise money for Lakelands Hospice, a local palliative care facility.

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 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. The site is offered to several community groups free of charge. In the year, it was used by a local Brownies and Rainbows group amongst others, and the School also supports the Kettering Eisteddfod Music and Arts Festival, which uses the School for planning meetings.

Sports facilities are used during each holiday period by a local tennis coach offering lessons and a holiday club to the wider community. In addition to this, the School hosts a tennis festival attended by several local maintained schools. The school also participates in the local small schools sports partnership promoting sport in smaller schools across the maintained sector. PTA events including the annual Christmas Fayre are extended to the wider public through advertising and recommendation by parents.

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)
REPORT OF THE COUNCIL OF GOVERNORS - YEAR ENDED 31ST AUGUST 2018

Objectives and Public Benefit (continued)

3. Public Benefit – Associated activities for the benefit of the community (continued)

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 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.

Achievements and Performance

1 Review of the School’s progress.

The Board is pleased to report that it considers this to have been another successful year in terms of progress made. Pupil numbers have stabilized as economic indicators improve and interest in the School remains buoyant evidenced by attendance at the bi annual Open Weeks. The Nursery continues to appeal to both prospective pupils of the School, and also those seeking a good nursery education for their children who will then go on elsewhere for Primary schooling. The Nursery has an excellent local reputation and was able to offer the new extended hours funding scheme for working parents from September 2017.

The School was last inspected in December 2015 as part of the regular rolling inspection cycle by the Independent School’s Inspectorate (ISI). The report received in January 2016 confirms that new regulatory requirements which are expected of educational establishments are in place and in practice at the school. It states that pupils’ achievement and learning is excellent, from the outstanding start given by Sunnylands Nursery and Reception Class right through to the end of Year Six, when pupils leave to join secondary schools. The inspection report highlights the excellent tracking of pupil progress and attainment, the good teaching, thorough preparation for assessments and excellent pastoral care as being just some of the key factors supporting pupils’ excellent achievement and learning. It also recognised pupils’ writing and mathematical skills, as well as their engagement in music and sport at high levels.

The School engages with external assessment in the form of nationally recognised Standard Attainment Tests (SATs) at Key Stage One and Key Stage Two. At Key Stage One, the 2018 SAT results showed that 33% of our Year Two pupils were working at ‘greater depth’ across Reading Comprehension and Mathematics, benchmarked against national statistics of 24% for Reading Comprehension and 21% in Mathematics; these are pleasing results. Key Stage Two SAT results in 2018 showed that 70% of our Year Six pupils were at ‘greater depth’ for Grammar, Punctuation and Spelling with the national statistic being 34%. In Mathematics, the national data result showed 76% working ‘at standard’ with St Peter’s School data results showing 90% of pupils working ‘at standard’. In order to further maintain rigour, the school also invests in externally marked assessments twice each year. The feedback received from these externally moderated tests is analysed carefully and used to plan pupils’ learning pathways to ensure that children achieve their highest potential through targeted learning. Whilst the School sees the benefit of assessment it is also deeply committed to providing a broad and balanced curriculum for its pupils, a curriculum that does not just prepare for tests, instead providing enriched learning opportunities so that children learn about the world and about themselves.

The Governors consider these to be very pleasing results for the non-selective and mixed ability cohort.

The School Inspection report and the annual Headmistress’ report to parents at Founder Day highlight the importance of a well-supported academic curriculum enhanced by a wealth of extra-curricular activities. These are broad-ranging and include sports such as netball, tennis, cross-country, football, rugby, athletics and swimming, together with a wide range of other activities such as thinking games, cookery club and others. Teams are selected to represent St Peter’s School in events outside involving other schools both in the independent and maintained sectors and achieved strong results at the recent Independent Schools Swimming Gala with one pupil being selected to represent the national team.

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)
REPORT OF THE COUNCIL OF GOVERNORS - YEAR ENDED 31ST AUGUST 2018

Achievements and Performance (continued)

The Arts also feature highly in the school calendar. Harvest Festival, Christmas Nativity stories and the Advent Service all play a large part in sustaining the Christian affirmation during this important part of the Church year. St Peter's School Choir presented high quality part singing throughout the year, and in particular, at Kettering Eisteddfod Festival, where the bulk of primary school entries in a range of music and speech and drama competitions came from St Peter's School pupils. Various concerts throughout the year showcase an impressive standard of composition and performance developed by pupils across the school.

2. Building and Development

The School has commenced a building project to replace a mobile classroom with a new art and wrap around care facility, engaging a local firm. It is expected that this will open during the academic year 2018/2019. The Development Committee continues to review other facilities across the School to enable resources to be allocated appropriately.

The program of investment in the fabric and facilities of the School continues, and investments have been made in resources across the curriculum, in music and in sport. This academic year has seen replacement and upgrading of IT installations in classrooms, and many new resources provided across the school in order to keep learning exciting, whilst still ensuring that the curriculum is underpinned by traditional and well established teaching methods. The general program of refreshing decoration and classroom environments has continued during the year. 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 good position to look forward to continued expansion and success in the coming year, 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.

1. Reserves Policy

The financial statements show that at the Balance Sheet date the Company had unrestricted reserves of £886,734 of which £634,568 (2017: £387,686) is invested in fixed assets. Note 15 to the accounts shows in detail that designations of £99,200 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 £152,966 (2017: £219,753). 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.

2. Future Plans

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 Head Teacher 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 9 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.

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)**REPORT OF THE COUNCIL OF GOVERNORS - YEAR ENDED 31ST AUGUST 2018****Organisational Structure, Governance and Management****1. Status and administration**

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.

2. School Governors

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 Head Teacher.

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

T Fray	(Chair of Governors from 6th July 2018)
Mrs A Bowers	(Vice Chair of Governors)
J E Lamb	(Chair of Finance Committee)
Mrs E S Bell	
Revd. Cannon L McCormack	
S Bowers	
Mrs F Kilsby	(Chair of Governors to 5th July 2018 - resigned 6th July 2018)
P Bainbridge	(Resigned 31st October 2017)

The following Governors retire by rotation and being eligible offer themselves for re-election

Mr J E Lamb Mrs A Bowers

When recruiting new Governors, particular note is made of the qualifications and skills of the potential Governors. It is the School's policy that Governors will 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.

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).

3. Organisational Structure and Governance

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 Head Teacher 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 Head Teacher 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.

4. 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.

5. 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.

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)
REPORT OF THE COUNCIL OF GOVERNORS - YEAR ENDED 31ST AUGUST 2018

Organisational Structure, Governance and Management (continued)

6. 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 prepared by an independent clerk
- 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
- 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

Legal and administrative information

Name by which charity is known

St Peter's School

Company registration number

00414674 (England & Wales)

Charity registration number

309914

Registered office

52 Headlands, Kettering, NN15 6DJ

Council of governors

T Fray

(Chair of Governors)

Mrs A Bowers

(Vice Chair of Governors)

J E Lamb

(Chair of Finance Committee)

Mrs E S Bell

Revd. Canon L McCormack

S Bowers

Headmistress

Mrs M Chapman

Bursar

Ms A Hurst

Bankers

NatWest, High Street, Kettering, NN16 8S7

Solicitors

Lamb & Holmes, West Street, Kettering, NN15 0AZ

Auditors

Smith Hodge & Baxter Audit Services, Thorpe House, 93 Headlands, Kettering, NN15 6BL

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)
REPORT OF THE COUNCIL OF GOVERNORS - YEAR ENDED 31ST AUGUST 2018

Statement of Governors' Responsibilities

The governors (who are also directors of Sunnylands Limited for the purposes of company law) are responsible for preparing the Report of the Council of Governors and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the governors to prepare accounts 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 the year. In preparing these accounts the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and enable them to ensure that the accounts 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.

Statement of Disclosure of Information to Auditors

In so far as the Governors 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.

Small Company Exemption

The Company has taken advantage in the preparation of the above report of the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Council of Governors on 4th December 2018
And signed on its behalf by

Mr T Fray
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUNNYLANDS LIMITED

Opinion

We have audited the accounts of Sunnylands Limited (the 'charitable company') for the year ended 31st August 2018 set out on pages 10 to 21. 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 accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31st August 2018, and of its incoming resources and application of resources, including its 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 accounts 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 accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the governors' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the governors have not disclosed in the accounts 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 accounts are authorised for issue.

Other information

The governors are responsible for the other information. The other information comprises the information included in the Report of the Council of Governors, other than the accounts and our auditor's report thereon. Our opinion on the accounts 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUNNYLANDS LIMITED

Other information continued

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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 Report of the Council of Governors (incorporating the directors' report) for the financial year for which the accounts are prepared is consistent with the accounts; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the governors were not entitled to prepare the accounts in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Report of the Council of Governors and from the requirement to prepare a strategic report.

Responsibilities of governors

As explained more fully in the governors' responsibilities statement set out on page 6, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUNNYLANDS LIMITED

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the accounts, 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. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the governors.
- Conclude on the appropriateness of the governors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the accounts, including the disclosures, and whether the accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

Ian Chown (Senior Statutory Auditor)
for and on behalf of Smith, Hodge & Baxter Audit Services
Thorpe House
93 Headlands
KETTERING
NN15 6BL

Date: 10th December 2018

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31ST AUGUST 2018**

	<u>Notes</u>	<u>Unrestricted funds 2018</u>	<u>Unrestricted funds 2017</u>
INCOME AND ENDOWMENTS			
Income from charitable activities			
Operation of school	2	1,117,505	1,040,254
Investment income	3	390	568
Total income		<u>1,117,895</u>	<u>1,040,822</u>
EXPENDITURE			
Cost of raising funds			
Fundraising and publicity		26,298	27,324
Expenditure on charitable activities			
Operation of school	5	1,011,502	960,316
Total expenditure		<u>1,037,800</u>	<u>987,640</u>
NET INCOME AND NET MOVEMENT IN FUNDS FOR THE YEAR		80,095	53,182
RECONCILIATION OF FUNDS			
Total funds brought forward		806,639	753,457
TOTAL FUNDS CARRIED FORWARD		<u><u>£886,734</u></u>	<u><u>£806,639</u></u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 13 to 21 form part of these accounts

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)**BALANCE SHEET AS AT 31ST AUGUST 2018**

	<u>Notes</u>	<u>2018</u>	<u>2017</u>
FIXED ASSETS			
Tangible assets	9	634,568	387,686
CURRENT ASSETS			
Stock	10	20,179	18,458
Debtors	11	218,188	213,434
Cash at bank and in hand		588,681	762,118
		<hr/>	<hr/>
		827,048	994,010
		<hr/>	<hr/>
LIABILITIES			
Creditors: amounts falling due within one year	12	445,432	445,607
		<hr/>	<hr/>
NET CURRENT ASSETS		381,616	548,403
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,016,184	936,089
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	14	129,450	129,450
		<hr/>	<hr/>
NET ASSETS		£886,734	£806,639
		<hr/>	<hr/>
THE FUNDS OF THE CHARITY			
Unrestricted income funds	15	£886,734	£806,639
		<hr/>	<hr/>

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The accounts were approved by the Council of Governors on 4th December 2018 and signed on its behalf by:

Mr T Fray – Chair of Governors

The notes on pages 13 to 21 form part of these accounts

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST AUGUST 2018**

	<u>Notes</u>	<u>2018</u>	<u>2017</u>
Cash provided by operating activities	17	96,347	124,094
Cash flows from investing activities			
Interest income		390	568
Purchase of tangible fixed assets		(270,174)	(27,707)
Net cash used in investing activities		(269,784)	(27,139)
Cash flows used in financing activities			
Loan repaid		-	(4,000)
(Decrease)/increase in cash and cash equivalents in the year		(173,437)	92,955
Cash and cash equivalents at the beginning of the year		762,118	669,163
Total cash and cash equivalents at the end of the year		£588,681	£762,118

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)**NOTES TO THE ACCOUNTS – 31ST AUGUST 2018****1. ACCOUNTING POLICIES****a) Basis of preparation**

The accounts have been prepared in accordance with 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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

Sunnylands Limited is a private company, registered in England and Wales, which is limited by guarantee and meets the definition of a public benefit entity under FRS 102. The presentation currency of the accounts is the Pound Sterling (£). The School's accounts present information about it as an individual undertaking. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Preparation of the accounts on a going concern basis

Having reviewed the funds 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. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

c) Judgements and key sources of estimation uncertainty

In applying the School's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities. Although actual results may differ from estimates of this type, in the opinion of the Governors, this is unlikely to result in material adjustments to the carrying value of assets and liabilities.

d) Income recognition**Fee income**

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.

Grant income

Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance. Grants which represent contributions to projects not yet started at the balance sheet date are treated as deferred income.

Investment income

Investment income, including associated income tax recoveries, is recognised when receivable.

e) Expenditure recognition

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;

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)**NOTES TO THE ACCOUNTS – 31ST AUGUST 2018****1.ACCOUNTING POLICIES CONTINUED****f) Allocation of support costs**

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 4.

g) Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Council of Governors for particular purposes.

h) Tangible fixed assets

Individual fixed assets over the school's capitalisation limit are capitalised at cost and depreciated over their estimated useful economic lives as follows:

Temporary classrooms, tennis courts and hard playing area

Depreciation is calculated on a straight line basis and aims to write down the cost over seven years.

Equipment, fixture and fittings

Capital expenditure for the year is written off by way of provision for depreciation on a straight line method over a period of between four and seven years.

Freehold land and buildings

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.

i) Stock

Stocks are stated at the lower of cost and net realisable value.

j) Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid after taking accounts of any trade discounts due.

k) Creditors

Creditors and provisions are recognised where the charity 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. Deferred income represents fees invoiced in advance of the provision the associated teaching and other services. Concessionary loans received are measured at the amount received.

l) Pension benefits

Retirement benefits to teachers are provided by the Teachers' Pension Scheme ('TPS'). This is a defined benefit scheme, and the assets are held separately from those of the charitable company. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the charitable company in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The School also contributes to a defined contribution scheme for its non-teaching staff. Contributions to the scheme are recognised in the statement of financial activities as they become due in accordance with the rules of the scheme.

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)**NOTES TO THE ACCOUNTS – 31ST AUGUST 2018****1.ACCOUNTING POLICIES CONTINUED****m) Leased assets**

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against income on a straight line basis over the period of the lease.

2. INCOME FROM CHARITABLE ACTIVITIES

	<u>2018</u>	<u>2017</u>
School fees	809,917	805,821
School dinners	89,368	84,464
Grant income - Early Years Learning	135,058	86,166
Other ancillary income	83,162	63,803
Total	£1,117,505	£1,040,254
Other ancillary income		
Music	9,240	3,012
Uniforms	18,992	15,408
Late Club	29,068	26,252
Clubs and outings	18,805	12,545
Miscellaneous	7,057	6,586
	£83,162	£63,803

3. INVESTMENT INCOME

	<u>2018</u>	<u>2017</u>
Interest on cash deposits	£390	£568

4. ALLOCATION OF GOVERNANCE AND SUPPORT COSTS

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

	<u>Total allocated</u>	<u>Governance related</u>	<u>Other support costs</u>	<u>Basis of apportionment</u>
Staff costs	191,409	-	191,409	Usage
IT costs	20,494	-	20,494	Usage
Office costs	18,361	-	18,361	Usage
Other costs	11,303	-	11,303	Usage
Depreciation/loss on disposal of assets	23,292	-	23,292	Usage
	£264,859	£ -	£264,859	

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)
NOTES TO THE ACCOUNTS – 31ST AUGUST 2018

4. ALLOCATION OF GOVERNANCE AND SUPPORT COSTS (continued)

Governance costs

	<u>2018</u>	<u>2017</u>
Auditors remuneration:		
Audit services	4,000	4,000
Other services	200	200
	<hr/>	<hr/>
	£4,200	£4,200
Legal fees	990	-
	<hr/>	<hr/>
	£5,190	£4,200
	<hr/>	<hr/>

Allocation of governance and other support costs

	<u>2018</u>	<u>2017</u>
Operation of school	£270,049	£245,047
	<hr/>	<hr/>

5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	<u>2018</u>	<u>2017</u>
Staff costs:		
Teaching	430,175	413,500
Welfare	73,910	72,547
Materials, resources and other teaching costs	57,478	44,312
Food, uniform and other welfare costs	36,790	42,606
Premises and other costs	143,100	142,304
Governance costs	5,190	4,200
Support costs	264,859	240,847
	<hr/>	<hr/>
Total	£1,011,502	£960,316
	<hr/>	<hr/>

6. ANALYSIS OF STAFF COSTS

Staff costs during the year were as follows:	<u>2018</u>	<u>2017</u>
Salaries	591,302	557,668
Social security costs	45,066	42,719
Other pension costs	59,126	56,232
	<hr/>	<hr/>
	£695,494	£656,619
	<hr/>	<hr/>

The average number of employees during the year was:

	<u>2018</u>	<u>2017</u>
	<u>No.</u>	<u>No.</u>
Teaching staff	12	11
Teaching support and nursery	7	7
Catering and domestic staff	11	10.4
Administration	4	4
	<hr/>	<hr/>
	34	32.4
	<hr/>	<hr/>

The average number of full-time equivalent employees during the year was:

	<u>2018</u>	<u>2017</u>
	<u>No.</u>	<u>No.</u>
Teaching staff	9	8
Teaching support and nursery	5	5
Catering and domestic staff	6	6
Administration	3	3
	<hr/>	<hr/>
	23	22
	<hr/>	<hr/>

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)**NOTES TO THE ACCOUNTS – 31ST AUGUST 2018****6. ANALYSIS OF STAFF COSTS (continued)**

The number of employees whose emoluments exceeded £60,000 was:

	<u>2018</u> <u>No.</u>	<u>2017</u> <u>No.</u>
£60,000 - £70,000	1	1

In both 2018 and 2017 the employee was accruing benefits under the Teachers' Pension Scheme, which is a defined benefit scheme.

The school considers that its key management personnel comprise the governors and the headmistress. The total amount of employee benefits (including employer pension contributions) received by key management personnel was £74,516 (2017: £73,415).

7. RELATED PARTY TRANSACTIONS AND GOVERNORS' EXPENSES & REMUNERATION

No governor received any remuneration from the company during the current or preceding accounting period.

No expenses were reimbursed to the governors during the year or the previous period.

Mr J E Lamb is a partner in Lamb & Holmes, Solicitors, whose firm received fees amounting to £Nil (2017: £2,010) for debt collection and other services on behalf of the charitable company.

8. TAXATION

As a registered charity, Sunnylands Limited is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity. The charitable company is not registered for VAT.

9. TANGIBLE FIXED ASSETS

	<u>Freehold land and buildings</u>	<u>Temporary Classrooms</u>	<u>Tennis Courts & hard playing area</u>	<u>Equipment Fixtures & Fittings</u>	<u>Total</u>
COST					
At 1st September 2017	369,389	40,770	65,946	160,026	636,131
Additions	270,173	-	-	1	270,174
Disposals	-	(40,770)	(7,120)	(33,635)	(81,525)
	<u>£639,562</u>	<u>£ -</u>	<u>£58,826</u>	<u>£126,392</u>	<u>£824,780</u>
DEPRECIATION					
At 1st September 2017	5,094	40,670	52,804	149,877	248,445
Charge for the year	-	-	13,042	10,150	23,192
Eliminated on disposal	-	(40,670)	(7,120)	(33,635)	(81,425)
	<u>£5,094</u>	<u>£ -</u>	<u>£58,726</u>	<u>£126,392</u>	<u>£190,212</u>
NET BOOK VALUES					
At 31st August 2018	<u>£634,468</u>	<u>£ -</u>	<u>£100</u>	<u>£ -</u>	<u>£634,568</u>
At 31st August 2017	<u>£364,295</u>	<u>£100</u>	<u>£13,142</u>	<u>£10,149</u>	<u>£387,686</u>

All fixed assets were used for charitable purposes.

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

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)**NOTES TO THE ACCOUNTS – 31ST AUGUST 2018**

10. STOCK	<u>2018</u>	<u>2017</u>
School uniform and other stocks	£20,179	£18,458
	<u> </u>	<u> </u>
11. DEBTORS	<u>2018</u>	<u>2017</u>
Fees	205,087	198,812
Prepayments and accrued income	13,101	14,622
	<u> </u>	<u> </u>
	£218,188	£213,434
	<u> </u>	<u> </u>
12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	<u>2018</u>	<u>2017</u>
Trade creditors	29,348	36,971
Social security and other taxes	12,027	12,889
Other creditors	46,779	61,745
Accruals and deferred income	357,278	334,002
	<u> </u>	<u> </u>
	£445,432	£445,607
	<u> </u>	<u> </u>
13. DEFERRED INCOME		
Deferred income comprises fees and grants for the Michaelmas term commencing 5 September 2018 which were invoiced or received prior to 31st August 2018.		
	<u>2018</u>	<u>2017</u>
Balance as at 1st September 2017	317,955	309,992
Amount released to income	(317,955)	(309,992)
Amount deferred in the year	299,867	317,955
	<u> </u>	<u> </u>
Balance as at 31 August 2018	£299,867	£317,955
	<u> </u>	<u> </u>
14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	<u>2018</u>	<u>2017</u>
Loan: Sunnylands Trust	£129,450	£129,450
	<u> </u>	<u> </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.

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)**NOTES TO THE ACCOUNTS – 31ST AUGUST 2018****15. ANALYSIS OF CHARITABLE FUNDS**

	At 1st September <u>2017</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	At 31st August <u>2018</u>
Designated funds:					
Development Reserve	50,000	-	-	-	50,000
House Committee Reserve	9,000	-	-	(9,000)	-
New Building Reserve	91,000	-	-	(91,000)	-
General Reserve	49,200	-	-	-	49,200
	<u>199,200</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>99,200</u>
General funds	607,439	1,117,895	(1,037,800)	100,000	787,534
Total Unrestricted Funds	<u>£806,639</u>	<u>£1,117,895</u>	<u>(£1,037,800)</u>	<u>£ -</u>	<u>£886,734</u>

ANALYSIS OF CHARITABLE FUNDS – PREVIOUS YEAR

	At 1st September <u>2016</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	At 31st August <u>2017</u>
Designated funds:					
Development Reserve	50,000	-	-	-	50,000
House Committee Reserve	9,000	-	-	-	9,000
New Building Reserve	91,000	-	-	-	91,000
General Reserve	49,200	-	-	-	49,200
	<u>199,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>199,200</u>
General funds	554,257	1,040,822	(987,640)	-	607,439
Total Unrestricted Funds	<u>£753,457</u>	<u>£1,040,822</u>	<u>(£987,640)</u>	<u>£ -</u>	<u>£806,639</u>

Purpose of designated funds

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. £9,000 in the House Committee Reserve and £91,000 in the New Building Reserve have been transferred to general funds in line with the current build project. The General reserve funds of £49,200 represents earmarked funds for anticipated future revenue spend.

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)**NOTES TO THE ACCOUNTS – 31ST AUGUST 2018****16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<u>General Fund</u>	<u>Designated Funds</u>	<u>Total</u>
Tangible fixed assets	634,568	-	634,568
Cash at bank and in hand	489,481	99,200	588,681
Other current assets	238,367	-	238,367
Creditors: amounts falling due within one year	(445,432)	-	(445,432)
Creditors: amounts falling due after one year	(129,450)	-	(129,450)
	<u>£787,534</u>	<u>£99,200</u>	<u>£886,734</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS – PREVIOUS YEAR

	<u>General Fund</u>	<u>Designated Funds</u>	<u>Total</u>
Tangible fixed assets	387,686	-	387,686
Cash at bank and in hand	562,918	199,200	762,118
Other current assets	231,892	-	231,892
Creditors: amounts falling due within one year	(445,607)	-	(445,607)
Creditors: amounts falling due after one year	(129,450)	-	(129,450)
	<u>£607,439</u>	<u>£199,200</u>	<u>£806,639</u>

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	<u>2018</u>	<u>2017</u>
Net movement in funds	80,095	53,182
Add back depreciation	23,192	17,442
Add loss on disposal of assets	100	2,804
Deduct profit on disposal of assets	-	-
Deduct interest received	(390)	(568)
Increase in stock	(1,721)	(908)
Decrease/(increase) in debtors	(4,754)	9,369
(Decrease)/increase in creditors	(175)	42,773
	<u>£96,347</u>	<u>£124,094</u>

18. CHARITY STATUS

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

At 31st August 2018 there were 6 members (2017: 8).

SUNNYLANDS LIMITED (REGISTERED NO. 00414674)**NOTES TO THE ACCOUNTS – 31ST AUGUST 2018****19. PENSION AND SIMILAR OBLIGATIONS**

The School's academic and related staff belong to the Teachers' Pension Scheme England and Wales (TPS). The Scheme is a defined benefit scheme.

The latest actuarial valuation of the TPS related to the period ended 31st March 2012.

Contributions amounting to £7,149 (2017: £6,926) were payable to the scheme at 31st August 2018 and are included within creditors.

Teachers' Pension Scheme**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2014. Membership is automatic for full-time teachers in schools and, from 1 January 2007 automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teacher's Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated costs of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £56,090 (2017: £54,255).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme. The School has set out above the information available on the scheme.

The School also contributes to a defined contribution scheme for its non-teaching staff. Contributions to the scheme during the year were £3,036 (2017: £1,977). There were no outstanding or prepaid contributions at the year end.