

REGISTERED COMPANY NUMBER: 03888310 (England and Wales)
REGISTERED CHARITY NUMBER: 1080024

TRUSTEES' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2018
FOR
THE LEWES NEW SCHOOL LIMITED

Will Taylor Limited
Unit 1.1 Lafone House
The Leather Market
11/13 Weston Street
London
London
SE1 3ER



THE LEWES NEW SCHOOL LIMITED
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FOR THE YEAR ENDED 31 AUGUST 2018

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THE LEWES NEW SCHOOL LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2018. The trustees have adopted the provisions of 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 2015).

THE LEWES NEW SCHOOL LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

OBJECTIVES AND ACTIVITIES

Significant activities

ACTIVITIES

In planning the school's activities, the Trustees and Governors have given careful consideration to the Charity Commission's general guidance on charitable purposes and public benefit, and in particular to its supplementary guidance on the advancement of education.

Throughout the planning for closure, the Trustees employed a HR consultant and a charity lawyer to ensure that the integrity of the charity and the care in the process.

Charitable Activities

Our aim, through our Nursery and Primary School, to provide a human-centred education to boys and girls from the ages of 3 to 11 years. Our mission is to foster curious, compassionate and joyful children who have a life-long thirst for learning and the courage, commitment and skills to contribute to a humane and sustainable world.

Our over-arching public benefit aim is that all pupils will have the skills, confidence and intention to contribute to the wider community. Continued reports from alumni highlight this benefit, with several taking on roles of responsibility in their respective secondary schools and receiving academic and artistic scholarships.

In order to meet the Charity's objects and aims, the School offers:

A human-centred approach to education including

- " Providing a human-scale environment ideal for developing relationship;
- " Establishing the School as a learning community where children and adults learn together
- " Promoting core human values such as empathy, respect and care so that children feel safe and are valued as who they are;
- " Fostering an inclusive culture of mutual respect, trust and collaboration;
- " Focusing on supporting each child's holistic well-being and development;
- " Offering and diverse pathways to learning tailored to individual children's paces and needs.

A curriculum that is co-created, interdisciplinary and holistic.

Children and teachers working together to co-construct a curriculum that:

- " Responds to the curiosity and imagination of each child;
- " Supports the child's innate desire and capacity to learn and enables the development of holistic qualities of each child, including learning to learn;
- " Emphasises wellbeing, communication, connections and collaboration;
- " Covers a broad and balanced range of subjects; and is underpinned by a strong foundation in literacy and numeracy.

Inquiry-based, experiential learning in a rich and engaging environment, supported by ICT where:

- " Learning happens through authentic experiences and exploring projects in depth.
- " Learning is open-ended, aiming to challenge and inspire the children and give them the autonomy to develop as creative, independent thinkers.
- " Learning takes places collaboratively as well as independently, through a balance of teacher-directed and child-initiated activity.

Evaluative practices and assessment that enhance learning

- " Evaluation and assessment are integral to teaching and learning and aims at helping children improve the quality of their work and their understanding of what constitutes good work.
- " Feedback is sensitive, constructive and fosters motivation.
- " Children participate in the processes of learning review and are encouraged to reflect and evaluate their own learning.

A commitment to pupil voice by

- " Nurturing children's autonomy and agency.
- " Encouraging children to be involved in the learning designs and school organisation.
- " Offering opportunities for children to participate in decisions concerning their learning experiences as well as their overall wellbeing within the school.
- " Developing pedagogy that cultivate children's thinking skills, independent views and critical capacities.

THE LEWES NEW SCHOOL LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

OBJECTIVES AND ACTIVITIES

Significant activities

Genuine partnership with parents and the community

" Pupils, staff and parents working together to create a vibrant and dynamic community that values learning and respect for all its members.

" Reciprocal relationships developed within the surrounding community and local schools.

" Partnerships formed with educational institutions which enable us to develop and disseminate our approaches to teaching and learning more widely.

Pupil numbers and fees

Our educational activities are carried out through our Nursery and Primary School. At the start of the academic year 2017-18, student numbers on roll were as follows:

Nursery: 14 (down from 16 in previous year)

Primary school: 43 (down from 56 in previous year)

Due to the factors above, i.e. low pupil number, the school's inability to accept more children with special and additional educational needs, pupils gender imbalance, a few more families were leaving the school, despite our enthusiastic marketing effort at the start of the school year. After January, Admissions to the primary school were frozen while we sought to ascertain the future of the school. After February, with the announcement of school closure, more families decided to withdraw their children in order to take up places in other schools, both independent and within the state sector. At the end of the year, student numbers on roll were:

Nursery: 14

Primary school: 27

The nursery was full this year. All eligible children were funded via the Government Early Years Entitlement Funding scheme at a rate of £3.94 per hour for a maximum 15 hours provision. This was an increase from £3.60 per hour in previous years. Any children attending additional sessions over and above the funded hours were charged £6.70 per hour (an increase from £6.64 in 2016-17, with nursery fees increasing in line with primary school charges).

School fees for the main school were £2,703 per term, representing a 10% fee increase from the previous year (this was agreed the previous year following an in-depth consultation with parents).

THE LEWES NEW SCHOOL LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

OBJECTIVES AND ACTIVITIES

Public Benefit Aims and Intended Impact

Lewes New School Limited is a charity which seeks to benefit the public through the pursuit of its stated aims. It seeks to ensure wide public benefit in the following ways:

1. Fees are set at a level to ensure the financial viability of the School while allowing the school to be accessible to children from a wide range of socio-economic backgrounds;
2. All surplus funds are re-invested in improving the quality of educational provision;
3. The School welcomes pupils from all backgrounds and requires no entrance exams;
4. The School welcomes children with Additional and Special Educational Needs where it feels confident in meeting those needs;
5. An individual's economic status, gender, ethnicity, race, religion or disability do not form any part of our admissions processes;
6. The School is an equal opportunity organisation that is committed to a working environment free from any form of discrimination, whether on the grounds of gender, race, ethnicity, religion and belief, sex, sexual orientation, age or disability;
7. We make reasonable adjustments to meet the needs of staff or pupils who are or become disabled
8. The School is committed to safeguarding and promoting the wellbeing of its pupils and expects all staff and volunteers to share this commitment.

School aims, relevant to the Public Benefit requirement, included:

(1) Increasing Access, Equality and Diversity

The school strongly believes that access to the education we offer should not be restricted to those who can afford our fees. Therefore, we endeavour to recruit children from the greatest diversity of backgrounds as possible to ensure learning through social interaction, conversation and shared experiences, as well as through being in relationship with each other. In doing so, children are able to develop an understanding, appreciation and acceptance of others.

Sibling Discounts: To underline the value we place on continuity for families, we offered discounts of 10 where parents have more than one child at the School. At the beginning of this year, Governors offered £5,162 through the Sibling Discount Scheme, benefitting 6 families.

Bursaries: The school continued its commitment to families with bursary provision. Bursary awards are available for up to 50% of basic fees and additional sums may be provided to meet the cost of extra-curricular activities, equipment and school trips. At the beginning of this year, Governors offered £39,734 through the school's Bursary scheme, benefiting 6 families.

SEN Support: This year, we continued charging families for individual SEN support where this was identified by school. At the start of the year, the number of children requiring support for Special Educational Needs (SEN) was 18. None of these had an Education, Health and Care (EHC) Plan. Two children (in EYFS) had English as an Additional Language.

2) Participation

The school worked closely with parents and community members to review opportunities for parent and community involvement in governance structures within the school and to fully consider options for the continuance of the school. This included thorough consideration of parents' proposals to take the school forward in consultation with charity lawyers and our charity accountants.

3) Fundraising Activities, School Enterprise and Community Benefit

The Guerrand-Hermès Foundation for Peace provided significant support for the school in the forms of (a) pupil bursaries of £3,600 benefiting two families; and (b) a loan of £350,000 to enable the school's smooth operation until the end of the school year by covering its operational deficit; and to ensure a dignified closure by paying all staff's salaries, holiday pays and redundancy packages.

The families within our community continued to give generously of their time and expertise, despite the extremely challenging circumstances. Countless voluntary hours have been invested in support of the school.

THE LEWES NEW SCHOOL LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

OBJECTIVES AND ACTIVITIES

Public Benefit Aims and Intended Impact

This year all fundraising for individual projects was on hold while we attempted to raise sufficient funds to secure the future of the school.

We continued to promote school premises for hire to playschemes and holiday club providers this year. We received regular income from Art of Dance holiday clubs and Windmill Young Actors after school clubs for children, a range of adult dance and fitness classes, Lewes Sangha meditation group, Just Trade Food Cooperative and a range of one-off users. These lettings also ensured our school premises were available to a wider community participation.

We offer the use of our premises free of charge, or at a significantly reduced rate, to a range of local community groups including local resident groups and food cooperatives. The School continues to develop links with a wide range of organisations to ensure the broadest possible access to our facilities.

4) Improving the quality of life and care for each other and our environment

In a national context of parents and educators expressing their concerns about the pressure on children and the long-term impact on emotional and mental health, the school continued to explore an approach that responds to the needs of children and allows them to develop at their own pace. The co-constructed curriculum responds naturally to children's interest in the natural environment and their immediate relationships, while supporting a developing interest in their local, national and global communities.

Students are encouraged to develop an awareness of, and make a positive contribution to their environment by reducing their use of paper and other resources, re-using and recycling wherever possible. Children across the school participated in regular Forest School and permaculture activities, to support a connection to the natural world.

In a further commitment to environmental sustainability, the school continued to support 'green' energy suppliers and ensured all purchasing decisions were ethical and as environmentally sustainable as possible. The school provided vegetarian meals that are sourced from local, organic providers.

At the closure of the school, all books, school resources and some furniture were donated to educational charities including the Dharma School, Education Futures Trust, School Aid and a home education group called Children's Circle.

The school and the curriculum placed great emphasis on personal holistic wellbeing and the quality of relationships. Opportunities to discuss emotional, mental and physical wellbeing are woven into the fabric of everyday through the practice of daily Circle Times. Staff placed great emphasis this year on supporting children through transition, through ongoing dialogue and opportunities for ritual and celebration.

Students across the school took part in an active programme of trips and excursions throughout the year, including a range of inter-school sports events such as District Sports, football and cross-country running. Children of all ages, parents and staff were also invited this year to take part in the Lewes PATINA 'Moving On' Parade as an acknowledgement of the transition facing them all.

At the end of the year Governors and staff organised a celebration in the playground of the school and invited alumni and others who had played a part in the school's 18 year history. Entertainment was provided by the young adults, parents and friends who had been such an integral part of this ambitious learning community.

THE LEWES NEW SCHOOL LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

FUTURE PLANS

This has been a challenging year for all concerned. Trustee's primary aims for the coming year are to ensure all charitable assets are secure in order to further the educational aims of the charity. This will entail:

" Letting the school buildings to as wide a range of community and local interest groups as possible, in order to maximise charitable impact and contribute towards essential costs required to safeguard the property (utilities, insurance etc.).

" Continuing to employ the school Caretaker, in the amended role of Buildings Manager which will include overseeing lettings bookings and agreements.

" Consulting with estate agents, architects and other charitable asset specialists to ensure all options are fully considered regarding securing charitable funds against our remaining asset, our school buildings.

" Continuing negotiations with our patron and supporter, the Guerrand Hermes Foundation for Peace, regarding outstanding loans.

" Considering future plans and ways to continue our charitable activities.

THE LEWES NEW SCHOOL LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Trustees

The Trustees are also the Directors of the charitable company Lease New School Limited.

Trustees are recruited and selected based on their professional attributes, knowledge and commitment to the School's ethos and approach education which is human-centred, their ability to manage an organization such as the Lease New School and their standing within the local and international communities.

The Trustees are accountable for:

1. Ensuring the continuation and development of the ethos and practices of the school (through recruitment and performance management of the Head; and through reviewing and approving the school's development plan).
2. Ensuring the financial viability of the school (through reviewing and approving the annual budget and accounts).
3. Ensuring the sound Governance of the school (through approving Governor recruitment and selection criteria, appointing a Governor and holding a Trustee seat on the governing body).

Governors

Governors are recruited from a wide range of school contacts and include staff, parents, trustees and others in the local community. We advertise locally and through national school Governor websites.

The governors look to ensure a mix of skills and selects new governors on the basis of background, competences and specialism.

New Governors are provided with an induction by the Head, Chair of Governors and Clerk to the Governors. The school also encourages governors to attend relevant professional training taking place outside of the school, such as those organized by the local authority.

The work of implementing the majority of school policies is delegated to the full governing body. Individual Governors take responsibility for various statutory and non-statutory policy requirements, including Safeguarding and Safer Recruitment, Health & Safety, SEN & Equalities.

All Trustees and Governors give of their time freely and no remuneration was paid in the year. One Governor received a means-tested bursary for their child's place at the school.

This was a challenging year for Lease New School, so Governors met on a regular basis with Trustees, more frequently than the usual half-termly meetings.

Headship

This year, Trustees appointed a new Headteacher to lead the school from September 2017. The new Headteacher worked closely with Governors, Trustees and staff at the start of the year to review and ensure the development of teaching and learning across the school, while maintaining a consistent experience for children and their families.

The day-to-day running of the School is the responsibility of the Headteacher, supported by the Senior Leadership Team. The Headteacher oversees educational, pastoral and administrative functions, in consultation with the senior staff, and oversees the recruitment of all staff.

Inspection

On 15th September 2017, the school received an unannounced visit from the Independent Schools Inspectorate. This was to ensure the school had fully implemented the action plan following the inspection in March 2017.

The conclusion of the inspection was that all regulations and requirements were now met.

Low student number and financial challenges leading to school closure

Trustees and Governors had worked hard in the previous year to consult with staff and parents and review the business model of the school (including fee structure, bursaries etc). Efforts continued in this respect under the new Headship at the start of this year.

THE LEWES NEW SCHOOL LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Due to a range of circumstances, including the wider social and political climate in the UK, student numbers dropped significantly at the end of the previous academic year. This created considerable uncertainty and risk for children, families and staff. In October 2017, financial projections made it clear that the school would not have sufficient cash flow to cover costs for the entirety of the year.

Student numbers in the school reduced by an additional 13% at the start of this year (following a reduction of around 11% last year), resulting in a further reduction in income. Factors included:

" The kind of families/community that the school serve continue to struggle financially, resulting existing parents unable to meet the school's fees, and prospective parents are unable to send their children to the school. Conversions from admissions enquiries were low, resulting lower student number.

" Admissions enquiries were predominantly from families with children of Special Educational Needs, whose parents felt their needs were not being met in local state schools. Our school had already accepted a high proportion of children with SENs and was unable to accept more without significant risk of this impacting negatively on class provision. This also resulted in low student number.

" The gender imbalance from the previous year continued to impact negatively on our attempts to recruit new students, despite efforts by the school to mitigate this by offering targeted bursaries to girls in certain year groups in order to redress the balance.

" Finally, and most significantly, Trustee plans to re-mortgage (and use the school's substantial assets to secure provision and fund investment in specialist marketing services) were unsuccessful. Despite positive feedback from our mortgage providers, Triodos Bank, and after a delayed response, our application to re-mortgage was unsuccessful. This resulted in a significant cashflow deficit this year.

After exploring a full range of funding options and consulting with parents, In February 2018, after lengthy and multi-level consultation processes, Trustees and Governors had to make the difficult decision to close the Lewes New School.

To ensure the school could provide sufficient notice to families and staff, and to ensure all creditors and any staff redundancies were paid in full before closing the school, Trustees secured a loan from our patron and long-term supporter of the school, The Guerrand-Hermes Foundation for Peace. This loan was intended to cover the projected deficit to July 2018.

Risk management

The decision to close the school was the result of a full and detailed consideration of risk. Trustees were not confident that a financial solution could be reached to secure the school going forwards and prevent either:

- 1) A sudden and unplanned closure in the near future, which would cause great difficulties for families and staff and would significantly disrupt children's education;
- 2) The depletion of the charity's assets, through the loss of property.

With the continuity of children's education paramount, Trustees worked closely with Governors and staff to ensure key controls were in place to maintain a high standard of education throughout the year. These included:

1. Continuing to meet frequently with Governors, staff and parents to maintain open lines of communication, ensuring agendas and minutes for all meetings were in place
2. Comprehensive strategic planning, financial forecasting, budgeting and management accounting;
3. Organisational structures and reporting lines
4. Comprehensive formal written policies
5. Safeguarding procedures as required by law and which reflect best practice, for the protection of all our pupils
6. Ensuring that all personnel (including staff, volunteers and visiting staff) have a fundamental understanding of School's Health and Safety and Safeguarding policies and procedures and are able to provide a safe environment for pupils, staff and visitors

THE LEWES NEW SCHOOL LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
03888310 (England and Wales)

Registered Charity number
1080024

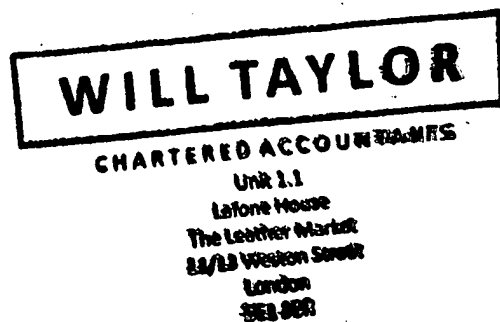
Registered office
Unit 1.1 Lafone House
The Leather Market
11/13 Weston Street
London
London
SE1 3ER

Trustees
S Horthy
S R Gill
A J Holloway
Mrs F J P McGarry

Chair of Trustees

Company Secretary
S Horthy

Independent examiner
WILL TAYLOR LTD
ICAEW
Will Taylor Limited
Unit 1.1 Lafone House
The Leather Market
11/13 Weston Street
London
London
SE1 3ER



Approved by order of the board of trustees on 29 March 2019 and signed on its behalf by:

Sharif Horthy

S Horthy - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE LEWES NEW SCHOOL LIMITED**

Independent examiner's report to the trustees of The Lewes New School Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2018.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

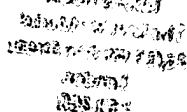
Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached



WILL TAYLOR LTD
ICAEW
Will Taylor Limited
Unit 1.1 Lafone House
The Leather Market
11/13 Weston Street
London
London
SE1 3ER

Date: 29/03/2019

THE LEWES NEW SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted funds £	Restricted fund £	31.8.18 Total funds £	31.8.17 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		400	270	670	1,808
Charitable activities					
Educational operations		290,330	-	290,330	427,231
Investment income	2	9,802	-	9,802	22,502
Total		<u>300,532</u>	<u>270</u>	<u>300,802</u>	<u>451,541</u>
EXPENDITURE ON					
Raising funds	3	41,528	-	41,528	-
Charitable activities					
Educational operations		386,432	2,774	389,206	354,726
Governance costs		-	-	-	22,423
Other		5,895	-	5,895	13,018
Total		<u>433,855</u>	<u>2,774</u>	<u>436,629</u>	<u>390,167</u>
NET INCOME/(EXPENDITURE)		<u>(133,323)</u>	<u>(2,504)</u>	<u>(135,827)</u>	<u>61,374</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		376,102	440,006	816,108	782,048
TOTAL FUNDS CARRIED FORWARD		<u>242,779</u>	<u>437,502</u>	<u>680,281</u>	<u>843,422</u>

The notes form part of these financial statements

THE LEWES NEW SCHOOL LIMITED
STATEMENT OF FINANCIAL POSITION
AT 31 AUGUST 2018

	Notes	Unrestricted funds £	Restricted fund £	31.8.18 Total funds £	31.8.17 Total funds £
FIXED ASSETS					
Tangible assets	8	485,714	466,874	952,588	953,436
CURRENT ASSETS					
Debtors	9	24,210	-	24,210	18,920
Cash at bank		18,197	-	18,197	47,699
		<u>42,407</u>	<u>-</u>	<u>42,407</u>	<u>66,619</u>
CREDITORS					
Amounts falling due within one year	10	(7,288)	(28,863)	(36,151)	(79,796)
NET CURRENT ASSETS/(LIABILITIES)		<u>35,119</u>	<u>(28,863)</u>	<u>6,256</u>	<u>(13,177)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		520,833	438,011	958,844	940,259
CREDITORS					
Amounts falling due after more than one year	11	(302,491)	-	(302,491)	(123,495)
PENSION LIABILITY	14	(370)	(274)	(644)	(668)
NET ASSETS		<u>217,972</u>	<u>437,737</u>	<u>655,709</u>	<u>816,096</u>
FUNDS	13				
Unrestricted funds:					
Unrestricted				217,972	376,090
Restricted funds:					
Restricted fund				437,737	440,006
TOTAL FUNDS				<u>655,709</u>	<u>816,096</u>

The notes form part of these financial statements

THE LEWES NEW SCHOOL LIMITED

STATEMENT OF FINANCIAL POSITION - CONTINUED
AT 31 AUGUST 2018

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 29 March 2019 and were signed on its behalf by:

Sharif Horthy

S Horthy -Trustee

The notes form part of these financial statements

THE LEWES NEW SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- in accordance with the property
Plant and machinery	- 25% reducing balance

The school has reviewed its tangible fixed assets, which comprise land, buildings and new classrooms. Where the trustees consider that the expected useful life is in excess of 50 years and the carrying value in the financial statements is not more than the estimated recoverable amount, no depreciation is charged and, in accordance with FRS 11, the trustees have and will continue to carry out annual impairment review.

Freehold property is revalued annually by the trustees and subject to a professional revaluation by an independent surveyor every five years.

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

COMPANY STATUS

The charity is a company limited by guarantee of the members and trustees listed on page 3. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member.

THE LEWES NEW SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2018

2. INVESTMENT INCOME

	31.8.18	31.8.17
	£	£
Rents received	5,692	7,475
Other participating interests	-	15,000
Deposit account interest	4,110	27
	<u>9,802</u>	<u>22,502</u>

3. RAISING FUNDS

Raising donations and legacies

	31.8.18	31.8.17
	£	£
Support costs	<u>41,528</u>	<u>-</u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.8.18	31.8.17
	£	£
Depreciation - owned assets	<u>863</u>	<u>1,146</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2018 nor for the year ended 31 August 2017.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 August 2018 nor for the year ended 31 August 2017.

6. STAFF COSTS

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

	31.8.18	31.8.17
Senior management	-	1
Teachers and classroom assistants	-	13
Other direct services	-	2
Administration	-	2
	<u>-</u>	<u>18</u>

No employees received emoluments in excess of £60,000.

THE LEWES NEW SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2018

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	120	1,688	1,808
Charitable activities			
Educational operations	427,231	-	427,231
Investment income	22,502	-	22,502
Total	449,853	1,688	451,541
 EXPENDITURE ON			
Charitable activities			
Educational operations	345,957	8,769	354,726
Governance costs	22,423	-	22,423
Other	13,019	(1)	13,018
Total	381,399	8,768	390,167
 NET INCOME/(EXPENDITURE)	68,454	(7,080)	61,374
 RECONCILIATION OF FUNDS			
Total funds brought forward	334,977	447,071	782,048
 TOTAL FUNDS CARRIED FORWARD	403,431	439,991	843,422

THE LEWES NEW SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2018

8. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Totals £
COST			
At 1 September 2017	950,000	50,704	1,000,704
Additions	-	15	15
	<hr/>	<hr/>	<hr/>
At 31 August 2018	950,000	50,719	1,000,719
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 September 2017	-	47,268	47,268
Charge for year	-	863	863
	<hr/>	<hr/>	<hr/>
At 31 August 2018	-	48,131	48,131
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 August 2018	950,000	2,588	952,588
	<hr/>	<hr/>	<hr/>
At 31 August 2017	950,000	3,436	953,436
	<hr/>	<hr/>	<hr/>

The school building was revalued to £950,000 as at 31st August 2007 by A Wychelrly FRICS of A Wycherley Surveyors, Lewes. This revaluation was performed on 27th February 2008.

The historic cost of the school building is £427,500 and the trustees do not consider that any impairment is required with respect of the building's value in the period under review.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.18 £	31.8.17 £
Trade debtors	21,113	17,871
Other debtors	1,493	-
Prepayments and accrued income	1,604	1,049
	<hr/>	<hr/>
	24,210	18,920
	<hr/>	<hr/>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.18 £	31.8.17 £
Bank loans and overdrafts (see note 12)	22,478	6,149
Trade creditors	239	6,055
Social security and other taxes	5	41
Pensions payable	(4,496)	513
Deposits from parents	17,025	65,838
Accrued expenses	900	1,200
	<hr/>	<hr/>
	36,151	79,796
	<hr/>	<hr/>

THE LEWES NEW SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2018

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.8.18	31.8.17
	£	£
Bank loans (see note 12)	991	123,495
Other loans (see note 12)	301,500	-
	<u>302,491</u>	<u>123,495</u>

The Triodos loan is repayable over 25 years at 2.5% above base. The loan is secured on the school building.

The loan to value rate of the Triodos loan to the property is 14.03%

Amounts due in more than one year but not more than two years	6,149
Amounts due in more than two years but not more than five years	24,596
In more than five years	98,899
	<u>129,644</u>

Other loans are provided by private individual lenders. The loans are not secured over the assets of the charity and are not interest bearing. Whilst the loans are repayable on demand the trustees have received undertakings from the lenders that the loans will not be recalled within twelve months of the date the accounts are approved by the board.

12. LOANS

An analysis of the maturity of loans is given below:

	31.8.18	31.8.17
	£	£
Amounts falling due within one year on demand:		
Bank overdraft	16,329	-
Bank loans	6,149	6,149
	<u>22,478</u>	<u>6,149</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	991	24,596
Other loans - 1-2 years	301,500	-
	<u>302,491</u>	<u>24,596</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	-	98,899

THE LEWES NEW SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2018

13. MOVEMENT IN FUNDS

	At 1/9/17 £	Net movement in funds £	At 31/8/18 £
Unrestricted funds			
Unrestricted	376,102	(157,918)	218,184
Restricted funds			
Restricted fund	440,006	(2,504)	437,502
TOTAL FUNDS	<u>816,108</u>	<u>(160,422)</u>	<u>655,686</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted	300,532	(458,450)	(157,918)
Restricted funds			
Restricted fund	270	(2,774)	(2,504)
TOTAL FUNDS	<u>300,802</u>	<u>(461,224)</u>	<u>(160,422)</u>

Comparatives for movement in funds

	At 1/9/16 £	Net movement in funds £	At 31/8/17 £
Unrestricted Funds			
Unrestricted	334,977	40,940	375,917
Restricted Funds			
Restricted fund	447,071	(7,080)	439,991
TOTAL FUNDS	<u>782,048</u>	<u>33,860</u>	<u>815,908</u>

THE LEWES NEW SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2018

13. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted	449,853	(408,913)	40,940
Restricted funds			
Restricted fund	1,688	(8,768)	(7,080)
TOTAL FUNDS	<u>451,541</u>	<u>(417,681)</u>	<u>33,860</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/9/16 £	Net movement in funds £	At 31/8/18 £
Unrestricted funds			
Unrestricted	334,977	(116,978)	217,999
Restricted funds			
Restricted fund	447,071	(9,584)	437,487
TOTAL FUNDS	<u>782,048</u>	<u>(126,562)</u>	<u>655,486</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted	750,385	(867,363)	(116,978)
Restricted funds			
Restricted fund	1,958	(11,542)	(9,584)
TOTAL FUNDS	<u>752,343</u>	<u>(878,905)</u>	<u>(126,562)</u>

14. PENSION COMMITMENTS

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2018.

THE LEWES NEW SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2018

16. DEPOSITS HELD FROM PARENTS

In line with the requirements of the Charities Act 2011, the below note has been prepared in line with accordance of declaration of resources held on behalf of a third party.

Balance brought forward (as at 01/09/2016): £101,260.37

The movement in the year: £35,422.91

Balance carried forward (as at 31/08/2017): £65,838.46

17. GOING CONCERN

There are no uncertainties that the company will continue as a going concern for the next 12 months ending August 2018. However it has been decided, with absolute certainty, that the school will cease to be a going concern after August 2018. The school has made arrangements to close after the end of the August 2018 school year. This has been confirmed by the Directors.

The company will continue as a going concern until August 2018 with residual funds and with the continuing efforts of the Directors. The primary reason for this is that the company has secured a loan from GHFP of £350,000 which intends to allow the company to continue until August 2018. However, despite significant efforts, there is insufficient capital to continue past August 2018 and will at that point cease to be a going concern.

THE LEWES NEW SCHOOL LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2018

	31.8.18 £	31.8.17 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	670	1,808
Investment income		
Rents received	5,692	7,475
Other participating interests	-	15,000
Deposit account interest	4,110	27
	<u>9,802</u>	<u>22,502</u>
Charitable activities		
School fees	287,046	417,952
School trips	3,284	9,279
	<u>290,330</u>	<u>427,231</u>
Total incoming resources	<u>300,802</u>	<u>451,541</u>
EXPENDITURE		
Charitable activities		
Wages (Teaching Staff)	349,021	295,635
Pensions	486	858
Staff expenses/health & safety	14,635	8,499
School outings/hospitality	6,214	11,783
Fundraising & marketing	1,761	4,074
School book & equipment	25,501	13,819
Repairs	8,764	14,056
Printing, postage and stationery	4,274	4,696
Depreciation of tangible fixed assets	863	1,145
	<u>411,519</u>	<u>354,565</u>
Other		
Welfare	5,066	5,341
Telephone	829	788
Bank loan interest	-	6,889
	<u>5,895</u>	<u>13,018</u>
Support costs		
Management		
Rent and rates	5,771	5,027
Light & heat	5,861	6,689
Carried forward	11,632	11,716

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THE LEWES NEW SCHOOL LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2018

	31.8.18	31.8.17
	£	£
Management		
Brought forward	11,632	11,716
Insurance	12,700	12,980
	<hr/>	<hr/>
	24,332	24,696
Finance		
Inspections	17,616	2,859
Bank charges	116	120
	<hr/>	<hr/>
	17,732	2,979
Governance costs		
Wages	-	20,623
Accountancy and legal fees	-	1,800
	<hr/>	<hr/>
	-	22,423
	<hr/>	<hr/>
Total resources expended	461,224	417,681
	<hr/>	<hr/>
Net (expenditure)/income	<u>(160,422)</u>	<u>33,860</u>

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