

**OLD VICARAGE SCHOOL TRUST**  
**(A Company Limited by Guarantee)**  
**REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2018**

**Registered Company No: 01092758**  
**Registered Charity No: 312671**

**OLD VICARAGE SCHOOL TRUST**

**YEAR ENDED 31 AUGUST 2018**

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# OLD VICARAGE SCHOOL TRUST

## GOVERNORS' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2018

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The Governors, who act as trustees and who are also directors for the purposes of company law, present their annual report and the financial statements for the year ended 31 August 2018. The Governors confirm that the financial statements comply with the charity's governing documents, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015 and the Companies Act 2006.

#### Reference and Administrative Information

The Old Vicarage School Trust is a charitable company founded in 1973, charity number 312671 and company registration number 01092758. The liability of its members is limited to £1 each by guarantee. The Registered Office and principal address of the company is at 48 Richmond Hill, Richmond, Surrey, TW10 6QX.

#### Governors

Mr G Caplan <sup>1</sup>	Chair
Ms M Barua <sup>2</sup>	
Dr C Bearcroft <sup>4</sup>	(Resigned 13 June 2018)
Mrs S Brown <sup>4</sup>	
Mr G Cowley <sup>1 2</sup>	
Mr C Heidl <sup>1</sup>	
Dr B Henderson <sup>4</sup>	(Appointed 14 March 2018)
Mr J Krol	(Resigned 13 June 2018)
Mr R Lewis <sup>1</sup>	(Resigned 13 June 2018)
Mrs S Longstaff <sup>2</sup>	
Mrs C Nightingale <sup>3</sup>	Deputy Chair
Mr S Waldman	
Mrs S Yeadon <sup>3</sup>	

<sup>1</sup> Member of the Finance Committee

<sup>2</sup> Member of the Education Committee

<sup>3</sup> Member of the Safeguarding Committee

<sup>4</sup> Member of the Health and Safety Committee

#### Executive Staff

Headmistress	Mrs G Linthwaite (MA Oxon)
Bursar	Mrs R Glazebrook (resigned 20 October 2017)
	Mr J Bueno (appointed 21 October 2017, resigned 14 January 2018)
	Mr C King (appointed 15 January 2018)

#### Professional Advisors

Bankers	HSBC Bank Plc, 67 George Street, Richmond, Surrey, TW9 1HG
Auditors	haysmacintyre, 10 Queen Street Place, London, EC4R 1AG

# **OLD VICARAGE SCHOOL TRUST**

## **GOVERNORS' REPORT**

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing Document**

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

#### **Governance and Management**

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

Finance Committee  
Education Committee  
Safeguarding Committee  
Health & Safety Committee

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

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

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

#### **Appointment, induction and training**

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

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

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

#### **Related parties**

All Governors give their time freely and receive no remuneration. No trustees have been reimbursed for expenses incurred during this year (2017: Nil).

#### **Principal Risks and Uncertainties**

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

- A serious loss of pupil numbers
- A lack of direction, strategy and forward planning
- Loss of excellent reputation.

# **OLD VICARAGE SCHOOL TRUST**

## **GOVERNORS' REPORT**

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### **Principal Risks and Uncertainties (continued)**

The key controls over these risks include:

- Active review of trends in pupil numbers, monitoring of competition and a comprehensive marketing plan
- A five year Strategic Plan for the School
- The School follows the government's Safeguarding guidance as laid out in Keeping Children Safe in Education 2016

Schools have been informed that there is a proposed 43% increase in the employer contribution for staff in the Teachers' Pension scheme, expected in September 2019. Lobbying is being undertaken by bodies representing independent schools to point out the flawed methodology and assumptions to the government in the calculation of the very high increase. In addition to this, there is uncertainty over the government's appetite for adding VAT to independent school fees and the potential for scrapping business rates relief for charities.

### **KEY MANAGEMENT PERSONNEL**

The Governors consider that they, together with the Headmistress and the Bursar, comprise the Key Management Personnel (see note 6 to the accounts). The Governors give of their time freely to the School and the pay and remuneration of the Headmistress and the Bursar is set by the Board of Governors and is kept under annual review. A number of criteria are used in setting pay:

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

### **OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES**

#### **Objects**

The School's Charitable Objects as set out in its Articles of Association are "to promote and provide for the advancement of education and in connection therewith to conduct, carry on, acquire and develop in the United Kingdom any boarding or day school or schools for the education of children of either sex or both sexes".

#### **Principal Activity**

The School's principal activity continues to be the provision of a day school for 4 to 11 year old girls.

#### **Aim**

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

#### **Objectives**

Objectives are set as part of the School's Development Plan to continue the School's journey towards becoming one of the best girls' prep schools in South-West London. Our key objectives for the year were:

- To provide inspirational teaching by experienced teachers, using first class facilities;
- To provide breadth and depth across all academic and extra-curricular activities;
- To encourage girls to aim for excellence in all aspects of school life;
- To foster creativity and independent thought;
- To recognise and foster individual talent and potential;
- To provide an excellent preparation for leading senior schools;
- To be a happy and friendly school with a strong sense of community and good citizenship;
- To provide an environment where girls develop confidence and self-belief.

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

# OLD VICARAGE SCHOOL TRUST

## GOVERNORS' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2018

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#### FINANCIAL REVIEW

The financial statements show net income of £193,259 (2017: £171,648). The principal source of income is fees amounting to £2,676,044 (2017: £2,545,716).

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

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

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

#### Reserves Policy

The School's reserves are analysed as follows:

Capital Reserve	£1,790,000
Education Fund	£142,220
Major Repairs Reserve	£200,000
Unrestricted Funds	£1,411,293
<b>Total</b>	<b>£3,543,513</b>

The Governing Body regularly reviews the levels of reserves held by the School. Reserves are held for any future expansion of the School, for major repairs and improvements and to fund bursaries. The special nature of our buildings means that repair costs, either arising from our planned maintenance programme or unexpectedly, require a prudent level of reserves. The level of the Major Repairs Reserve is based on knowledge of the current state of repair of the property and anticipated future expenditure. Currently, it is expected that an average of £200,000 per annum will be spent on non-routine maintenance and an allocation of reserves of this amount is made each year.

The Education Fund is held to provide for the cost of our bursary programme and the furtherance of education in the wider community. It is also used to help finance educational or similar costs of pupils in hardship, particularly those who may need help to complete their final years at the School. The Governors are of the opinion that the Education Fund is at a level which will enable to continue its responsibilities in this area.

The Governing Body are now actively looking to invest in sports facilities for the School and would hope to proceed with this investment over the short term. The current level of the reserve is £1,790,000. The amount to be spent on such facilities will depend on the investment opportunities which arise for the School. The level of the reserve is adequate for current anticipated plans.

Unrestricted Funds are held by the School to ensure the long-term viability of the School. The Governing Body consider that the Unrestricted General Fund should be maintained at a level equal to 6 months' budgeted expenditure. The general fund total of £1,411,293 is in line with this target.

#### Freehold Property

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

## OLD VICARAGE SCHOOL TRUST

### GOVERNORS' REPORT

#### FOR THE YEAR ENDED 31 AUGUST 2018

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#### REVIEW OF ACHIEVEMENTS AND PERFORMANCE IN THE YEAR

The year ended 31 August 2018 was another outstandingly successful year for the School under the leadership of the Headmistress, Gillian Linthwaite. The School's strong reputation in the area and excellent results have ensured strong demand for places with average pupil numbers for the year of 198, exceeding our target figure of 196. Fourteen scholarships to destination schools were received, in addition to two exhibitions.

Fees were increased by 5% with effect from September 2017, and fees continue to include the cost of lunches, all day trips and visiting educational workshops at the School. The Governors are committed to broadening access to education to parents who cannot afford fees. The School makes available bursaries for girls to attend a secondary independent school in the area while continuing to offer bursaries within the School and assisting existing families who experience financial hardship.

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

The School's new Virtual Learning Environment, *Firefly*, has been successfully embedded across the curriculum and in tandem with the school's investment in iPads, is enhancing learning both in the classroom and at home. The school has added an app for parents using the minibus service, so that they can communicate changes to the driver 'on the fly' and can track the location of bus.

The fabric of the building continues to be modernised and developed. This year, a large section of roof has been replaced with upgraded and more modern materials, to proactively guard against water damage to the listed building in future years. The School is part way through a programme of upgrading its lighting using LED bulbs and strips rather than tube lighting, to aid the learning and working environment, and to reduce power consumption. A number of classrooms have had their storage modernised over the summer, featuring 'learning walls'.

The School is committed to providing an education which has both breadth and depth. The teaching of Mandarin is now well established with girls taking Mandarin Common Entrance with excellent results across the board. The girls are offered many opportunities to enhance their curriculum studies, for example competing in various Maths Challenge days at local senior schools. The whole School takes part in a Book Day to celebrate and enjoy children's literature. Children's authors and poets are invited to present to the girls and hold workshops.

There is a strong tradition of music and drama at the School. In Years 5 and 6, all pupils are entered for English Speaking Board examinations. Girls start in Reception by performing regularly to parents in Class Assemblies. They progress to Nativity Plays and from Year 3 upwards, Spring Concerts for which each year performs their own dramatic production. The girls' drama education at the School concludes in Year 6 with the "Leavers' Play". This is the major School production for the year in which every Year 6 girl is given the opportunity to perform. This year, many happy parents were enthralled by two very convincing performances of *Beauty and the Beast*. In the Spring, the Year 6 girls also gave an abridged production of *King Lear*.

Music is taught throughout the School by a specialist music teacher and peripatetic music lessons are offered to all pupils. The varied choirs at the School this year performed as part of a 1,000 voices choir in aid of Barnado's at the Royal Albert Hall and sang at the Richmond Music Trust Singing Festival and the Rose Theatre, among other events. The Senior Choir again sang in the Charterhouse Chapel.

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

The standard of sporting achievement remains very high, particularly so given the size of the school. The girls won the U11 Small School Netball Tournament and were 5<sup>th</sup> in the North London Collegiate School Netball Tournament (30 teams). Swimming continues to be very strong, with the girls becoming overall and independent champions in the Richmond Borough Swimming Tournament. The girls were placed 8<sup>th</sup> nationally for both freestyle and medley in the ESSA Relay National Swimming Championships.

## **OLD VICARAGE SCHOOL TRUST**

### **GOVERNORS' REPORT**

**FOR THE YEAR ENDED 31 AUGUST 2018**

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#### **REVIEW OF ACHIEVEMENTS AND PERFORMANCE IN THE YEAR (continued)**

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

The School's curriculum is complimented by a wide variety of educational visits for all year groups which this year have included the Tate Modern, the Thames and Chiswick Pier, Old Sarum, Kew Gardens, the Golden Hinde, Roald Dahl Museum, Science Museum, the Houses of Parliament, Mountfitchet Castle, Richmond Synagogue and Neasden Temple! The girls are encouraged to become independent by attending residential courses from Year 3 upwards. This year, Year 3 enjoyed a trip to Marchants Hill with PGL; Year 4 took part in an history experience at Hooke Court in Dorset; Year 5 learned to fend for themselves in the woods on a Bushcraft course for a week and Year 6 travelled to France.

The School provides a diverse range of lunchtime and afterschool clubs which, over the course of the year, included a variety of choirs and sports clubs and many other activity clubs ranging from Shakespeare Club to Debating. This year the school has initiated a weekly Creative Curriculum lesson, giving the girls experience of topics such as History Highlights, Environment and Secret Codes.

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

#### **PUBLIC BENEFIT**

The School offers means-tested bursaries and continues to set aside funds for the purpose of supporting girls in the local area to attend a secondary independent school. The School also has a hardship fund to provide funding for girls to continue their education at the Old Vicarage School whose parents would otherwise not be able to afford the fees. The Governors are committed to broadening access to parents who cannot afford fees for independent education. The School supports two pupils at a local independent secondary school on full bursaries.

Pupils are encouraged to feel part of the wider community. The girls vote each year for the charity they wish to support and chose, this year, *Team Margot*, a charity driving people to register as stem cell and bone marrow donors. This year, as always, elderly neighbours of the School were invited to watch the school's nativity play and have afternoon tea served by the girls.

Each year, the School orchestra opens the Richmond May Fair and this year, Year 6 entertained visitors to the Kew Fair by performing an Indian Dance in full, colourful costume.

Each year, the School raises money for the NSPCC at Christmas and an additional charity is chosen each year to which parents are invited to donate at the School's annual prize giving. This year, the King's College Hospital Fund received the generous donation.

This year, the School's Harvest collection is donated to the Richmond Foodbank, based in the nearby Vineyard Life Church Community Centre. Pupils also help with sorting donations and preparing food bags.

#### **FUNDRAISING APPROACH AND PERFORMANCE**

The Governors are aware of the Charities (Protection and Social Investment) Act 2016 and recognise the importance of meeting the highest standards of practice and care in relation to fundraising activities. The School only raises funds from parents, staff and those with a personal connection to the school and does not undertake fundraising campaigns to members of the public, nor does it use the services of third party fundraisers. The School considers the origin of unsolicited donations and legacies. No donations income was received in the 2018 financial year.

#### **FUTURE PLANS**

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



## OLD VICARAGE SCHOOL TRUST

### GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

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#### FUTURE PLANS (continued)

The School is close to agreement to open a Pre School in the Vineyard Life Church building, starting in September 2019. The school will be known as *The Little Vic*, and is intended as a way of giving girls aged 3 years the best tools available to help them transition into the Old Vicarage School and other local infant schools.

The School is in talks with the London Borough of Richmond upon Thames to refurbish and secure the use of tennis and netball courts in the local area, again for September 2019. This project will benefit both Old Vicarage School pupils, and the wider local community.

#### STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also directors of Old Vicarage School Trust for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

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

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

So far as we are aware:

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

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

#### AUDITORS

A resolution to re-appoint haysmacintyre will be proposed at the Annual General Meeting.

For and on behalf of the Board

Mr G Caplan

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### Opinion

We have audited the financial statements of Old Vicarage School Trust for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2018 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of governors for the financial statements

As explained more fully in the Statement of Governors' Responsibilities, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Conclusions relating to going concern

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

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

## Other information

The governors are responsible for the other information. The other information comprises the information included in the Governors' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

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

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption in preparing the Governors' Report or from the requirement to prepare a strategic report.

## Use of our report

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

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

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10 Queen Street Place  
London  
EC4R 1AG

# OLD VICARAGE SCHOOL TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Total Funds 2018 £	Total Funds 2017 £
<b>INCOME FROM</b>			
<b>Charitable activities:</b>			
Fees	2	2,676,044	2,545,716
Other educational income	3	111,293	165,562
Other income	4	39,194	60,296
Investments – bank interest		5,942	7,278
Donations		-	16,373
<b>Total income</b>		<b>2,832,473</b>	<b>2,795,225</b>
<b>EXPENDITURE</b>			
<b>Charitable activity</b>			
School operating costs		2,639,214	2,623,577
<b>Total expenditure</b>	5	<b>2,639,214</b>	<b>2,623,577</b>
<b>Net movement in funds</b>		<b>193,259</b>	<b>171,648</b>
Fund balances brought forward at 1 September 2017		3,350,254	3,178,606
<b>Fund balance carried forward at 31 August 2018</b>	13	<b>£3,543,513</b>	<b>£3,350,254</b>

All amounts relate to continuing activities.

The notes on pages 13 to 21 form part of these financial statements.

All income and expenditure in 2018 was unrestricted. Full comparative figures for 2017 are shown in note 16.

**BALANCE SHEET**

**AS AT 31 AUGUST 2018**

		<b>2018</b>		<b>2017</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>					
Tangible assets	8		1,962,756		1,994,828
<b>CURRENT ASSETS</b>					
Debtors	9	382,781		611,722	
Cash at bank and in hand		2,823,017		2,506,991	
		<u>3,205,798</u>		<u>3,118,713</u>	
<b>CREDITORS - due within one year</b>	10	<u>(1,249,354)</u>		<u>(1,350,787)</u>	
<b>NET CURRENT ASSETS</b>			<u>1,956,444</u>		<u>1,767,926</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>3,912,200</u>		<u>3,762,754</u>
<b>CREDITORS - due after more than one year</b>	11		<u>(375,687)</u>		<u>(412,500)</u>
<b>NET ASSETS</b>			<u><u>£3,543,513</u></u>		<u><u>£3,350,254</u></u>
Represented by:	13				
<b>UNRESTRICTED GENERAL FUND</b>			1,411,293		1,333,576
<b>DESIGNATED FUNDS</b>			<u>2,132,220</u>		<u>2,016,678</u>
			<u><u>£3,543,513</u></u>		<u><u>£3,350,254</u></u>

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

.....  
G CAPLAN

The notes on pages 13 to 21 form part of these financial statements.

**OLD VICARAGE SCHOOL TRUST**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

	<b>Notes</b>	<b>2018 £</b>	<b>2017 £</b>
<b>Net cash provided by operations</b>	A	440,986	360,434
<b>Cash flows from investing activities:</b>			
Interest received		5,942	7,278
Payments to acquire tangible fixed assets		(130,902)	(340,249)
<b>Net cash (used in) investing activities</b>		(124,960)	(332,971)
<b>Change in cash and cash equivalents in the reporting period</b>		316,026	27,463
Net cash and cash equivalents at beginning of period		2,506,991	2,479,528
Net cash and cash equivalents at end of period	B	£2,823,017	£2,506,991

**NOTES TO THE CASHFLOW STATEMENT**

<b>A.</b>	<b>RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH INFLOW FROM OPERATIONS</b>		<b>2018 £</b>	<b>2017 £</b>
	Net movement in funds		193,259	171,648
	Interest received		(5,942)	(7,278)
	Depreciation		162,974	146,752
	Loss on disposal of tangible fixed assets		-	12,916
	Decrease in debtors		228,941	135,420
	(Decrease)/Increase in creditors		(138,246)	(99,024)
			£440,986	£360,434
<b>B.</b>	<b>ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS</b>			
		<b>At 1 September 2017 £</b>	<b>Cashflows £</b>	<b>At 31 August 2018 £</b>
	Cash at bank and in hand	601,539	26,967	628,506
	Deposit accounts	1,905,452	289,059	2,194,511
		£2,506,991	£316,026	£2,823,017

# OLD VICARAGE SCHOOL TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2018

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#### 1. ACCOUNTING POLICIES

##### **Basis of Preparation**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015.

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

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

##### **Going concern**

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

##### **Critical accounting judgements and key sources of estimation uncertainty**

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

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

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

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

##### **Fees and similar income**

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

##### **Donations**

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

# OLD VICARAGE SCHOOL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### FOR THE YEAR ENDED 31 AUGUST 2018

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#### 1. ACCOUNTING POLICIES (continued)

##### **Investment income**

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

##### **Expenditure**

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

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

##### **Financial Instruments**

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

##### **Fixed Assets**

Depreciation is provided on fixed assets to write off their cost less their estimated residual value, over estimated useful lives at the following rates:

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

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

##### **Debtors**

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

##### **Cash**

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

##### **Creditors and provisions**

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

##### **Funds accounting**

Funds held by the charity are:

##### ***Unrestricted general funds***

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

##### ***Designated funds***

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

##### ***Restricted funds***

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



# OLD VICARAGE SCHOOL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 1. ACCOUNTING POLICIES (continued)

##### Pension costs

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

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

##### Operating leases

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

2. SCHOOL FEES	2018 £	2017 £
Gross fees (including lunches)	2,707,342	2,575,938
Less: staff and sibling discounts	(31,298)	(30,222)
	<u>£2,676,044</u>	<u>£2,545,716</u>
3. OTHER EDUCATIONAL INCOME	2018 £	2017 £
Extras	104,518	159,612
Registration fees	6,775	5,950
	<u>£111,293</u>	<u>£165,562</u>
4. OTHER INCOME	2018 £	2017 £
Deposits	25,500	55,725
Other income	13,694	4,571
	<u>£39,194</u>	<u>£60,296</u>

**OLD VICARAGE SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2018**

<b>5. ANALYSIS OF TOTAL EXPENDITURE - 2018</b>	<b>2018 Staff Costs £</b>	<b>2018 Other Costs £</b>	<b>2018 Depreciation £</b>	<b>2018 Total £</b>
<b>Charitable Activity</b>				
School operating costs:				
Teaching and welfare	1,296,528	486,420	-	1,782,948
Property and premises	49,109	114,654	162,974	326,737
Support costs of schooling	301,994	184,758	-	486,752
Grants	-	42,776	-	42,776
	<u>£1,647,632</u>	<u>£828,608</u>	<u>£162,974</u>	<u>£2,639,214</u>

<b>ANALYSIS OF TOTAL EXPENDITURE - 2017</b>	<b>2017 Staff Costs £</b>	<b>2017 Other Costs £</b>	<b>2017 Depreciation £</b>	<b>2017 Total £</b>
<b>Charitable Activity</b>				
School operating costs:				
Teaching and welfare	1,269,717	522,490	-	1,792,207
Property and premises	44,649	146,610	146,752	338,011
Support costs of schooling	297,425	154,590	-	452,015
Grants	-	41,344	-	41,344
	<u>£1,611,791</u>	<u>£865,034</u>	<u>£146,752</u>	<u>£2,623,577</u>

<b>ANALYSIS OF SUPPORT COSTS</b>	<b>2018 £</b>	<b>2017 £</b>
Staff costs	301,994	297,425
Office expenses	160,509	125,863
Staff training	9,828	14,207
Governance costs	14,421	14,520
	<u>£486,752</u>	<u>£452,015</u>

<b>6. STAFF COSTS</b>	<b>2018 £</b>	<b>2017 £</b>
Wages and salaries	1,346,341	1,310,986
Social security costs	135,958	136,095
Pension costs	165,333	164,710
	<u>£1,647,632</u>	<u>£1,611,791</u>

	<b>2018 No.</b>	<b>2017 No.</b>
The number of employees whose emoluments exceeded £60,000 during the year was as follows:		
£60,001 - £70,000	1	2
£70,001 - £80,000	1	1
£90,001 - £100,000	1	1
	<u>      </u>	<u>      </u>

**OLD VICARAGE SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2018**

**6. STAFF COSTS (continued)**

During the year, no Governors received any remuneration or benefits in kind. No Governors received reimbursement of expenses during the year (2017: £nil).

	No.	No.
The average number of employees analysed by the function was:		
Teaching	31	32
Support staff	13	10
	<u>44</u>	<u>42</u>

The total remuneration paid to Key Management in the year was £189,810 (2017: £209,486).

**7. NET INCOME FOR THE YEAR**

	2018 £	2017 £
The net income for the year is stated after charging and crediting:		
Depreciation of tangible fixed assets	162,974	146,752
Auditors remuneration - audit fees	13,080	12,660
Auditors remuneration - other	890	860
Operating lease charges	16,249	17,483
	<u>162,974</u>	<u>146,752</u>

**8. TANGIBLE FIXED ASSETS**

	Freehold Land and Permanent Buildings £	Furniture And Equipment £	Computers and Equipment £	Total £
<b>Cost</b>				
At 1 September 2017	1,776,289	918,744	330,635	3,025,668
Additions	-	113,069	17,833	130,902
	<u>1,776,289</u>	<u>1,031,813</u>	<u>348,468</u>	<u>3,156,570</u>
<b>At 31 August 2018</b>				
<b>Depreciation</b>				
At 1 September 2017	465,147	346,078	219,615	1,030,840
Charge for the year	36,847	71,638	54,489	162,974
	<u>501,994</u>	<u>417,716</u>	<u>274,104</u>	<u>1,193,814</u>
<b>At 31 August 2018</b>				
<b>Net Book Value</b>				
At 31 August 2018	£1,274,295	£614,097	£74,364	£1,962,756
At 31 August 2017	<u>£1,311,142</u>	<u>£572,666</u>	<u>£110,020</u>	<u>£1,994,828</u>

**OLD VICARAGE SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2018**

<b>9. DEBTORS</b>	<b>2018 £</b>	<b>2017 £</b>
Fee debtors	341,989	527,049
Accrued income	-	4,113
Prepayments	39,948	56,540
Other debtors	844	24,020
	<u>£382,781</u>	<u>£611,722</u>

<b>10. CREDITORS: amounts falling due within one year</b>	<b>2018 £</b>	<b>2017 £</b>
Fees received in advance	964,811	888,218
Trade creditors	122,708	103,780
Payroll taxes and social security costs	35,233	32,953
Extras in advance	39,185	43,475
Accruals and deferred income	34,475	254,515
Other creditors	7,942	1,346
Parent deposits	45,000	26,500
	<u>£1,249,354</u>	<u>£1,350,787</u>

<b>11. CREDITORS: amounts falling due after more than one year</b>	<b>2018 £</b>	<b>2017 £</b>
Parent deposits	<u>£375,687</u>	<u>£412,500</u>

**12. COMMITMENT UNDER OPERATING LEASES**

At 31 August 2018 the charity had commitments under non-cancellable leases for vehicles and equipment are set out below:

	<b>2018 £</b>	<b>2017 £</b>
Within 1 year	10,750	15,118
Within 2 to 5 years	23,564	23,464
	<u>£34,314</u>	<u>£38,582</u>

# OLD VICARAGE SCHOOL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### FOR THE YEAR ENDED 31 AUGUST 2018

<b>13. MOVEMENT ON FUNDS 2018</b>	<b>Brought Forward 2018 £</b>	<b>Income 2018 £</b>	<b>Expenditure 2018 £</b>	<b>Transfer 2018 £</b>	<b>Carried forward 2018 £</b>
<b>Unrestricted funds</b>					
General funds	1,333,576	2,832,473	(2,639,214)	(115,542)	1,411,293
<b>Designated funds</b>					
Education fund	142,220	-	-	-	142,220
Capital reserve	1,790,000	-	-	-	1,790,000
Major repairs reserve	84,458	-	-	115,542	200,000
	<u>£3,350,254</u>	<u>£2,832,473</u>	<u>£(2,639,214)</u>	<u>£-</u>	<u>£3,543,513</u>
<b>MOVEMENT ON FUNDS 2017</b>	<b>Brought Forward 2017 £</b>	<b>Income 2017 £</b>	<b>Expenditure 2017 £</b>	<b>Transfer 2017 £</b>	<b>Carried forward 2017 £</b>
<b>Restricted funds</b>					
Friends donations	-	16,373	-	(16,373)	-
<b>Unrestricted funds</b>					
General funds	1,382,591	2,778,852	(2,554,240)	(273,627)	1,333,576
<b>Designated funds</b>					
Education fund	183,564	-	(41,344)	-	142,220
Capital reserve	1,500,000	-	-	290,000	1,790,000
Major repairs reserve	112,451	-	(27,993)	-	84,458
	<u>£3,178,606</u>	<u>£2,795,225</u>	<u>£(2,623,577)</u>	<u>£-</u>	<u>£3,350,254</u>

#### Friends donations

This fund related to donations received from the Friends of the School towards the refurbishment costs of the IT suite. The donation was fully expended in the 2017 financial year.

#### Education Fund

The Education Fund is held to provide for the cost of our proposed bursary scheme and for the furtherance of education in the wider community.

#### Capital Reserve

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

#### Major Repairs Reserve

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

**14. PENSION COMMITMENTS**

The School participates in a final salary pension scheme for the academic staff which is administered by the Teachers' Pensions. The amount contributed into the scheme by the employer amounted to £144,315 (2017: £142,985). Contributions owing at the year end were £nil (2017: £Nil).

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also currently required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%.

This employer rate will be payable until the completion and outcome of the next actuarial valuation which is being prepared as at 31 March 2016. Her Majesty's Treasury published draft Directions for the TPS on 6 September 2018 to allow the Department for Education to finalise this valuation. Early indications from the valuation are that the amount employers will be required to pay towards the scheme may increase substantially from September 2019.

There are also indications that the protections in the new cost cap mechanism required by the Public Service Pensions Act 2013 mean public sector workers will get improved pension benefits for employment over the period April 2019 to March 2023.

The School also pays into two defined contribution schemes for non-teaching staff, to which the School contributes 8.5% and 6%. The amount contributed into the scheme by the employer amounted to £21,018 (2017: £21,766). Contributions owing at the year end were £nil (2017: £ nil).

**15. RELATED PARTY TRANSACTIONS**

Two of the Governors had children who are pupils at the School (2017: 2 governors). School fees paid and discounts received were at the same rate and on the same terms as for all other parents of pupils at the school. No other related party transactions during the year. (2017: One governor's relative employed by the school at a cost of £1,505).

**OLD VICARAGE SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2018**

**16. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOME FROM</b>			
<b>Charitable activities:</b>			
Fees	2,545,716	-	2,545,716
Other educational income	165,562	-	165,562
Other income	60,296	-	60,296
Investments	7,278	-	7,278
Donations	-	16,373	16,373
<b>Total income</b>	<b>2,778,852</b>	<b>16,373</b>	<b>2,795,225</b>
<b>EXPENDITURE</b>			
<b>Charitable activity</b>			
School operating costs	2,623,577	-	2,623,577
<b>Total expenditure</b>	<b>2,623,577</b>	<b>-</b>	<b>2,623,577</b>
<b>Net income before transfers</b>	<b>155,275</b>	<b>16,373</b>	<b>171,648</b>
Transfers	16,373	(16,373)	-
<b>Net movement in funds</b>	<b>171,648</b>	<b>-</b>	<b>171,648</b>
Fund balances brought forward at 1 September 2016	3,178,606	-	3,178,606
<b>Fund balance carried forward at 31 August 2017</b>	<b>£3,350,254</b>	<b>£-</b>	<b>£3,350,254</b>