

Charity Registration No. 312733

Company Registration No. 708188 (England and Wales)



WILLINGTON SCHOOL FOUNDATION LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

WILLINGTON SCHOOL FOUNDATION LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Mrs M Brickwood Mr J Lingard Mr T R Squires Ms A Pavin Ms L Henderson Mr D Murphy Mr J Edgar Mr E Mills	(Appointed 21 January 2021)
Secretary	Ms D Maroothynaden	
Charity number	312733	
Company number	708188	
Registered office	Worcester Road Wimbledon London SW19 7QQ	
Auditor	Jacob Cavenagh & Skeet 5 Robin Hood Lane Sutton Surrey SM1 2SW	
Bankers	Barclays Bank Plc Onslow Hall Little Green Richmond Surrey TW9 1QS	
Solicitors	Reynolds Porter Chamberlain LLP	

The following key senior members of staff are responsible for the day-to-day management of the charity and are therefore considered to be Key Management Personnel, in addition to the Directors:

Mr K Brown	Headmaster of Willington School
Ms D Maroothynaden	Bursar

WILLINGTON SCHOOL FOUNDATION LTD

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WILLINGTON SCHOOL FOUNDATION LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Directors present their report and financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum & Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charitable objective for which the charity was established is:

To acquire and carry on Willington School and to promote the advancement of education by acquiring, erecting, equipping, maintaining, conducting and managing preparatory schools and to make provision for the establishment and awarding of scholarships and bursaries.

The objectives of the school are the advancement of education (including social and physical training) for children. We aim to provide a first class education to pupils. We seek to provide a structured educational environment that develops our pupils' capabilities, competences and skills. We promote the moral, academic and physical development of our pupils through our academic curriculum, pastoral care, sporting and other activities. A particular stress is on the creative aspects of the curriculum. We provide an educational environment where each student can develop and fulfil their potential, building their self-confidence and inculcating a desire to contribute to the wider community. In so doing, we prepare our pupils for the opportunities, responsibilities and experience of later life. This follows the school motto of education for life.

In practice, the directors currently provide day school co-education for children from 3-11 through the operation of Willington Independent Preparatory School.

The school is committed to achieving the highest all round educational standards for its pupils and to enabling the children to move on to a range of leading senior independent schools for the completion of their education.

The school's policy is to add to the academic profile of each pupil by offering a wide extra curricular programme which aims to develop sporting and artistic interests. The strategy is also to help build self-confidence and a desire to contribute to the community. The school is committed to celebrating cultural differences amongst its pupils.

Indicators, Milestones And Benchmarks

The directors monitor a range of measures to try to determine the charity's success in achieving its charitable objective. This range of measures includes:

- Pupil numbers;
- The number of pupils gaining entry to their chosen senior school at age eleven or thirteen by Entry Test, Common Entrance and Scholarship Examination;
- Academic performance;
- Achievement in sport, art, music and drama;
- Feedback from inspection visits by ISI;
- Ability to attract and retain high quality teaching staff;
- The ratio of pupils to teachers;
- The numbers of scholarships and bursaries available to pupils; and
- The level of capital expenditure on improving school facilities.

In setting our objectives and planning our activities our directors have given careful consideration to the Charity Commission's general guidance on public benefit.

The school supports a number of locally and nationally based charities via The School Council and is also involved with local schools and the local community. It does need to be recognised that the School site is fairly restricted with just two outside play areas and our playing fields are rented.

WILLINGTON SCHOOL FOUNDATION LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Access policy

It is important to us that access to the education we offer is not solely restricted to those who can afford our fees. We believe our pupils benefit from learning within a diverse community and the school operates an inclusive policy which draws in pupils from a very large number of countries throughout the world. A great deal of learning occurs through social interaction, conversation and shared experiences which helps our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives. Our bursary policy and our scholarship programme contribute to a widening of access to the education we offer and the facilities we enjoy.

Bursary policy

The directors view our bursary awards as important in helping to ensure that deserving children from families who would otherwise not be able to afford the fees can access the education that we offer. Our bursary awards are available to all who meet our general entry requirements and are made on the basis of family income, assets and circumstances or to relieve hardship (for example in the case of redundancy) where a pupil's education and future prospects would otherwise be at risk. The Governors have directed that 3-5% of fees income should be allocated to means-tested bursary support.

However, our school does not have a large endowment and, in funding our awards, we have to be mindful that we must seek to ensure a balance between full fee-paying parents, many of whom make considerable personal sacrifice to fund their child's education, and those benefitting from the awards. Parents applying for bursary support are required to complete a confidential statement with details of their family income, assets and circumstances, supported by appropriate documents.

Financial planning policy

Parents who wish to fund educational costs through regular contributions are encouraged to approach commercial fees planning organisations. Late payment plans arranged with the Bursar are restricted to single agreements of no more than four late payments which must be cleared in full before any application for a late payment plan for the following term can be considered.

Family discounts policy

To underline the value we place on continuity for families, we offer 10% discounts where parents have more than one child at the School.

Grant making policy

The Charity provided 9 bursaries, 2 staff discounts and 36 sibling discounts to a total of 47 pupils (2020: 20 bursaries, 5 staff discounts and 39 sibling discounts to a total of 64 pupils) amounting to £137,743 (2020: £191,923) and representing 4% of Gross Fee income.

WILLINGTON SCHOOL FOUNDATION LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Achievements and performance

This past year has seen outstanding academic success at 11+. With coronavirus restrictions still in place exams were taken using the online ISEB 11+ and our pupils did exceptionally well. In a Year 6 cohort of 31 pupils, between them they secured places at a number of London's top day schools, and were awarded scholarships. Of particular note, one pupil gained the top academic scholarship to King's College, Wimbledon and 3 pupils also were successful in sports scholarships to Whitgift. Once again the Common Entrance was cancelled and the pupils in Year 8 did not sit their final exams. However, there was a small number of the Year 8 boys who sat entrance exams due to them not previously holding an offer from any school. All of these pupils were successful in obtaining a place at their chosen school.

Scholarships were awarded to Hampton, St John's, Reed's, Whitgift, Trinity, Ewell Castle and Claremont Fan. These were awarded in academics, sport, music and Choristers. These reflect the emphasis on an all-round approach to the pupils' education, where the artistic, musical and sporting success are equally valued.

This was a year that was blighted by the lockdown in March which saw the majority of pupils being out of school until the start of the new academic year in September. This meant that there was very little opportunity to enjoy the wider aspects of the curriculum with all extra-curricular activities coming to an abrupt end. The school celebrated the successes of the year with an end of term online Celebration Day.

It was widely considered that as a school, we responded to the move to online learning with a great deal of success. We had previously introduced the Google Suite of Apps to the school curriculum and staff were able to comfortably move to the online platform with some ease. Weekly online meetings with the class reps meant we were able to respond to the needs of the community at speed. Small changes were made when needed and this added to the overall experience of the pupils. Wider parental feedback was extremely positive which gave the school the impression that we had done a very good job of delivering the curriculum in difficult circumstances.

Our finances

As a charity, the parents of our pupils have the assurance that all the income of the school must be applied for educational purposes. As an educational charity we enjoy tax exemption on our educational activities and on our investment income and gains, provided these are applied for our charitable aims. As a Charity we are also entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our bursary policies and scholarship programme.

However, as an educational charity, we are unable to reclaim VAT input tax on our costs as we are exempt for VAT purposes. We also pay tax as an employer through the national insurance contributions we make. In addition to the very substantial benefits our school brings to our pupils, the local community and society through the education we offer, our bursary programme and our scholarship programme create a social asset without cost to the Exchequer.

Financial review

We continue to need to manage the effects of significant numbers of pupils departing at fairly short notice due to the very mobile nature of local British and international parents and we suspect that this churn has been increased by the impact of Brexit and the Pandemic. While we have had some success in recruiting new pupils during the year, they have not been quite enough to replace all the leavers and average pupil numbers for the year have fallen to 211 (2020: 229). Continued control of expenditure combined with one-off redundancy payments have produced a surplus of £81,303 (2020: surplus: £66,449).

Reserves policy

The directors' policy is to generate reserves to provide sufficient funds to continue to enhance the educational facilities and services of the School. The directors review the Reserves policy annually to ensure that this aim can be achieved. Due to the need to pay for continuing substantial investments during the year in developing School facilities, at 31 August 2021, the charity's had no free reserves.

WILLINGTON SCHOOL FOUNDATION LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Fundraising policy

In line with the reporting requirements included in the Charities Act 2016, the Governors are pleased to confirm that all fundraising is carried out in compliance with best fundraising practice. All fundraising activities follow traditional methods. During the year no professional fundraisers were employed, and no complaints or criticisms were raised concerning our fundraising activities.

Investment policy

The Company's Memorandum of Association permits the investment of monies of the charitable company not immediately required for its purposes in such investments, securities or property as may be thought fit by the directors, subject to any restrictions which may for the time being be imposed or required by law. The Company has made no social investments during the year.

For the year ended 31 August 2021, the charity had no investment income but paid £94,740 (2020: £93,647) off the loans outstanding at the start of the year and paid interest on its borrowings which amounted to £81,801 (2020: £80,019). The Government Bounce Back loan was drawn down in the year with Barclays for £50,000 with repayments on the loan starting in November 2021.

Risk management

The directors continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time, and to monitor the effectiveness of the system of internal controls and other viable means including insurance cover where appropriate, by which those risks already identified by the directors can best be mitigated.

The directors consider the most relevant risks, and the means by which they may be mitigated, to be as follows:

- Shortage of Governors or expertise within the Governing body – The directors have successfully increased the number of and range of Governors but continue actively to search for new members.
- Compliance with regulations – The directors look to implement new methods of practice while preparing carefully for any future inspections and continue to seek to keep fully up to date with further changes in regulations.
- Efforts of Senior Schools to increase 11+ entry – The directors recognise the opportunity to the School from a perceived effort by senior schools to increase their 11+ entry. As a consequence the school has moved to a model where pupils leave the school at the end of year six. This is now the case for all pupils from the academic year 2021/22.
- Changes to regulations linked to Early Years provision – The directors encourage continuing liaison with our local authority over uncertainties about changes to regulations linked to Early Years provision, particularly as the School extends its nursery provision.
- Changes in the Competitive Environment – The directors seek to remain competitive in line with budget provision, providing value for money and maintaining good relations with parents while responding to changes in the economic climate, inflation rates and any adverse effects of BREXIT and the Covid-19 pandemic.

Our Ethos

Our School is committed to safeguarding and promoting the welfare of our pupils and expects all staff and volunteers to share this commitment. Parents are given regular information about their children's social and academic progress through parents' evenings in addition to the traditional end of term and year reports. We maintain regular contact with parents throughout the year through informal communication and through our newsletter. Older pupils have a Form Tutor and House Tutor responsible for pastoral care and academic development. There is an active School Council which puts forward suggestions from the school's pupils for implementation.

WILLINGTON SCHOOL FOUNDATION LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Our School welcomes pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that our school will be able to educate and develop a prospective pupil to the best of their potential and in line with the general standards achieved by their peers. An individual's economic status, ethnicity, race, religion or disability do not form part of our assessment processes. We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

Future Strategy

The School continues to focus on the transition to a co-educational model which has begun at key stage one and will now transition through the school. This, alongside the modern pedagogy and supportive environment, will provide the background for the continued success of the school.

Structure, governance and management

Status and history

Willington School Foundation Limited is a registered charity and a company limited by guarantee, not having a share capital. Every member undertakes to contribute an amount not exceeding £10 to the assets of the company in the event of the company being wound up during the period of membership, or within one year thereafter.

The principal activity of Willington School Foundation Limited is to run Willington School, a preparatory school for pupils aged 3-11.

Willington School was originally established in 1885, and, after a continuous history of 105 years in Putney, the school moved to its current Wimbledon location in 1990 so as to gain from the benefits of better premises.

The present organisation was incorporated on 15 November 1961 and became a registered charity on 24 April 1963.

Willington School Foundation Limited is governed by the rules and regulations set down in its Articles of Association dated 17 July 2013.

Directors

The Directors who served during the year and up to the date of signing the accounts were:

Mrs M Brickwood

Mr J Lingard

Mr T R Squires

Mr J Brown

(Resigned 14 January 2022)

Ms A Pavin

Ms L Henderson

Mr D Murphy

Mr J Edgar

Mr E Mills

(Appointed 21 January 2021)

WILLINGTON SCHOOL FOUNDATION LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Organisational structure

The board may from time to time and at any time appoint any person as a member of the board, either to fill a casual vacancy or by way of addition to the board, provided that the prescribed maximum be not thereby exceeded. Any person so appointed shall be required to be re-elected at the Annual General Meeting in accordance with the procedure.

At each annual general meeting one-third of the directors, rounded to the nearest whole number, must retire from office. The directors required to retire shall be those who have been longest in office since their last appointment. Retiring directors may be re-elected by ordinary resolution during the meeting.

The directors have responsibility for setting and monitoring the overall strategic direction of the charitable company, approving decisions reserved to directors (principally approval of expenditure beyond agreed limits), and appointing key members of staff (Headmaster and Bursar).

At least 3 directors' meetings are held in each academic year and there are also 4 sub-committees comprising: Finance & Buildings; Educational & Pastoral; Risk, Compliance and Health & Safety, which report to the termly meetings of the Governing Body.

The day-to-day management of Willington School Foundation Limited lies with the Headmaster who has overall responsibility for the school, and the Bursar who takes particular responsibility for the non-academic aspects. A Senior Leadership Team, which comprises the Headmaster, the Bursar and five senior members of the teaching staff, oversees the teaching and pastoral care of the children in the school.

The key management personnel of the charity as listed in the Legal and Administrative Information page are in charge of directing, controlling, running and operating the charity on a day to day basis. All directors give of their time freely and no director received any remuneration in the year. Details of directors' expenses and related party transactions are disclosed in Note 14 to the financial statements. The pay of the Headmaster and other senior staff is reviewed annually and normally increased in accordance with average earnings and assessed performance.

In addition to advice and training in the role of a Governor, new trustees are provided with a copy of the School's Governors' Information Booklet and a copy of the School's Code of conduct for Governors, Roles and Responsibilities. Governors are encouraged to attend training courses arranged by AGBIS and other professional providers. The Clerk to the Governors circulates lists of courses on a regular basis.

No director is allowed to receive any remuneration for services provided as a director. The board has additionally agreed a policy whereby no director may provide services in a professional capacity to the school. Those directors who are also parents of children at the school have a financial relationship with the school on the same basis as any other parent.

Funds held as custodian trustee

Although the charity would maintain restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders, Willington School Foundation Limited does not currently hold, and the directors do not anticipate that it will in the future hold, any funds as custodian for any third party.

WILLINGTON SCHOOL FOUNDATION LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Statement of Directors' responsibilities

The directors, who also act as trustees for the charitable activities of Willington School Foundation Ltd, are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Directors 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

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

The Directors' report was prepared in accordance with the special provisions relating to small companies and approved by the Board of Directors.



Mr J Edgar

Dated: 23 May 2022

WILLINGTON SCHOOL FOUNDATION LTD

INDEPENDENT AUDITOR'S REPORT

TO THE DIRECTORS OF WILLINGTON SCHOOL FOUNDATION LTD

Opinion

We have audited the financial statements of Willington School Foundation Ltd (the 'charity') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including 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 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Directors' report has been prepared in accordance with applicable legal requirements.

WILLINGTON SCHOOL FOUNDATION LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE DIRECTORS OF WILLINGTON SCHOOL FOUNDATION LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Directors' report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the statement of Directors' responsibilities, the Directors 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 Directors 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 Directors are responsible for assessing the charity'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 Directors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011. We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to management bias in accounting estimates, presentation of separately disclosed items, incorrect claiming of government assistance (furlough income) and management override of controls. In response to the risks identified we designed procedures which included, but were not limited to challenging significant accounting estimates, agreeing financial statement disclosures to underlying supporting documentation, testing the calculation of claims made under the Coronavirus Job Retention Scheme, evaluating the internal controls, reviewing trustees' minutes and identifying and testing journal entries.

WILLINGTON SCHOOL FOUNDATION LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE DIRECTORS OF WILLINGTON SCHOOL FOUNDATION LTD

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Miriam Hickson FCA (Senior Statutory Auditor)
for and on behalf of Jacob Cavenagh & Skeet

25/05/2022

Chartered Accountants
Statutory Auditor

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

WILLINGTON SCHOOL FOUNDATION LTD

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

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Restricted funds 2020 £	Total 2020 £
	Notes					
Income and endowments from:						
Donations and legacies		4,920	29,315	34,235	550	22,945
Charitable activities		3,288,571	-	3,288,571	3,270,474	3,270,474
Investments	2	15	-	15	172	172
Other income	3	9,334	-	9,334	83,935	83,935
Total income		3,302,840	29,315	3,332,155	3,355,131	3,377,526
Expenditure on:						
Raising funds	5	366	-	366	1,116	1,116
Charitable activities	6	3,224,844	25,642	3,250,486	3,294,571	3,309,961
Total expenditure		3,225,210	25,642	3,250,852	3,295,687	3,311,077
Net income before transfers		77,630	3,673	81,303	59,444	66,449
Gross transfers between funds		3,673	3,673	-	7,005	(7,005)
Net income for the year/ Net movement in funds		81,303	-	81,303	66,449	66,449
Fund balances at 1 September 2020						
As originally reported		2,679,436	-	2,679,436	2,220,065	2,220,065
Prior year adjustment	19	(392,922)	-	(392,922)	-	-
As restated		2,286,514	-	2,286,514	2,220,065	2,220,065
Fund balances at 31 August 2021		2,367,817	-	2,367,817	2,286,514	2,286,514

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WILLINGTON SCHOOL FOUNDATION LTD

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	7	4,716,800		4,600,822	
Current assets					
Debtors	9	59,266		77,528	
Cash at bank and in hand		329,920		690,878	
		<u>389,186</u>		<u>768,406</u>	
Creditors: amounts falling due within one year	11	<u>(798,655)</u>		<u>(995,841)</u>	
Net current liabilities		(409,469)		(227,435)	
Total assets less current liabilities		<u>4,307,331</u>		<u>4,373,387</u>	
Creditors: amounts falling due after more than one year	12	(1,939,514)		(2,086,873)	
Net assets		<u>2,367,817</u>		<u>2,286,514</u>	
Income funds					
Unrestricted funds		2,367,817		2,286,514	
		<u>2,367,817</u>		<u>2,286,514</u>	

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Directors on 23 May 2022



Mr J Edgar
Trustee

Company Registration No. 708188

WILLINGTON SCHOOL FOUNDATION LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	17		(121,846)		173,666
Investing activities					
Purchase of tangible fixed assets		(194,387)		(101,800)	
Investment income received		15		172	
Net cash used in investing activities			(194,372)		(101,628)
Financing activities					
Proceeds of new bank loans		50,000		500,000	
Repayment of bank loans		(94,740)		(93,647)	
Net cash (used in)/generated from financing activities			(44,740)		406,353
Net (decrease)/increase in cash and cash equivalents			(360,958)		478,391
Cash and cash equivalents at beginning of year			690,878		212,487
Cash and cash equivalents at end of year			<u>329,920</u>		<u>690,878</u>

WILLINGTON SCHOOL FOUNDATION LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

Willington School Foundation Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Worcester Road, Wimbledon, London, SW19 7QQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum & Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Fees receivable for tuition and other sources of school operating income consist of amounts billed for the academic year ending 31 August. Amounts billed for the first term of the following academic year are not included, and any receipts prior to the year end relating to these invoices are deferred and disclosed within creditors. Other operating income includes amounts charged for before and after school care, clubs and all other incidental sources of income.

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

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

For HMRC Coronavirus Job Retention Scheme grant income, the income is recognised in the period to which the underlying furloughed staff costs relate to.

WILLINGTON SCHOOL FOUNDATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Charitable expenditure includes all support costs in respect of the company's activities. Expenditure is allocated on an activity basis.

1.6 Tangible fixed assets

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

All tangible assets purchased that have an expected useful economic life that exceeds one year and a purchase price that exceeds £500 are capitalised and classified as fixed assets. Fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Land and buildings	Over 50 years
Fixtures, fittings & equipment	Over 10 years
Computers	Over 4 years

Freehold buildings that are in the process of construction or refurbishment are not depreciated until the construction or refurbishment has been completed.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has financial assets and liabilities of the kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and subsequently measured at their settlement value.

WILLINGTON SCHOOL FOUNDATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.10 Derivatives

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in income/(expenditure) for the year.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting date. The resulting gain or loss is recognised in net income/(expenditure) immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.11 Employee benefits

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

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

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Advance Payment Scheme

The School on occasion offers parents to pay tuition fees in advance in accordance with terms in place at the start of the school year. The amount received bears interest which is accrued. Once the fees become due the interest is offset against the fees payable.

2 School operating income

	2021 £	2020 £
Fees receivable for tuition	3,283,579	3,268,427
Fares and other income	4,992	2,047
	<u>3,288,571</u>	<u>3,270,474</u>

3 Other income

	2021 £	2020 £
HMRC Coronavirus Job Retention Scheme grant	<u>9,334</u>	<u>83,935</u>

WILLINGTON SCHOOL FOUNDATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Teaching	44	40
Premises and administration	9	9
Total	<u>53</u>	<u>49</u>

Employment costs

	2021 £	2020 £
Wages and salaries	1,711,337	1,705,290
Social security costs	176,496	172,303
Other pension costs	203,448	302,396
	<u>2,091,281</u>	<u>2,179,989</u>

In addition to the costs shown above, termination payments of £25,406 were paid (2020:£34,970 were accrued). These are recognised when legal agreement is reached.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2021 Number	2020 Number
£60,000 - £70,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
	<u>1</u>	<u>1</u>

5 Raising funds

	2021 £	2020 £
Advance payment scheme interest	366	1,116
	<u>366</u>	<u>1,116</u>

WILLINGTON SCHOOL FOUNDATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 School operating and governance costs

	Unrestricted	Restricted	Total	Total
	£	£	2021	2020
			£	£
Direct costs				
Teaching: Staff costs	1,815,520	25,642	1,841,162	1,881,156
Teaching: Other costs	143,161	-	143,161	141,187
Welfare: Other costs	188,485	-	188,485	193,865
Premises: Staff costs	60,660	-	60,660	87,633
Premises: Other costs	349,550	-	349,550	135,676
Scholarships, bursaries & discounts	137,743	-	137,743	191,923
	<u>2,695,119</u>	<u>25,642</u>	<u>2,720,761</u>	<u>2,631,440</u>
Support costs				
Staff costs	214,865	-	214,865	246,170
Depreciation - owned assets	147,033	-	147,033	165,926
Governance costs - Audit fee	7,931	-	7,931	8,263
Other fees paid to Auditors	3,960	-	3,960	3,830
Legal & professional	17,729	-	17,729	44,977
Inspection	3,870	-	3,870	3,865
Bank interest payable	81,801	-	81,801	80,019
Change in fair value of interest rate swap	(84,964)	-	(84,964)	(29,327)
Other costs	137,500	-	137,500	154,798
	<u>529,725</u>	<u>-</u>	<u>529,725</u>	<u>678,521</u>
	<u>3,224,844</u>	<u>25,642</u>	<u>3,250,486</u>	<u>3,309,961</u>

WILLINGTON SCHOOL FOUNDATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

7 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Computers	Total
	£	£	£	£
Cost				
At 1 September 2020	5,837,716	323,704	160,815	6,322,235
Additions	229,137	6,962	26,912	263,011
Disposals	-	(48,193)	-	(48,193)
At 31 August 2021	6,066,853	282,473	187,727	6,537,053
Depreciation and impairment				
At 1 September 2020	1,360,367	229,845	131,201	1,721,413
Depreciation charged in the year	108,084	17,194	21,755	147,033
Eliminated in respect of disposals	-	(48,193)	-	(48,193)
At 31 August 2021	1,468,451	198,846	152,956	1,820,253
Carrying amount				
At 31 August 2021	4,598,402	83,627	34,771	4,716,800
At 31 August 2020	4,477,349	93,859	29,614	4,600,822

8 Financial instruments

	2021	2020
	£	£
Carrying amount of financial liabilities		
Measured at fair value through profit or loss		
- Other financial liabilities	307,958	392,922

9 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	13,672	10,555
Other debtors	4,254	16,167
Prepayments and accrued income	41,340	50,806
	59,266	77,528

WILLINGTON SCHOOL FOUNDATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Loans and overdrafts

	2021 £	2020 £
Bank loans	<u>1,461,395</u>	<u>1,506,135</u>
Payable within one year	106,839	99,767
Payable after one year	<u>1,354,556</u>	<u>1,406,368</u>
Amounts included above which fall due after five years:		
Payable by instalments	<u>529,547</u>	<u>585,077</u>

The original bank loan is repayable by equal termly instalments and is secured by fixed charges over the charity's freehold land and buildings (carrying value of £4,598,402). The bank loan is due for repayment in full by 2032. Interest is payable on the bank loan at a rate of base plus 0.8% per annum, and is charged quarterly. This loan has an associated interest rate swap which fixes the interest payable at 5.45% until 2030. This is dealt with in Notes 8 and 12.

A second loan of £500,000 was drawn down in November 2019 and is repayable by annual amounts of £14,000 until repayment in full in 2024. The loan is secured by fixed charges over the charity's freehold land and buildings (carrying value of £4,598,402). Interest is payable in full on the bank loan at a fixed rate of 2.91% per annum for the first 5 years, and then at 2% over base, and is charged on a monthly basis.

In October 2020, the school borrowed £50,000 for a term of 6 years at an interest rate of 2.50% per annum, fixed for the duration of the loan. No repayment of capital is required during the first 12 months of the loan.

The school also has an overdraft facility of £150,000 secured by a fixed charge over all land, equipment and trade debts and a floating charge over all other assets.

11 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Loans and overdrafts	10	106,839	99,767
Other taxation and social security		40,706	43,957
Deferred income - Fees in advance	14	459,211	499,980
Trade creditors		85,625	138,519
Accruals		34,390	72,364
Pupils security deposits		43,750	64,750
Other creditors		25,467	61,225
Deferred income - Advance payment scheme	14	2,667	15,279
		<u>798,655</u>	<u>995,841</u>

WILLINGTON SCHOOL FOUNDATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

12 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Loans and overdrafts	10	1,354,556	1,406,368
Derivative financial instruments - Interest rate swap		307,958	392,922
Deferred income - Advance payment scheme	14	-	1,833
Pupils security deposits		277,000	285,750
		<u>1,939,514</u>	<u>2,086,873</u>

WILLINGTON SCHOOL FOUNDATION LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

13 Restricted funds

	Movement in funds			Movement in funds			Balance at 31 August 2021
	Income	Expenditure	Transfers	Income	Expenditure	Transfers	
	£	£	£	£	£	£	£
Parents of Willington	7,005	-	(7,005)	-	-	(3,673)	-
1-1 support funding	15,390	(15,390)	-	-	(25,642)	-	-
	<u>22,395</u>	<u>(15,390)</u>	<u>(7,005)</u>	<u>-</u>	<u>(25,642)</u>	<u>(3,673)</u>	<u>-</u>

The Parents of Willington Fund is money given by this association to fund specific items. Funds for assets purchased in the year have been released to the general fund.

WILLINGTON SCHOOL FOUNDATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

14 Deferred income

	2021 £	2020 £
Fees in advance	459,211	499,980
Advance Payment Scheme	2,667	17,112
	<u>461,878</u>	<u>517,092</u>

Deferred income is included in the financial statements as follows:

	2021 £	2020 £
Current liabilities	461,878	515,259
Non-current liabilities	-	1,833
	<u>461,878</u>	<u>517,092</u>

15 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	40,666	11,417
Between two and five years	156,492	1,543
In over five years	149,971	-
	<u>347,129</u>	<u>12,960</u>

Lease expenses recognised during the year were £50,540 (2020: £53,166).

16 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	<u>178,557</u>	<u>191,540</u>

Included in remuneration of key management personnel are termination payments of £nil (2020: £nil).

WILLINGTON SCHOOL FOUNDATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Related party transactions

(Continued)

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

None of the directors received any remuneration for services as a trustee of the charity or as a director of the company. None of the directors were reimbursed expenses relating to Governors' meetings (2020: none). Expenditure of £150 (2020: £550) was paid to third parties for directors' training courses.

The charity has taken out an insurance policy that includes professional indemnity insurance cover for the directors and staff of the charity. The cost of this insurance policy to the charity for the year is now included in our Commercial Combined Insurance payment.

Two directors had children who attended Willington School during the year. They were charged standard rates, and were not involved in the setting of school fees.

17 Cash generated from operations

	2021	2020
	£	£
Surplus for the year	81,303	66,449
Adjustments for:		
Investment income recognised in statement of financial activities	(15)	(172)
Fair value change in interest rate swap	(84,964)	(29,327)
Depreciation and impairment of tangible fixed assets	147,033	165,926
Movements in working capital:		
Decrease/(increase) in debtors	18,262	(41,737)
(Decrease) in creditors	(228,251)	(45,176)
(Decrease)/increase in deferred income	(55,214)	57,703
Cash (absorbed by)/generated from operations	(121,846)	173,666

WILLINGTON SCHOOL FOUNDATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Analysis of changes in net (debt)/funds

	At 1 September 2020	Cash flows	Fair value movements	At 31 August 2021
	£	£	£	£
Cash at bank and in hand	690,878	(360,958)	-	329,920
Loans falling due within one year	(99,767)	(7,072)	-	(106,839)
Loans falling due after more than one year	(1,406,368)	51,812	-	(1,354,556)
Derivatives relating to debt	(392,922)	-	84,964	(307,958)
	<u>(1,208,179)</u>	<u>(316,218)</u>	<u>84,964</u>	<u>(1,439,433)</u>

19 Prior period adjustment

Changes to the balance sheet

	At 31 August 2020		
	As previously reported	Adjustment	As restated
	£	£	£
Creditors due after one year			
Derivatives	-	(392,922)	(392,922)
	<u>-</u>	<u>(392,922)</u>	<u>(392,922)</u>
Total funds	<u>2,679,436</u>	<u>(392,922)</u>	<u>2,286,514</u>

Changes to the statement of financial activities

	Period ended 31 August 2020		
	As previously reported	Adjustment	As restated
	£	£	£
Charitable activities	<u>3,339,288</u>	<u>(29,327)</u>	<u>3,309,961</u>
Net movement in funds	<u>37,122</u>	<u>29,327</u>	<u>66,449</u>

A prior year adjustment has been made to recognise the fair value of an interest rate swap that is held to hedge the interest rate payable on the original bank loan as set out in Notes 8, 10 and 12.