

Charity Registration No. 513534

Company Registration No. 01675232 (England and Wales)

LONGRIDGE TOWERS SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

LONGRIDGE TOWERS SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	Mr. J.A. Houston Mr. A.E.R. Bell (Chairman) Dr. E.C. Miller Mr. A. N. Birkett Mr T.M. Bramald Mrs. D. Dakers Mrs. A. Marshall Mrs. P. J. Derries Mrs. S. J. S. Dalrymple Mr. M. Mole	(Deceased 11 January 2021) (Appointed 16 March 2021)
Headmaster	Mr J C E Lee	
Secretary	Mrs V J Bryson	
Charity number	513534	
Company number	01675232	
Principal address	Longridge Towers Berwick-upon-Tweed Northumberland TD15 2XQ	
Registered office	Longridge Towers Berwick-upon-Tweed Northumberland TD15 2XQ	
Auditor	Greaves West & Ayre 17 Walkergate Berwick-upon-Tweed Northumberland TD15 1DJ	
Bankers	Barclays Bank P.L.C. 22/24 Hide Hill Berwick upon Tweed TD15 1AF	

LONGRIDGE TOWERS SCHOOL

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LONGRIDGE TOWERS SCHOOL

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The Governors (who are also directors for the purposes of the Companies Act) present their report and accounts for the year ended 31 August 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

Objectives and activities

The School's objects, as set out in the original Memorandum of Association of 1982 and as amended on 14 March 2011, are the advancement of education, including the provision of boarding or day schools for the education of children of either sex.

Public Benefit: Advancement of Education

The School is conscious that as a charity it has to meet its obligation and provide a public benefit and in this report the Governors have sought to highlight those activities undertaken by the School to further its charitable purposes for the public benefit. During recent years the School has continually monitored its policies with particular regard to the public benefit guidance published by the Charity Commission under section 17(5) of the Charities Act 2011.

The School's objects are: the advancement of education, including the provision of boarding or day schools for the education of children of either sex, and only activities relating to these objects have been taken into account when assessing the School's degree of compliance with the requirements to deliver public benefit.

Care has been taken to ensure that the opportunity to benefit is not unreasonably restricted and, in particular, that children who might not otherwise have the means to attend the School are not excluded. The school does this in a variety of ways and the most significant of these is the provision of assistance with the payment of fees to families whose financial circumstances mean that they cannot pay a full fee. In the financial year the School offered financial support to forty five pupils (2019 47 pupils) on a mean tested basis and to a further five pupils (2019 seven pupils) from Holy Island.

The School also seeks to co-operate with local schools in the maintained sector as far as possible and hosts a number of events such as the area cross country and area hockey competitions which make use of the School's sports facilities. The School also hosts a number of sports fixtures for the combined Berwick Schools rugby teams. Due to C-19 pandemic and lockdown, sporting events were not possible from March 2020 when lockdown commenced and pupils were being taught online rather than on site.

Energy consumption and carbon footprint.

Our energy usage does not exceed 40,000 kWh, and therefore we are not required to make a full disclosure. As a school Longridge is aware of the environmental impact a large building and fleet of vans may have on the environment, and as a result we try to balance our carbon footprint by ensuring our natural surroundings are protected, and enhanced with additional tree planting and areas of the grounds being left as natural meadow. We maintain our fleet of minibuses to high standards, we minimise bus routes to ensure mileage is kept to a minimum, as well as promoting the use of the minibuses to encourage use of shared transport. We have continued to invest in energy saving bulbs throughout the site, and added additional insulation where possible under the C-19 guidelines for ventilation.

LONGRIDGE TOWERS SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Volunteers

The Longridge Towers School Development Association, a voluntary group of parents and other supporters of the School, continue to support the School by running events, including the Christmas Fair in December 2019, and lockdown events such as online quizzes and a virtual balloon race. Funds raised by the LTSDA are currently being used to convert 'Mabel' the Library bus.

The LTSDA makes a significant contribution to the School's day to day operation and it is one for which the Governors, Senior Leadership Team and Staff are very grateful.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Governors to present a strategic report.

Achievements and Performance

Summary

The School is grateful for the advice and support from Governors, and is conscious that the guidance of those who volunteer to serve as Governors has been fundamental to the development and growth of the School.

The School community is in good health after an unprecedented year. Everyone at Longridge has worked with exceptional skill and care to ensure that we continued to offer excellent all-round education, keep families safe and well, and maintain the School's financial position, whilst working alongside Covid-19.

We have maintained the School roll for 2020. We recognise that whilst a small number of international and boarding pupils have not been able to join us, the region has benefitted from a number of families moving into the region and other local families have chosen to invest in a Longridge education for their children. Some year groups now have waiting lists due to high demand.

During the first summer lockdown, we provided educational support to key-worker families and daily remote learning opportunities and teaching for all pupils. With the support of the Longridge family of staff, parents, pupils and carers, we were able to provide on-site education for year groups permitted by the government from the beginning of June. We planned to ensure that all pupils were supported in making the progress required to ensure that they were on track by Christmas 2020 and this included on-site drop in sessions between pupils and staff throughout the holidays, together with additional Saturday workshops and academic enrichment opportunities during term. After some extensive reworking of the layout and utilisation of the School buildings, and significant investment in health and safety equipment for the protection of all of our site users, we were fully open from 1 September 2020 until lockdown was again imposed in January 2021. We had all pupils back before Easter 2021 and hope for a normal Summer Term 2021.

The whole staff team at Longridge has supported and helped drive the necessary change in School this year. Since March 2020, we have seen significant improvements in the ability of teaching colleagues to use the Google Suite of online resources to deliver remote and blended learning. Pupils and staff had been using these facilities for some time in School, and that helped with the transition to home learning and then the return to the classroom. We also invested in more Chromebooks and other ITS equipment so that all children and all teaching staff could study and work from home, and these will in future be incorporated into more sessions in School.

LONGRIDGE TOWERS SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Following the cancellation of public examinations for GCSE and A' Level this year, the School submitted centre assessed grades for pupils. This was a robust process followed by teaching colleagues in accordance with government guidance and using classwork, mock exams and other summative information to produce a grade for each pupil before being reviewed against previous years' performance. Whilst we acknowledge the frustration caused by this process, we are proud of the two year groups who were affected by the cancellation of their exams. The way that they handled themselves displayed a depth and maturity beyond their years. To support those pupils affected, we enhanced their learning by extending the curriculum. We offered GCSE students an opportunity to start their A' Levels early and by providing AS Level examinations, so that every pupil has the chance to take formal public examinations before their A' Levels. For A' Level pupils, we provided an opportunity for some pupils to further prepare for university courses. We were able to welcome our pupils onsite to receive their results, and enjoy a small celebration with their class, within the C-19 guidelines at the time.

As a School, after the unprecedented isolation of the summer, we have focused on pupil and staff wellbeing and have spent time ensuring that everyone in the community is supported and able to integrate back into the day-to-day school environment with confidence and a sense of security. We have run whole school initiatives to ensure that there were opportunities to consider pre-existing or new concerns so we could consider them proactively.

We have taken advantage of Government support via the furlough scheme. We have done so on the basis that it was the only support available to us and that we wanted to emerge from C-19 with our whole workforce intact. This funding has provided the financial support to get through what could have been a devastating financial period of time for the school following the reduction in fees, combined with the drop in school roll, and the loss of international and boarding fees. We have also sought to provide support to those Longridge families who suffered the greatest financial impact as a consequence of the lockdown. Furthermore, the scheme enabled us, during a time when the site was less heavily used, to undertake work needed to accommodate the changes required by Government in terms of the rearrangement of rooms and the introduction of health and safety measures alongside focussed investment in the technology necessary to operate remotely.

We have worked hard to maintain a sustainable equity position. We have adopted an active focus on cash-flow including credit control, and worked closely with relevant parents to ensure a fair approach to ensure pupils could finish their School year, if in financial hardship.

Although we have not been able to celebrate together on site the individual and collective achievements this year, and have missed a term of sporting fixtures and arts events, we have seen creativity and adaptability in the way that these have moved online. This has helped Longridge to maintain a sense of community whilst developing the way that individuals work, and can grow and learn in the 'new normal way'.

The School was fully compliant following a routine compliance inspection by the Independent Schools Inspectorate in February 2020. This inspection included a significant focus on the ways that Longridge provides, and underpinned by its policies, the pastoral support for all pupils. As well as providing the reassurance that the School is well run, this allows us to focus on developing the pupil experience and excellence in education as part of the strategic development of the school. The inspection involved a lot of work and the staff input to the process was greatly appreciated.

We are also pleased that this year has seen the successful transition between School Bursars. We thank Mr Bankier for his 12 years of dedicated support to the School as School Bursar and Clerk to the Governors on his retirement. We were sorry not to be able to say goodbye in person. Mr Bankier worked tirelessly on behalf of the School. We welcome Mrs Bryson as a highly qualified Finance Director who brings strategic experience in improving and growing educational establishments.

LONGRIDGE TOWERS SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Educational Performance

Longridge Towers is a school where pupils are encouraged to fulfil and exceed their potential in academic, sporting and extra-curricular spheres.

The School's outstanding reputation is based upon its success in achieving this, whilst ensuring that its pupils are well-mannered, balanced individuals who will make major contributions to the communities in which they lead their future lives. This success is reflected in the excellent public examination results obtained by pupils.

This year Sixth Formers achieved a 95% pass rate at A' level with 74% of the grades being at A* to C. All of this year's leavers wishing to pursue further studies at university achieved results that enabled them to do so, with the vast majority going to their first choice institution. In so doing they added to the School's record of success in enabling its students to proceed to the next stage of their career. At GCSE, 70% of candidates gained 5 or more GCSE passes at Grades 9 to 4, with the overall pass rate at grade 4 or above being 97%. Many pupils achieve more than this, and the average number of GCSE 9 to 4 passes achieved by an individual candidate in this School is 6.7.

School Development

The School has continued to implement and review the Development Plan which was adopted by the Board in December 2005. This has been subsequently updated by the Senior Leadership Team and the Board of Governors hold a Strategy Day annually, specifically to consider the future of the School and the impact of economic and legislative changes over the next three years.

Next year, the School Development Plan is to be updated. We expect to revisit the strategy with a continued focus on seeking to grow the roll to develop the long term financial sustainability and viability while further improving pupil experience with more tailored delivery and increased academic achievements.

Extra-Curricular Activities

The first main sporting event of the academic year was the LTS Aquathon for J3 to J6 pupils which saw every pupil competing in a swim at Eyemouth pool and a run along the Bantry and back. The weather was dull but dry and the event was well supported by spectating parents.

A raft of hockey and rugby fixtures including a rugby festival at Berwick Middle, an area hockey competition and the U11 National School Hockey Competition at The Parks in Newcastle followed. The sports team managed to very successfully host one of our annual LTS Junior cross country events in the school grounds in March 2020 just before lockdown began.

For the first two terms, trips continued aplenty with J1 visiting Chillingham Castle, J2 visiting Berwick Police Station and J3 visiting the Great North Museum. J4 went on a residential visit to Boggle Hole on the North Yorkshire coast as part of their work on coastal landscapes. J3 and J4 attended the Berwick Film Festival. J5 visited both the Museum of Flight at East Fortune and Dynamic Earth; and went on an outward bound residential visit to Robinwood in Alston. As part of our links with the local community J5 and J6 attended the Remembrance Day Service at the Main Guard in Berwick.

The Junior School Pupil Council, supported greatly by the LTSDA, organised and hosted a Sponsored Rainbow Walk in the school grounds to raise money for Mabel, which raised over £5,000. Mabel is now in position and work on the refurbishment continues. We are very grateful to all who have provided help, time and materials to "Project Mabel".

Christmas 2019 saw two Infant Nativity performances. Junior pupils, as is tradition, sang around the Christmas tree prior to the LTSDA Christmas Fair; this year they also sang at our first Grandparents Afternoon, and for residents at Hillside Lodge Care Home.

LONGRIDGE TOWERS SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The Music Department has continued to develop, and a number of concerts have been held both within the School and at outside events. These have involved pupils throughout the School including both Junior and Senior Departments. The Drama programme continues to be rich and varied, with a series of performances of Alice to a public audience. In addition over one hundred pupils sat the examinations of the drama institute LAMDA.

During the Independent Schools Cross Country season the Longridge teams again performed to a standard above the expectations of a school of our size, with the F1 and F2 boys and girls team securing medal positions in both the Area and Mowden Hall events. During the Area Northumberland County Cross Country event, hosted by Longridge, 64% of LTS runners achieved qualification through to County level, which again saw the School out-performing its peers in all age categories. It was also very pleasing to see that one pupil qualified to represent Northumberland in the North of England regional level event.

In rugby four senior boys have gained county and regional representation, with five pupils playing either at Scottish Borders or Northumberland County level.

Badminton within the school continues to go from strength to strength, ten pupils being selected to compete at County level at both Key Stage 3 and 4 age groups. The Key Stage 3 girls' team went on to gain a silver medal position at the North of England regional finals and the Key Stage 4 girls team won their Northumberland County Fixtures.

In hockey, five pupils have been credited as members of either the Scottish Borders development squad or the Northumberland hockey team.

It has again been a very successful year for some of our non-traditional sports and pupils have been excelling in the following areas. We have witnessed pupils gain British championship status in Vaulting, National level in Swimming, Tetrathlon, Dressage and Cycling, as well as regional representation in Equestrian. All of these pupils have had the opportunity to share their passion for their sport and celebrate their success through a range of whole school assemblies, Sports Science presentations and publications in the weekly and termly communications.

We again received very positive feedback on the quality of our lessons and the standard of the department's organisation from both our GCSE and A Level moderators.

There are currently healthy numbers of pupils enrolled in the Duke of Edinburgh Scheme: 16 in F5, 10 in F4 and 19 in F3, all of whom are embarking on, or completing, Bronze level. One pupil in each of F4 and F5 pupil have been awarded the special Certificate of Achievement Award which acknowledges that they have completed their Physical, Skills and Volunteering sections during the pandemic. Expeditions are being planned to take account of safety guidelines whilst still fulfilling the necessary criteria. The School also received the following special certificates from the Duke of Edinburgh 'Covid Impact Certificate', indicating that 13 hours had been completed by award participants in the Physical, Skills and Volunteering sections, and a certificate confirming that Longridge Towers School participants donated 182 hours of voluntary service with a social value of £791.70 between 1st April 2019 and 31st March 2020. We are proud of our pupils' charitable activities, including fund raising through House activities to their chosen charities such as St John Ambulance.

International Links

Links with schools overseas are important as the interaction with pupils from different cultural backgrounds broaden the horizons of both our own pupils and those from visiting schools. The School again hosted a school exchange party of 21 students from Wolfenbuttel Gymnasium near Hannover. The exchange was very successful and during their stay at Longridge the students and their hosts made visits to Alnwick, Edinburgh and Berwick. The exchange programme has become a firm favourite on the School's calendar with pupils, staff and parents and is now an annual fixture.

In recent years we have also developed a strong relationship with St Michael's School in Madrid and their annual trip to Ford Castle Activity Centre always includes a day at Longridge. We entertained over 50 young Spaniards for a day in school at the end of March and then our J6 cohort spend a day with their new Spanish amigos at Ford during the Easter holiday.

LONGRIDGE TOWERS SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

Summary

The surplus before depreciation was £329,186 (2019 surplus £76,432), there was a surplus for the year of £265,938 (2019 surplus £11,463).

The Governors recognise the furlough scheme supported and assisted the School financially during the C-19 pandemic and has allowed Longridge to protect jobs which may have been at risk. The Governors are clear that the purpose of the furlough scheme was to protect jobs. We have experienced a number of Covid-specific financial issues - discounted fees; increased bad debt; financial assistance to affected parents; changes in roll; adaptations to our working environment. We have all our staff back and we hope are in a position to weather any further C-19 storm.

The school roll (the bedrock of our financial performance) remained steady throughout the year, although a small number of pupils left during the lockdown period. Some of the financial spend through the lockdown period differed to that of a 'normal' school year, with reduced income and expenditure in buses, catering and boarding as well as savings in utilities and vehicle costs. Equally we saw an increase in postage, subscriptions and cleaning related to changes due to lockdown and remote teaching requirements together with the need to run a small 'bubble' for key workers.

Unfortunately many of the School's annual events such as Founders Day, Sports Day and attendance at local agricultural shows were all affected by lockdown. As a result, much of the marketing and recruitment activity was delivered virtually, with the launch of a school video and virtual tour map being two of the highlights, both generating significant traffic through the School website and social media pages.

Longridge has continued to work closely with our overseas partners and we continue to welcome a small number of international pupils as boarders for full-time education or shorter term visits for languages. Again, some international activity was curtailed by C-19, but we have retained these links and hope to welcome back international pupils as soon as we are allowed.

The overdraft position at the year-end was zero (2019 £232,155).

Reserves

The Governors reviewed the structure of Reserves in 2008 and, having considered the income and expenditure streams, they split them into four funds:

Science Facilities (note 19): This fund has been credited with the donations made during previous years. This fund is being expended on refurbishment of the Science facilities.

Major Repairs Fund (note 21): In 2008 the Governors identified that a number of aspects of the main building would require substantial expenditure in the next fifteen years and this work is progressing at a steady pace to ensure that the fabric of the building is maintained at a satisfactory level.

Bursary Fund: It has become apparent to Governors that the current financial issues affecting the United Kingdom may well impact on the School and they have therefore created a reserve for those existing parents facing financial hardship.

General Fund: The main balance of reserves is held in the General Fund. The Board of Governors review this on an annual basis taking into consideration the inherent risk associated with running an independent school. The Board always takes into consideration the wider economic environment and the potential impact that this can have on the results for the year. The balance of funds is reviewed taking into consideration operational and financial plans for the year to ensure that the School has sufficient funding to meet the objectives on an on-going basis.

LONGRIDGE TOWERS SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Risk Management

Risks are identified, assessed and controlled throughout the year. The key controls used by the School include:

- Detailed terms of reference for each Committee;
- Formal agendas and minutes for all Committee and Board activity;
- Comprehensive budgeting, cash flow forecasting and management accounting, with a full report each term to the Finance and General Purposes Committee;
- Established organisational structure and lines of reporting;
- Formal written policies;
- Detailed risk assessments;
- Clear authorisation and approval levels; and
- Vetting procedures as required by law for the protection of children.

Through these risk management processes, the Governors are satisfied that the major risks identified have been mitigated where possible. However, it is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Risks and Future Uncertainty

C-19 and lockdown have had a significant impact upon the School from many angles: a full term of remote (virtual) learning, significant times of furlough for most staff and then considerable changes to the site and buildings to allow Longridge to safely welcome pupils, staff and parents back on site as restrictions permit.

Since the start of the new school year, Longridge has continued to adapt and change accordingly with a new layout to the main building and several periods of lockdown and remote learning.

Whilst it is impossible to foresee what the long-lasting impact will be from C-19 it seems unlikely that its full effect will be known for some time. There have been a few withdrawals for financial reasons, at this stage. New registrations for September 2020 have been slow, and the traditional May Open Morning was cancelled. The School's Marketing Manager has worked through the current lockdown and maintained the School's profile on social media and produced the weekly newsletter to generate as much positive publicity as possible. While we started the school year with a reduced roll, during 2020/21 we have been fortunate to grow our roll back to 2019/20 levels either through parents moving to the area, or choosing a different environment for their children's education.

Pension Scheme

The School has exited the final salary Teacher's Pension Scheme (England and Wales) during the school year and has joined a money purchase pensions scheme operated by Aviva for both teaching and support staff. Note 1.14 provides details on the scheme. This has not been an easy transition and the Governors are grateful for the flexibility shown by staff in making this change which they consider an important one for the School.

LONGRIDGE TOWERS SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management

Summary

The charitable company is a company limited by guarantee and has no share capital.

Longridge Towers School was incorporated on 2 November 1982 and is governed by its Memorandum and Articles of Association. The company is limited by guarantee and has no share capital. The company registered as a charity on 28 February 1983.

The School's objects, as set out in the original Memorandum of Association of 1982 and as amended on 14 March 2011, are the advancement of education, including the provision of boarding or day schools for the education of children of either or both sexes.

The Governors, who are also the directors for the purpose of company law, and who served during the year were:

Mr. A.E.R. Bell (Chairman)	3,4,5,12	
Mr. J.A. Houston	3,4,5	(Deceased 11 January 2021)
Dr. E.C. Miller	1,6,7,9	
Mr. A.N. Birkett	1,7,9	
Mr. T.M.Bramald	11	
Mrs. A. R. Marshall	1,3,8	
Mrs. D.L. Dakers	6,13	
Mrs. P.J. Derries	11	(Appointed 28 January 2019)
Mrs. S. J. S. Dalrymple	6,10	(Appointed 28 January 2019)
Mr. M. Mole	2,6	(Appointed 16 March 2021)

Positions held as at 31 August 2020.

- 1 indicates those Governors who serve on the Risk Committee;
- 2 indicates those Governors who serve on the Estate and Fabric Committee;
- 3 indicates those Governors who serve on the Finance and General Purpose Committee;
- 4 indicates those Governors who serve on the Development Committee;
- 5 indicates those Governors who are parents of former pupils at the School;
- 6 indicates those Governors who are parents of pupils at the School;
- 7 indicates those Governors with joint responsibility for Safeguarding;
- 8 indicates the Governor with responsibility for Health and Safety;
- 9 indicates those Governors with joint responsibility for Boarding;
- 10 indicates the Governor with responsibility for the Junior Department;
- 11 indicates those Governors who serve on the Education Committee;
- 12 indicates those Governors who serve on the Nominations Committee ; and
- 13 indicates those Governors who serve on the Marketing Committee.

Additionally an Awards committee exists for which the Governors are anonymous.

LONGRIDGE TOWERS SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Appointment of Governors

Governors are selected by reference to specialist skills, personal competence, knowledge of the School, and local availability. Their appointment is confirmed by the members in general. In December 2016, Governors established a Nominations Committee for the purpose of recruiting and appointing Governors.

New Governors are given induction training when they are appointed. Existing Governors are also given on-going training, to ensure they have the detailed knowledge to carry out their duties.

Organisational Management

The Board of Governors, as the charity trustees of the School, are legally responsible for the overall management and control of the School, and meet at least three times a year. Six sub committees report to the main Board. The Finance and General Purposes Committee is responsible for reviewing all financial matters and ensuring that a robust Three Year Business Plan is prepared and reviewed annually. The Awards Committee sets policies for awards and allowances, and assesses applications for means-tested Bursaries, including cases of financial Hardship. The Estate and Fabric Committee is responsible for the buildings and estate and ensuring that a long term plan is prepared for the maintenance and upgrade of the facilities taking heed of the constraints that apply to the main house, which is a listed building. The Development Committee is responsible for controlling the implementation of large capital projects which have been identified by the Estates and Fabric Committee. The Risk Committee regularly reviews the operation of the School and ensures that matters such as Safeguarding, Emergency Planning and Health and Safety are monitored and updated in line with legislation and best practice. The Education Committee reviews the Curriculum and reports to the Board on all matters which relate to Education including matters such as examination results and staffing.

Post balance sheet date we have carried out a review of the committees and their related Terms of Reference has been conducted and implemented.

It is with deep sadness we record the passing of one of our School Governors. Jim Houston was a true gentleman and a real friend of Longridge and many members of the School community over many years. He was one of our founders; he chaired the fund-raising appeal to establish the School in 1983 and served on the board of Governors for nearly forty years. We are grateful for, and will miss, his considerable contribution to the School from all angles. We will also miss his company.

While the Governors set out the general policies and strategy of the School, the day-to-day running is delegated to the Headmaster and Bursar, supported by the Senior Leadership Team. The Headmaster and Bursar attend all meetings of the Committees whilst the entire Senior Leadership Team attends all the meetings of the main Board. The Senior Leadership Team comprises: the Head, Deputy Head, Junior Head, Designated Safeguarding Lead and Bursar (Finance Director).

Pay and remuneration policy for senior staff

The pay of all teaching and support staff is guided by the School's current pay scales. Salaries for the Senior Leadership Team are reviewed by the Governor's Remuneration Committee against benchmarking information supplied by the Association of Governing Bodies of Independent Schools which conducts an annual survey.

Investments Powers

These are governed by the Articles of Association which permit investments in any security or property as allowed by Law and also the Charity Commission.

LONGRIDGE TOWERS SCHOOL

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Thank You

The last year has been exceptional. We would like to say thank you to all members of the Longridge community for everything that has been done to support the School over the past twelve months. We recognise the challenges that the C-19 pandemic has presented to everybody, we hope everybody can remain healthy as we emerge from it and we dearly look forward to the time we can celebrate being together at Longridge again. We have two years of pupils' considerable achievements to catch up on!

Auditor

The auditor, Greaves West & Ayre, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

The Governors' report, including the strategic report, was approved by the Board of Governors.

Mr. A.E.R. Bell (Chairman)

Governor

Dated: 12 May 2021

LONGRIDGE TOWERS SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The Governors, who are also the directors of Longridge Towers School for the purpose of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees 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.

LONGRIDGE TOWERS SCHOOL

INDEPENDENT AUDITOR'S REPORT

TO THE GOVERNORS OF LONGRIDGE TOWERS SCHOOL

Opinion

We have audited the financial statements of Longridge Towers School (the 'charitable company') for the year ended 31 August 2020 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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 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.

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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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.

LONGRIDGE TOWERS SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF LONGRIDGE TOWERS SCHOOL

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Governors' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

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

In preparing the financial statements, the Governors are responsible for assessing the 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Greaves West & Ayre

21 May 2021

**Chartered Accountants
Statutory Auditor**

17 Walkergate
Berwick-upon-Tweed
Northumberland
TD15 1DJ

LONGRIDGE TOWERS SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF LONGRIDGE TOWERS SCHOOL

Greaves West & Ayre is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

LONGRIDGE TOWERS SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2020

		Unrestricted funds general 2020	Unrestricted funds designated 2020	Restricted funds 2020	Total 2020	Unrestricted funds general 2019	Unrestricted funds designated 2019	Restricted funds 2019	Total 2019
Notes	£	£	£	£	£	£	£	£	£
<u>Income and endowments from:</u>									
Donations and legacies	3	3,520	-	-	3,520	8,864	901	-	9,765
Charitable activities	6	3,987,537	(395,614)	-	3,591,923	4,311,591	(407,806)	-	3,903,785
Other trading activities		-	-	-	-	-	-	-	-
Investments	4	201	-	-	201	54	-	-	54
Material other income		-	-	-	-	-	-	-	-
Other income	5	410,844	-	-	410,844	1,500	-	-	1,500
Total income		4,402,102	(395,614)	-	4,006,488	4,322,009	(406,905)	-	3,915,104
<u>Expenditure on:</u>									
Raising funds		-	-	-	-	-	-	-	-
Charitable activities	9	3,736,837	-	3,470	3,740,307	3,900,171	-	3,470	3,903,641
Enabling Planning costs written off		-	-	-	-	-	-	-	-
Other	11	243	-	-	243	-	-	-	-
Total resources expended		3,737,080	-	3,470	3,740,550	3,900,171	-	3,470	3,903,641
Net incoming/(outgoing) resources before transfers		665,022	(395,614)	(3,470)	265,938	421,838	(406,905)	(3,470)	11,463

LONGRIDGE TOWERS SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2020

	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £
Net incoming/(outgoing) resources before transfers	665,022	(395,614)	(3,470)	265,938	421,838	(406,905)	(3,470)	11,463
Gross transfers between funds	(395,614)	395,614	-	-	(404,836)	408,306	(3,470)	-
Net income/(expenditure) for the year/								
Revaluation of tangible fixed assets	-	-	-	-	-	-	-	-
Actuarial loss on defined benefit pension schemes	-	-	-	-	-	-	-	-
Other gains or losses	-	-	-	-	-	-	-	-
Net movement in funds	269,408	-	(3,470)	265,938	17,002	1,401	(6,940)	11,463
Fund balances at 1 September 2019	3,896,112	61,995	26,767	3,984,874	3,879,110	60,594	33,707	3,973,411
Fund balances at 31 August 2020	<u>4,165,520</u>	<u>61,995</u>	<u>23,297</u>	<u>4,250,812</u>	<u>3,896,112</u>	<u>61,995</u>	<u>26,767</u>	<u>3,984,874</u>

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.

LONGRIDGE TOWERS SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	12		4,809,771		4,848,609
Current assets					
Stocks	13	5,899		24,433	
Debtors	14	182,907		197,929	
Cash at bank and in hand		63,286		533	
		<u>252,092</u>		<u>222,895</u>	
Creditors: amounts falling due within one year	17	<u>(811,051)</u>		<u>(1,069,171)</u>	
Net current liabilities			(558,959)		(846,276)
Total assets less current liabilities			<u>4,250,812</u>		<u>4,002,333</u>
Creditors: amounts falling due after more than one year	18		-		(17,459)
Net assets			<u>4,250,812</u>		<u>3,984,874</u>
Income funds					
Restricted funds	19		23,297		26,767
<u>Unrestricted funds</u>					
Designated funds	21	61,995		61,995	
General unrestricted funds		340,791		71,383	
Revaluation reserve		3,824,729		3,824,729	
		<u>4,227,515</u>		<u>3,958,107</u>	
			<u>4,250,812</u>		<u>3,984,874</u>

LONGRIDGE TOWERS SCHOOL

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2020

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

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

The financial statements were approved by the Governors on 26 April 2021

Mr. A.E.R. Bell (Chairman)
Trustee

Mrs. A. Marshall
Trustee

Company Registration No. 01675232

LONGRIDGE TOWERS SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	24		365,082		83,743
Investing activities					
Purchase of tangible fixed assets		(24,410)		(79,880)	
Proceeds on disposal of tangible fixed assets		(243)		1,500	
Investment income received		201		54	
Net cash used in investing activities			(24,452)		(78,326)
Financing activities					
Payment of obligations under finance leases		(13,897)		31,671	
Net cash (used in)/generated from financing activities			(13,897)		31,671
Net increase in cash and cash equivalents			326,733		37,088
Cash and cash equivalents at beginning of year			(263,447)		(300,535)
Cash and cash equivalents at end of year			63,286		(263,447)
Relating to:					
Cash at bank and in hand			63,286		533
Bank overdrafts included in creditors payable within one year			-		(263,980)

LONGRIDGE TOWERS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Charity information

Longridge Towers School is a private company limited by guarantee incorporated in England and Wales. The registered office is Longridge Towers, Berwick-upon-Tweed, Northumberland, TD15 2XQ.

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Governors have reviewed the current financial position and the forecasts for both the current and the next financial year. Their view is that as the School had adequate resources and with the continued support of its bankers it can continue to operate on the existing basis for the foreseeable future. Accordingly they have continued to adopt the going concern basis in preparing their annual report and accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Governors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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

Major Repairs Fund

The Governors have identified that a number of aspects of the main building will require substantial expenditure in the next decade. This work has already started with a refurbishment of the roof on the East Wing.

Bursary Fund

This fund has been set up so that the allocation of funding from net fee income to enable pupils to enter the School who could not otherwise afford the fees can be readily identified and monitored.

Bursaries are also available to those existing parents facing financial hardship who could not otherwise continue to keep their child at the School.

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 accounts.

Science Facilities

This fund has been credited with the donations made during the previous years. This fund is being expended on refurbishment of the Science facilities.

1.4 Incoming resources

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

LONGRIDGE TOWERS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charitable company 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 charitable company 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.

All grants are used for charitable expenditure and capital items, and are recognised in full in the year in which they are receivable.

Fees received in advance are held on behalf of parents and are only taken to the profit and loss account when utilised in payment of School fees.

Acceptance deposits are payable when a pupil accepts a place at the School and are refundable when the pupil leaves the School. These deposits are considered to be returnable to the parents less any moneys owed to the School and thus are not treated as income in the accounts of the School.

1.5 Resources expended

Expenditure is allocated to the specific expenses heading to which it relates and is recognised on an accruals basis.

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Expenditure of less than £1,000 on the replacement or improvement of tangible fixed assets is written off as incurred, except where the item of expenditure can be identified as original capital.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings	Nil
Fixtures, fittings & equipment	25% Reducing balance / 20% - 25% Straight line
Motor vehicles	25% Straight Line

Donated assets are capitalised at their estimated value at the time of receipt of the gift. These assets are then fully depreciated in the year of the gift.

Although the accounting standards and Companies Act requires depreciation of fixed assets, the freehold buildings are not depreciated. The Governors believe that a departure from the requirements of the standards is appropriate in order for the accounts to give a true and fair view. In the opinion of the Governors the freehold buildings are maintained in such a state of repair that their residual value is at least equal to their net book value.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

LONGRIDGE TOWERS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible and intangible 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 Stocks

Stock is valued at the lower of cost and net realisable value.

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

LONGRIDGE TOWERS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.11 Employee benefits

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

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

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Transfers

Transfers between the funds are discussed and approved by the Governors.

LONGRIDGE TOWERS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.14 Retirement benefits

The School participated in the Teachers' Pension Scheme up until 31 December 2019 ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £106,956 (2019: £242,767) and at the year-end £ Nil (2019: £30,800) was accrued in respect of contributions to this scheme.

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 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

LONGRIDGE TOWERS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Total 2019 £
Donations and gifts	3,520	8,864	901	9,765

4 Investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Interest receivable	201	54

5 Other income

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Net gain on disposal of tangible fixed assets	-	1,500
Coronavirus job retention scheme	410,844	-
	<u>410,844</u>	<u>1,500</u>

LONGRIDGE TOWERS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

6 Charitable activities

	Unrestricted Funds 2020 £	Total 2019 £
Tuition fees	3,907,371	4,127,416
School meals	85,042	124,346
Boarding	263,004	266,255
School bus	137,514	219,238
Hire of school facilities	689	10,235
Registration	4,700	4,899
Sundry income	6,335	14,533
Less: Bursaries	(812,732)	(863,137)
	<u>3,591,923</u>	<u>3,903,785</u>
Analysis by fund		
Unrestricted funds - general	3,987,537	4,311,591
Unrestricted funds - designated	(395,614)	(407,806)
	<u>3,591,923</u>	<u>3,903,785</u>

7 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Audit fees	-	8,000	8,000	-	8,000	8,000
Accountancy and other	-	1,817	1,817	-	7,609	7,609
Legal and professional	-	18,006	18,006	-	10,886	10,886
	<u>-</u>	<u>27,823</u>	<u>27,823</u>	<u>-</u>	<u>26,495</u>	<u>26,495</u>
Analysed between						
Charitable activities	<u>-</u>	<u>27,823</u>	<u>27,823</u>	<u>-</u>	<u>26,495</u>	<u>26,495</u>

Governance costs includes payments to the auditors of £8,000 (2019- £8,000) for audit fees.

8 Governors

None of the Governors (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

LONGRIDGE TOWERS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Charitable activities

	Education Costs	Catering Costs	Boarding & Property Costs	Transport Costs	General Admin & Overhead Costs	Total 2020	Total 2019
	£	£	£	£	£	£	£
Staff costs	1,920,882	107,174	119,046	285,964	366,597	2,799,663	2,911,558
Depreciation and Impairment	-	-	32,184	31,064	-	63,248	64,970
Teaching resources	66,401	-	-	-	-	66,401	81,035
Repairs and cleaning	-	232	166,365	-	5,709	172,306	148,751
Heat and light	-	1,523	73,994	-	-	75,517	88,637
Food costs	-	68,610	-	-	-	68,610	104,628
Motor expenses	-	-	-	15,086	-	15,086	19,408
Rates and insurances	-	-	69,279	-	-	69,279	69,815
School bus service costs	-	-	-	107,088	-	107,088	130,280
General admin	3,576	-	6,213	-	19,637	29,426	48,350
Postage, stationery, advertising and telephone	-	-	-	-	94,802	94,802	83,474
Bank charges and interest	-	-	-	-	6,462	6,462	11,240
Staff recruitment costs	-	-	-	-	2,330	2,330	2,598
Commission	-	-	-	-	14,257	14,257	18,710
Subscriptions	-	-	-	-	30,630	30,630	27,731
Bad debts	-	-	-	-	95,250	95,250	62,452
Hire purchase interest	-	-	-	-	2,129	2,129	3,509
	<u>1,990,859</u>	<u>177,539</u>	<u>467,081</u>	<u>439,202</u>	<u>637,803</u>	<u>3,712,484</u>	<u>3,877,146</u>
Share of governance costs (see note 7)	8,000	1,817	18,006	-	-	27,823	26,495
	<u>1,998,859</u>	<u>179,356</u>	<u>485,087</u>	<u>439,202</u>	<u>637,803</u>	<u>3,740,307</u>	<u>3,903,641</u>

LONGRIDGE TOWERS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Charitable activities

(Continued)

	Education Costs	Catering Costs	Boarding & Property Costs	Transport Costs	General Admin & Overhead Costs	Total 2020
	£	£	£	£	£	£
Analysis by fund						
Unrestricted funds - general	1,998,859	179,356	481,617	439,202	637,803	3,736,837
Restricted funds	-	-	3,470	-	-	3,470
	<u>1,998,859</u>	<u>179,356</u>	<u>485,087</u>	<u>439,202</u>	<u>637,803</u>	<u>3,740,307</u>
For the year ended 31 August 2019						
Unrestricted funds - general	2,231,528	232,702	464,848	440,371	530,722	3,900,171
Restricted funds	-	-	3,470	-	-	3,470
	<u>2,231,528</u>	<u>232,702</u>	<u>468,318</u>	<u>440,371</u>	<u>530,722</u>	<u>3,903,641</u>

LONGRIDGE TOWERS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Teaching	45	44
Administration	15	10
Other	21	26
	<u>81</u>	<u>80</u>

Employment costs

	2020 £	2019 £
Wages and salaries	2,332,574	2,433,006
Social security costs	196,515	215,483
Other pension costs	270,574	263,069
	<u>2,800,063</u>	<u>2,911,558</u>

No Governor received any remuneration from the school during the year. During the year no Governors received reimbursed expenses (2019 0 Governors received £Nil) relating to provision of training and travel.

The number of employees whose annual remuneration was £60,000 or more were:

	2020 Number	2019 Number
£60,001 - £70,000	3	3
£80,001 - £90,000	1	1
	<u>4</u>	<u>4</u>

Of the employees whose emoluments exceed £60,000, 1 (2019: 1) has retirement benefits accruing under defined benefit pension schemes.

11 Other

	Unrestricted funds general 2020	Total £ 2019
Net loss on disposal of tangible fixed assets	<u>243</u>	<u>-</u>

LONGRIDGE TOWERS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

12 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2019	4,596,989	662,822	164,058	5,423,869
Additions	-	14,916	9,494	24,410
Disposals	-	(152,646)	(4,528)	(157,174)
At 31 August 2020	4,596,989	525,092	169,024	5,291,105
Depreciation and impairment				
At 1 September 2019	-	480,182	95,078	575,260
Depreciation charged in the year	-	32,184	31,064	63,248
Eliminated in respect of disposals	-	(152,646)	(4,528)	(157,174)
At 31 August 2020	-	359,720	121,614	481,334
Carrying amount				
At 31 August 2020	4,596,989	165,372	47,410	4,809,771
At 31 August 2019	4,596,989	182,640	68,980	4,848,609

All fixed assets are used in direct furtherance of the charity's objects.

The land and property of the School was valued in August 2012 by Lambert Smith Hampton, Chartered Surveyors, at a value of £4,593,750. The specialist property of the School was valued using the Depreciated Replacement Cost method and property other than specialist property is valued on the basis of Market Value.

No depreciation is charged on the property as per the accounting policy. A depreciation charge of £224,474 would have been expended to the Income and expenditure account if the property were depreciated.

The land element of £107,500 is included within the revaluation.

13 Stocks

	2020 £	2019 £
Raw materials and consumables	5,899	24,433

LONGRIDGE TOWERS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

14 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	62,808	176,599
Other debtors	86,692	-
Prepayments and accrued income	33,407	21,330
	<u>182,907</u>	<u>197,929</u>

15 Loans and overdrafts

	2020	2019
	£	£
Bank overdrafts	-	263,980
	<u>-</u>	<u>263,980</u>
Payable within one year	-	263,980
	<u>-</u>	<u>263,980</u>

The bank overdraft is secured by a legal charge over assets of Longridge Towers School and is repayable on demand.

16 Finance lease commitments

Future minimum lease payments due under finance leases:

	2020	2019
	£	£
Within one year	15,183	13,954
Within two and five years	2,591	17,717
	<u>17,774</u>	<u>31,671</u>

Hire purchase loans are secured against the assets to which they relate.

LONGRIDGE TOWERS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

17 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Bank overdrafts	15	-	263,980
Obligations under finance leases	16	17,774	14,212
Other taxation and social security		56,191	51,914
Payments received on account		483,589	435,433
Trade creditors		72,061	26,572
Other creditors		132,412	199,941
Accruals and deferred income		49,024	77,119
		<u>811,051</u>	<u>1,069,171</u>

Hire purchase creditors are secured against the assets to which they relate.

18 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Obligations under finance leases	16	-	17,459
		<u>-</u>	<u>17,459</u>

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 September 2018 £	Resources expended £	Transfers £	Balance at 1 September 2019 £	Resources expended £	Balance at 31 August 2020 £
Science Facilities Fund	33,707	(3,470)	(3,470)	26,767	(3,470)	23,297
	<u>33,707</u>	<u>(3,470)</u>	<u>(3,470)</u>	<u>26,767</u>	<u>(3,470)</u>	<u>23,297</u>

LONGRIDGE TOWERS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Analysis of net assets between funds

	Unrestricted 2020 £	Designated 2020 £	Restricted 2020 £	Total 2020 £	Unrestricted 2019 £	Designated 2019 £	Restricted 2019 £	Total 2019 £
Fund balances at 31 August 2020 are represented by:								
Tangible assets	4,809,771	-	-	4,809,771	4,848,609	-	-	4,848,609
Current assets/(liabilities)	(644,251)	61,995	23,297	(558,959)	(935,038)	61,995	26,767	(846,276)
Long term liabilities	-	-	-	-	(17,459)	-	-	(17,459)
	<u>4,165,520</u>	<u>61,995</u>	<u>23,297</u>	<u>4,250,812</u>	<u>3,896,112</u>	<u>61,995</u>	<u>26,767</u>	<u>3,984,874</u>

21 Designated funds

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

	Movement in funds							
	Balance at 1 September 2018 £	Incoming resources £	Bursaries and allowances £	Transfers £	Balance at 1 September 2019 £	Bursaries and allowances £	Transfers £	Balance at 31 August 2020 £
Major Repairs Fund	-	-	-	-	-	-	-	-
Bursary Fund	60,594	901	(407,806)	408,306	61,995	(395,614)	395,614	61,995
	<u>60,594</u>	<u>901</u>	<u>(407,806)</u>	<u>408,306</u>	<u>61,995</u>	<u>(395,614)</u>	<u>395,614</u>	<u>61,995</u>

LONGRIDGE TOWERS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

22 Financial commitments, guarantees and contingent liabilities

At 31 August 2019 a contingent liability exists in respect of windows replaced in previous years.

At this time the costs of further work required in order to ensure compliance with planning regulations is not known with certainty.

23 Related party transactions

Remuneration of key management personnel

Key management has been determined to be the Governors and the five members of the senior management team. Governors receive no remuneration or benefits. The total remuneration of the senior management team excluding employers National Insurance was:-

	2020 £	2019 £
Aggregate compensation	330,816	295,816

Transactions with related parties

During the year the charitable company entered into the following transactions with related parties:

Certain Governors' children are pupils attending Longridge Towers School. Fees are paid on normal commercial terms.

The discounts received in the form of academic scholarship and bursaries towards their children educated at the school amounting to £13,139 (2019 £18,807).

The scholarships have been awarded to the children based on performance in the annual scholarship examinations.

The provision of these scholarships were approved by the Charities Commission.

LONGRIDGE TOWERS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

24	Cash generated from operations		2020	2019
			£	£
	Surplus for the year		265,938	11,462
	Adjustments for:			
	Investment income recognised in statement of financial activities		(201)	(54)
	Loss/(gain) on disposal of tangible fixed assets		243	(1,500)
	Depreciation and impairment of tangible fixed assets		63,248	64,970
	Movements in working capital:			
	Decrease in stocks		18,534	10,060
	Decrease in debtors		15,022	18,642
	Increase/(decrease) in creditors		2,298	(19,837)
	Cash generated from operations		365,082	83,743
25	Analysis of changes in net funds/(debt)			
		At 1 September	Cash flows	At 31 August
		2019		2020
		£	£	£
	Cash at bank and in hand	533	62,753	63,286
	Bank overdrafts	(263,980)	263,980	-
		(263,447)	326,733	63,286
	Obligations under finance leases	(31,671)	13,897	(17,774)
		(295,118)	340,630	45,512

LONGRIDGE TOWERS SCHOOL

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2020

	2020	2019
	£	£
Donations and legacies		
Donations and gifts - unrestricted	3,520	8,864
Donations and gifts - Designated	-	901
	<hr/>	<hr/>
	3,520	9,765
Investment income		
UF Other interest receivable operating	201	54
Incoming resources from charitable activities		
Tuition Fees	3,894,614	4,100,754
Specialist tuition fees	12,757	26,662
Boarding charges	263,004	266,255
Registration fees	4,700	4,899
	<hr/>	<hr/>
Gross school fees	4,175,075	4,398,570
Bursaries and allowances	(812,732)	(863,137)
Income from lunches	85,042	124,346
Income from school bus service	137,514	219,238
Hire of school facilities	689	10,235
Sundry income	6,335	14,533
	<hr/>	<hr/>
	(583,152)	(491,815)
Other incoming resources		
UF Gain on disposal of tangible fixed assets	-	1,500
Other income- Coronavirus job retention scheme	410,844	-
	<hr/>	<hr/>
	410,844	1,500
Total incoming resources	<hr/>	<hr/>
	4,006,488	3,915,104
Balance Carried Forward	<hr/>	<hr/>
	4,006,488	3,915,104

LONGRIDGE TOWERS SCHOOL

DETAILED INCOME AND EXPENDITURE ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

	2020	2019
	£	£
Balance Brought Forward	4,006,488	3,915,104
<u>Resources expended</u>		
Charitable activities		
Education Costs		
Teachers Salaries	1,920,882	2,089,996
Books, stationery and consumables	66,401	81,035
Sundry expenses	3,576	20,437
	<hr/>	<hr/>
	(1,990,859)	(2,191,468)
Catering Costs		
Salaries	107,174	117,142
Repairs and renewals	232	1,589
Heat and light	1,523	1,734
Food costs	68,610	104,628
	<hr/>	<hr/>
	(177,539)	(225,093)
Balance Carried Forward	<hr/> 1,838,090	<hr/> 1,498,543

LONGRIDGE TOWERS SCHOOL

DETAILED INCOME AND EXPENDITURE ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

	2020	2019
	£	£
Balance Brought Forward	1,838,090	1,498,543
Boarding, Property and Transport Costs		
Boarding salaries	119,046	113,221
Property and transport salaries	285,964	290,683
Fixtures and fittings depreciation	28,714	32,060
Motor vehicle depreciation	31,064	29,440
Fixtures and fittings depreciation - restricted	3,470	3,470
Repairs and cleaning expenses	166,365	144,924
Heat and light	73,994	86,903
Rates and insurances	69,279	69,815
Other boarding costs	6,213	9,659
Motor and transport costs	15,086	19,408
School bus service	107,088	130,280
	<u>(906,283)</u>	<u>(928,867)</u>
Administration and General Overhead Costs		
Salaries	366,597	300,516
Equipment maintenance and repairs	5,709	2,238
General administration expenses	19,637	18,254
Postage, stationery, advertising and telephone	94,802	83,474
Bank charges and interest	6,462	11,240
Staff recruitment costs	2,330	2,598
Introductory commission	14,257	18,710
Subscriptions	30,630	27,731
Bad debts	95,250	62,452
Hire purchase interest	2,129	3,509
	<u>(637,803)</u>	<u>(530,722)</u>
Audit fees	8,000	8,000
Auditors' fees for non-audit work	1,817	7,609
Legal and professional	18,006	10,886
	<u>(27,823)</u>	<u>(26,495)</u>
Other resources expended		
Loss on disposal of tangible fixed assets	(243)	-
Surplus for the Year from charitable activities	<u>265,938</u>	<u>11,463</u>
Surplus for the Year	<u><u>265,938</u></u>	<u><u>11,463</u></u>