

THE UNICORN SCHOOL LIMITED

A company limited by guarantee

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

Charity number: 312578

Company number: 993831 (England and Wales)



THE UNICORN SCHOOL LIMITED

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THE UNICORN SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

LEGAL STATUS

The Unicorn School Limited was established on 9 November 1970 under the Companies Act. The company is a registered charity and is limited by guarantee. The Board of Directors are the Board of Governors, who are elected by the members of the company in accordance with the Articles of Association. The Governors are also trustees of the charitable company. The members are the Governors and the current parents.

THE BOARD OF GOVERNORS

G Bayliss (Co-Chair of Governors)

M Byatt (Co-Chair of Governors)

P Aubery

A Chandler

T Ewing

H Keighley-Elstub

S Lehec

P O'Neill

I Thomson

K Warner

J Webbern

S Willis

SENIOR MANAGEMENT

HEAD

P Fraley – effective 1 September 2021

K Thompson – to 31 August 2021

BURSAR

C Mathias

COMPANY SECRETARY

C Mathias

REGISTERED COMPANY NO.

993831

REGISTERED CHARITY NO.

312578

BANKERS

Coutts & Co

440 Strand

London WC2R 0QS

REGISTERED OFFICE

238 Kew Road

Richmond

Surrey TW9 3JX

SOLICITORS

GBH Law Limited

7/8 Innovation Place

Douglas Drive

Godalming

Surrey GU7 1JX

AUDITORS

WSM Advisors Limited

Chartered Accountants & Registered Auditors

Connect House

133-137 Alexandra Road

London SW19 7JY

THE UNICORN SCHOOL LIMITED

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021

The Governors, who are also directors for the purposes of the Companies Act, are pleased to present their report together with the financial statements of the charitable company for the year ended 31 August 2021 and to confirm that they comply with the requirements of the Charities Act 2011, the Memorandum of Association of the Company and the Charities Statement of Recommended Practice (FRS102) (as amended for accounting periods commencing on or after 1 January 2016).

The legal and administrative information set out on page 1 forms part of this report.

THE CHAIRS' REPORT

The School has had a highly successful and busy year (notwithstanding COVID-19) in which 170 children have received tuition. The School's ethos and reputation continue to attract parents to Unicorn in an increasingly competitive catchment area. Priority is given to siblings of children already in the school and to the children of Old Unicorns. There are waiting lists and when places occasionally become available applications are considered.

The Governors were sorry to receive the resignation of Kit Thompson who gave the school eight sterling years of service. Following a rigorous recruitment process, Mrs Polly Fraley, the Deputy Head, was appointed to take over in September 2021 as Headteacher.

There is increasing competition for places at independent secondary schools in west London. Nevertheless, our Year 6 pupils were successful in being offered places at a range of schools at 11+ which were carefully chosen to meet the needs of individual pupils. From a cohort of 17 pupils, 64 offers were received from 36 different independent, single sex and co-educational schools, including 2 at 13+. The range of schools is in keeping with Unicorn as a co-educational, non-selective school. Five Academic, one Music and one Art scholarship were offered. In alphabetical order, pupils accepted offers from: Cranford House, Cranleigh (13+), Dunhurst Prep (Bedales), Godolphin & Latymer, Hampton, The Harrodian, ISL Gunnersbury, Kingston Grammar School, Lady Eleanor Holles, Latymer Upper, St Augustine's Priory, St Edwards Oxford (13+), St James Girls', St John's Leatherhead, St Mary's Ascot, Tiffin Boys and Truro High School.

The high quality of education provided at Unicorn and the results achieved are a testament to the ability and dedication of our teaching staff together with the children's commitment to give of their very best.

OBJECTIVES AND ACTIVITIES

Unicorn School is a co-educational school for children from 3 to 11 years of age.

The principal objectives of the School are to provide a broad and stimulating education to primary school aged children, within a nurturing and inclusive environment, and to achieve high standards without a "pressurised" approach.

There have been no changes in objectives since the last annual report.

THE MISSION

The School is committed to providing a friendly, creative and stimulating learning environment for children between the ages of three and eleven.

OUR ETHOS AND AIMS

Our ethos:

The intentions of the School's founders still remain at the forefront of our thinking. They created a school that educates children and achieves excellent academic outcomes without a "hot-house" approach. This encourages them to flourish creatively and enjoy the process of learning. This is underpinned by parental involvement and the strong community created, with mutual respect and understanding between pupils, parents and staff.

Our aims:

- to have the child and family at the centre of everything we do
- to maintain a happy, welcoming environment for children, families and staff
- to prepare our children to be the best they can be and to establish a lifelong love of learning
- to have high expectations and to recognise that success comes in many forms
- to celebrate the kindness, individuality, diversity, talents and achievements of our pupils
- for learning to be enhanced by a broad curriculum which is embedded with creativity

THE UNICORN SCHOOL LIMITED

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

STRATEGIC PRIORITIES

The Strategic Priorities are set to ensure the School successfully maintains its ethos and achieves its aims remaining true to all Unicorns past and present. The Governing Board's main strategic objectives continue to be that:

- The School maintains its breadth of curriculum and focus on creativity. Every effort is taken to make parents fully aware of the ethos and aims of the School.
- Developing enquiring minds, a growth mindset and low pupil staff ratio are important for pupils' success.
- Pupils are not subjected to excessive testing.
- Thorough assessing, tracking and reporting procedures are central to the School's success together with informal, verbal feedback as an important channel of communication between staff and parents.

ACHIEVEMENT AND PERFORMANCE

Unicorn's broad curriculum extends far beyond the usual academic subject areas and includes topics such as Reflection Time, Pupils Parliament and Debating in Year 5 and Philosophy in Years 5 and 6. The curriculum was further enhanced with certain trips, although the usual extensive programme was curtailed by COVID-19. There were visits to: The Wetland Centre, Bocketts Farm, Bekonscot Model Village, St Augustine's Priory Farm, Kew Gardens and more importantly all three residential trips were able to go ahead with Years 3 and 4 to Sayers Croft, Year 5 to a new venue in Devon and Year 6 to Cumbria. These varying activities provide breadth and challenge in an enquiry-based approach to education.

The pupils greatly enjoyed Unicorn's 50th birthday celebrations in September. Many visitors were welcomed to the School, including: Toys' Workshop, Orange Tree Workshop followed by a performance of 'Twelfth Night'. The whole school took part in The Big Draw, World Kindness Day, Safer Internet Day, Mad March Hair Day and thoroughly enjoyed dressing up for World Book Day.

As ever, the after-school and extra-curricular clubs (guitar ensemble, karate, Unicorn Singers, infant chess club, Tutti Flutti, netball club, violin ensembles, football club, junior ICT activity club, Little Voices, Touch Typing, music theory and orchestra) were much enjoyed by the children and the daily homework club was invaluable to children and parents alike. Seventeen clubs were on offer at our junior clubs' afternoon.

Due to the pandemic, the normal range of sport offered was restricted, however, the children participated in football and cricket matches with fixtures against other schools in the summer term.

At Unicorn music, art and drama are fundamental curricular activities and the majority of pupils learn one or more instruments with considerable success. Pupils participated in musical events including the Richmond Music Festival where fifteen singers competed in six vocal competitions. We had three first places, two second places and three third places awarded. There were outstanding results in online music exams with eleven instrumental and forty-one singing exams. The Christmas Concert was an enjoyable highlight and three Summer Concerts took place where the children performed instrumental solos, ensembles and performed in their class choirs.

Throughout the School there is an abundance of the children's artwork on display everywhere reflecting their talents; inspirational, beautiful, bold, colourful and creative, whether paintings, ceramics, pottery or tapestry, it is of an exceptional standard. Our annual Big Draw saw all the children immersed in designing and creating eco dream homes on the theme of Climate Change.

Drama continues to go from strength to strength with weekly tuition and involvement in Class Assemblies and Class Productions. Our Year 6's performed an outstanding end of year production of 'Star Wars'. The EYFS nativity performance in December was followed by Years 1 and 2's Christmas Show which, were made available to parents via Zoom.

Pupils are encouraged to develop a concern for the wider community through PSHE lessons and charitable fundraising supporting a broad spectrum of charities, which this year included, Skylarks, Link Ethiopia and West London Action for Children.

THE UNICORN SCHOOL LIMITED

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

CHARITY, INCLUDING PUBLIC BENEFIT AND GRANT MAKING

The Governors, as both directors and charitable company trustees, have carefully considered the Charities Act 2011, with specific regard to the Charity Commission's guidance concerning the operation of the Public Benefit requirement under that Act. In particular the School operates a bursary scheme funding places for pupils who would otherwise not have sufficient means to attend the School.

This year the bursary scheme has funded several pupils (4.7% of total pupil numbers) with support at £72,812 in fees and £1,512 in other expenses. This represents 3.5% of our total fees in 2020/21 (2019/20: 3.2%). Donations from the School Committee's fundraising activities through the year to the School's Bursary Fund amounted to £2,494 and the Governors have approved a further contribution of £60,000 from the General Fund to the Bursary Fund.

In 2019/20 we were also able to support pupils who might suffer hardship due to changes in circumstances through the Educational Fund; this latter fund is in place to support junior pupils nearing the end of their time at the School to enable them to continue their education. The fund stands at £95,741 and although available was not required for funding in 2020/21 (2020: £3,685).

The School community makes charitable donations and also helps the local community in a variety of ways. The School undertakes a wide range of charity and outreach programmes for educational purposes and to awaken in our pupils an awareness of the wider social context of the education they receive at the School. The following examples provide a sample of this year's activities and show the School's commitment to supporting the wider community, both locally and further afield.

- The School raised £11,735 net of expenses from fundraising activities during the year; Governors would like to thank parents for their generosity in giving time and money. The School Committee also deserve our thanks, ably led by Mrs Martin. They organised the Party Day, Harvest Festival, mufti days, second hand uniform sales, coin collections, Christmas Carol singalong and tea, 50 years challenge, School disco, moveathon and summer raffle. £9,241 was raised during the year for external charities, including £4,085 to West London Action for Children (offering services to children and their families who are on low incomes) and £2,494 to Skylarks (an independent Richmond-upon-Thames based charity that provides activities and therapies for children with disabilities and additional needs) and £2,494 to Tseda School in Ethiopia through Link Ethiopia. Kew Sparkle were also paid £168 during the year.
- Offerings from the Harvest Festival were shared with members of the local community via West London Action for Children (WLAC).
- In addition, the School continues to hold the TfL's Stars Gold level Accreditation for its school travel plan.
- Further afield the School is maintaining a committed and long-term relationship between Unicorn and Tseda First School in Ethiopia and contributed a further £500. We are also a 'Kew Gardens Partner School'.

THE UNICORN SCHOOL LIMITED

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

FINANCIAL REVIEW

The company made a deficit of £5,492 (2020 deficit: £19,210). Total income and endowments increased by £42,546; pupil numbers were lower and fee increases in the second and third term were offset by fee discounts of over £32,000 in the third term. The company also received grant income of £15,431 in the year. Total expenditure increased by £28,828 due to higher property costs. Some savings were made over the year with reduced school activities due to Covid-19 restrictions.

The company's deficit of £5,492 was made up of a surplus from school activities of £32,650 (2020: £2,140), donations to the Rainbow Fund of £29,505, a contribution from the Educational Fund (£31) and School Committee Fund (£2,494) offset by the use of the Bursary Fund (£70,172).

Transfers to and from the General Fund were made as follows: £29,472 from the Rainbow Fund to the General Fund and £60,000 from the General Fund to the Bursary Fund. During the year £2,494 was also transferred from the School Committee Fund to the Bursary Fund.

The company had positive net cash flow from operating activities of £155,920 (2020 deficit: £3,065). Of these cash flows the company invested £141,775 (2020: £25,781) in capital projects including new kitchen equipment of £80,256, further renovations and new iPads.

The company's financial results were impacted by the Covid-19 pandemic in a number of ways. The Board of Governors sets a target for the annual budget to at least break-even each year and to generate a positive cash flow. This year however, in keeping with the school's ethos and recognising the challenging financial situation faced by some parents, the Governors decided to hold fees at the 2019/20 level for one term and also to offer fee discounts to parents totaling £32,152. An extension and refurbishment of the kitchen cost over £30,000 and the company made a small deficit of £5,492. The Governors agreed that the deficit was appropriate given the improvement in facilities provided and that it did not threaten the financial condition of the company. The company also had a positive cash flow of £155,920 mainly due to an increase in creditors.

The Governors approved fee increases in the year under review at 3.5% for the second and third terms although discounts of 5% were given to most classes in the summer term. They budgeted for a net income before depreciation from operations of £90,617; the actual result was £91,779 (surplus on the General Fund £32,650 (note 16) and depreciation added back of £59,129 (note 7)). The Governors set fees to cover costs over the medium term, taking into account both operating expenses and capital investment requirements.

In terms of fundraising activities, the School Committee raised £16,391 in the year, which after expenses left £11,735 for allocation. The School Committee again decided to divide the surplus between charities selected, with the help of the children, and the Bursary Fund. This has resulted in donations of £9,241 to external charities and £2,494 being transferred to the Bursary Fund. The Bursary Fund has funded fees and disbursements of £74,324 during the year, and the Governors have approved a further contribution of £60,000 to the fund in line with the current estimate for long term requirements.

The teachers left the Teachers' Pension Scheme on 31 August 2020 and have joined Aviva Pension Trust for Independent Schools (APTIS) as of 1 September 2020. The pension charge for the year to 31 August 2021 includes employer contributions payable to APTIS of £143,362.

The Bursar and the Finance Committee have continued to review and where necessary improve financial systems so that the company has up to date, documented and approved financial procedures that are tailored to the School's needs and implemented consistently.

INVESTMENT POWERS, POLICY AND PERFORMANCE

The Governors' policy is to retain cash with minimal risk in bank deposits which are covered by the UK Government's guarantee. With interest rates remaining low, the yield on these accounts is still poor, but the Governors believe that the risks that go with higher returns are inappropriate for the School.

THE UNICORN SCHOOL LIMITED

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

RESERVES

The company's reserves are held in a General Fund and a number of Designated Funds; the balances at year end were as follows:

| | 2021 | 2021 | 2020 | 2020 |
|-------------------------|----------------|------------------|---------|------------------|
| | £ | £ | £ | £ |
| General Fund | | 1,128,933 | | 1,126,811 |
| School Committee Fund | - | | - | |
| Educational Fund | 95,741 | | 95,710 | |
| Rainbow Fund | 80,256 | | 80,223 | |
| Bursary Fund | 110,960 | | 118,638 | |
| Designated Funds | | 286,957 | | 294,571 |
| Total Funds | | 1,415,890 | | 1,421,382 |

Movements on the funds are set out in note 16 to the financial statements.

The General Fund represents the accumulated surpluses of the company over its life. The Fund effectively represents the School's property and other fixed assets.

The Designated Funds are generally held for meeting future expenditure and each have a specific purpose, as follows:

The **School Committee Fund** represents funds raised and set aside to help finance any projects deemed necessary by the School Committee in conjunction with the Head to help the School further its objectives.

The **Educational Fund** represents monies set aside to be used to help finance educational or similar costs of pupils in hardship, particularly those in the junior section of the School who might need assistance in completing their final years.

The **Rainbow Fund** is made up of voluntary donations to help finance major activities and developments in the future. This year the fund has been used to help fund the kitchen refurbishment with a transfer to the General Fund.

The **Bursary Fund** has been set up by the Governors with monies raised by appeal and by the School Committee as well as funds transferred from recent operating surpluses, to be used to provide bursary places for pupils who would otherwise not have sufficient means to attend the School. The balance of the fund stands at £110,960 at 31 August 2021 and is reviewed by the Governors annually to ensure its level of funding is appropriate for the number of pupils currently holding bursary places.

The Governors review the reserves policy and adequacy termly, having regard to levels of forecast fee income and expenditure, and are satisfied that the reserves are both appropriate and sufficient for the School's obligations and activities. All the School's funds are unrestricted.

The Governors will continue to keep fee rises to the lowest level consistent with delivering a high quality education.

LOANS

Loans have been received from members and are subject to repayment within ninety days of the last child of the member ceasing to receive tuition at the School; as per the Articles of Association interest may be paid at the discretion of the Governors but historically none has been paid. The Governors have decided not to pay interest on members' loans in respect of the year covered by the financial statements.

DONATIONS

During the year the School made charitable donations of £10,403 (2020: £9,926).

THE UNICORN SCHOOL LIMITED

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

RISK MANAGEMENT AND PRINCIPAL RISKS

The Governors, with specific assistance from the Risk & Compliance Committee, continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time, as well as the systems and procedures that have been established to manage them. The Risk & Compliance Committee, chaired by Mr M Byatt through to 31 August 2021, maintains a detailed Risk Management Control Form and the staff hold termly Health and Safety review meetings. The minutes from the Staff Health and Safety Committee are brought to the Risk and Compliance meetings. Regulatory compliance forms an important part of the risk management at the School and includes child welfare which is the responsibility of the Designated Safeguarding Lead (Deputy Head), regulatory risk and compliance with charities law. The Governor with specific safeguarding oversight responsibility was Mrs K. Warner through to 31 August 2021. Ms J Webber has taken over this role from 1 September 2021 and Miss S Willis now chairs the Risk and Compliance committee.

Risks are considered and the risk management form updated at least termly by each of the Governors' sub-committees.

The principal risks and uncertainties facing the charitable company and strategy for managing them are as follows:

- The risk of breaching safeguarding obligations leads to a child or children being put at risk and the School suffering from reputational damage – the School takes safeguarding very seriously and has in place a Safeguarding Children and Child Protection policy. The safeguarding Governor raises any issues with the designated Safeguarding Persons who are in place and fully trained. All staff undergo DBS checks prior to appointment with regular follow up checks.
- The risk of fire and loss of use of the building leads to financial loss, significant operational difficulties in finding suitable alternative premises and a reduction in applications to the School – there is regular inspection of all major components of the building which is fully insured and also out of hours monitoring of the fire alarm together with a disaster recovery plan that is reviewed annually.
- The risk of government imposed regulatory and taxation changes that might negatively impact income and expenditure leads to pressure on the long-term financial viability of the School – the School maintains significant cash balances and reserves.
- The risk of losing pupils or not filling places leads to income being significantly lower than expenses which over time puts at risk the financial viability of the School – the School maintains waiting lists for places and the School works hard to maintain its brand and reputation within the local community as a School with a strong ethos that achieves the right results for the children. The School maintains significant cash balances and reserves.
- The risk of being unable to recruit and/or retain high calibre staff leads to non-achievement of the Schools aims – the School has low staff turnover and makes sure its salaries are competitive. In addition, the School focuses on training and development of staff.

Throughout the coronavirus pandemic, the SLT have worked with the support, and approval, of the Governors' Risk Committee to keep Risk Assessments updated and a separate Coronavirus Response Plan in circulation. Risk Assessments and Response Plans are consistent with guidance published from UK Government and Public Health England, while also drawing on advice and procedures provided by the Independent Schools' Bursars Association (ISBA). The Bursar shares information on these unprecedented risks with our insurers who respond accordingly. Risk Assessments related to the safe opening of the school are approved by the full Board of Governors.

THE UNICORN SCHOOL LIMITED

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

GOVERNANCE AND MANAGEMENT

THE BOARD OF GOVERNORS

The Governors who served the charitable company during the period were as follows:

| | |
|-------------------|--|
| P Aubery | |
| G Bayliss | (Non parent Governor) |
| M Byatt | |
| A Chandler | (appointed 6 May 2021) |
| T Ewing | (appointed 6 May 2021) |
| H Keighley-Elstob | (Non parent Governor) |
| S Lehec | (appointed 6 May 2021) (Non parent Governor) |
| P O'Neill | |
| K Warner | (Non parent Governor) |
| J Webber | (Non parent Governor) |
| S Willis | |
| I Thompson | (appointed 6 May 2021) (Non parent Governor) |
| P Hinton | (resigned 22 June 2021) |
| D Smith | (resigned 22 June 2021) |
| N Wright | (resigned 22 June 2021) |

During the year the Governors delegated the day-to-day running of the School to the Headmaster, Mr K Thompson and the Bursar, Mr C Mathias. They were both fully supported by their academic and administrative staff. On 1 September 2021 Mr M Byatt replaced Mr P Hinton as a Co-Chair of Governors.

APPOINTMENT OF GOVERNORS

All parents are provided with information concerning governance and the role of a Governor in their handbook and on the website and are alerted to prospective vacancies by the Chair's newsletter. The Co Chairs, along with the whole governing body, assesses the skills of the Board to ensure appropriate diversity and experience is maintained and they undertake a regular self-evaluation. The Co-Chairs, or relevant Committee Chair, along with another Governor, will interview prospective Governors. Parental Governors who will no longer have a child at the School are expected to resign as a Governor when their child leaves the School. In practice they tend to resign at the AGM preceding that event or by the time their loan note is repaid (within ninety days of the child ceasing to receive tuition at the School).

Notice of the AGM and information and nomination forms for prospective Governors are sent to all parents at around three weeks in advance of the AGM. The Co-Chairs of Governors working with the Head and non-parental Governors have the responsibility of recruiting non-parental Governors, who must follow the same interview, nomination and election process.

THE UNICORN SCHOOL LIMITED

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

GOVERNOR INDUCTION AND TRAINING

The new Governors are provided with statutory documentation and documents relating to the aims and ethos of the School in addition to financial reports, the School Development Plan, past meeting minutes and material relevant to any sub-committee membership. Individual meetings are held as part of their induction and suitable courses are made available for them to attend. They are expected to attend the AGBIS 'Introduction to Governors' full day course during their first year on the Board.

ORGANISATION

The Governors are responsible for the overall management and control of the charitable company and meet each term to review overall activities, with sub-committees (Buildings, Education & Staffing, Finance, ICT and Risk & Compliance) meeting independently. Each committee has a clear remit and the chair of each is responsible for setting objectives over one and three years as part of the School's Strategic Development Plan. This plan is reviewed annually with a 'score card' checked periodically during the year to monitor progress. We are very grateful to our fellow Governors who give up their time and expertise for the School. A number of Governors will stand for re-election as part of our normal rotation required by the Articles. The Governors are also expected to attend the AGM.

Up to 31 August 2021 the Risk and Compliance committee was chaired by Mr M Byatt, and contains the Safeguarding Governor, Mrs K Warner, and the School's Designated Safeguarding Lead, Mrs P Fraley. On 1 September 2021 Ms J Webber became Safeguarding Governor, Miss S Willis became the committee Chair and Mr D Gladstone became the School's Designated Safeguarding Lead.

The Finance Committee, chaired by Mr D Smith up to 31 August 2021 (to be succeeded by Mr T Ewing from 1 September 2021), has specific responsibility to review the financial plans and activities of the School as well as the annual financial statements. The remuneration of Senior Management is authorised by the Co-Chairs of Governors and set with reference to School Benchmarking Surveys.

The School is an IAPS (Independent Association of Preparatory Schools) member school and a member of the ISBA (Independent Schools' Bursars Association). The governing body is a member of AGBIS (Association of Governing Bodies of Independent Schools) and Governors regularly attend training and receive publications.

THE UNICORN SCHOOL LIMITED

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

GOVERNORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements 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 financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Governors are aware:

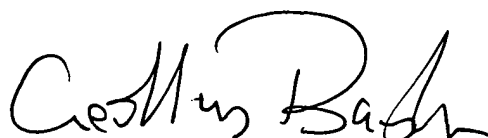
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

A resolution will be proposed at the Annual General Meeting that WSM Advisors Limited be re-appointed auditors to the charitable company.

Report of the Governors approved by the Board of Governors on 10 November 2021 and signed on their behalf by:



Geoffrey Bayliss
Co-Chair of Governors



Mark Byatt
Co-Chair of Governors

THE UNICORN SCHOOL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE UNICORN SCHOOL LIMITED FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the financial statements of The Unicorn School Limited (the 'charitable company') 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 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 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 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.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19. All audits assess and challenge the reasonableness of estimates made by the members and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the charitable company's future prospects and performance.

Covid-19 is amongst the most significant economic events currently faced by the UK, and at the date of this report its effects are still having an impact on schools and teaching. Whilst The Unicorn School Limited has adopted a blended style of learning, the impact of Covid-19 is still being felt as levels of Covid infections in schools are outpacing the government's vaccination programme. Accordingly, the uncertainties in relation to Covid-19 are still in existence in relation to education provision, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the charitable company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a charitable company associated with these particular events.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the members' 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 charitable company'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 members with respect to going concern are described in the relevant sections of this report.

THE UNICORN SCHOOL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE UNICORN SCHOOL LIMITED FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the Statement of Members' Responsibilities, the members (who also the directors of the charitable company and Governors) 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 members 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 members 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 members 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.

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.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates and posting inappropriate journal entries to manipulate the fair value of the charitable company's assets.

THE UNICORN SCHOOL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE UNICORN SCHOOL LIMITED FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

Our tests included agreeing the financial statement disclosures to underlying supporting documentation where relevant, review of Governors' meeting minutes, enquiries with management as to the risks of non-compliance and any instances thereof, challenging assumptions and judgments made by management, and identifying and testing journal entries, in particular any journal entries posted with unusual account combinations. Our audit procedures also focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less like we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements 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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

WSM Advisors Limited

10 November 2021

Sophia M Holborn FCA (Senior Statutory Auditor)
for and on behalf of WSM Advisors Limited
Statutory Auditor
Registered Auditors and Chartered Accountants

.....
Connect House
133-137 Alexandra Road
Wimbledon
London
SW19 7JY

THE UNICORN SCHOOL LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021

| | <i>Notes</i> | <i>2021</i> £ | <i>2020</i> £ |
|---|--------------|------------------|------------------|
| Income from charitable activities | 2 | 2,089,567 | 2,015,628 |
| Income and endowments from: | | | |
| Donations and legacies | 3 | 33,600 | 45,458 |
| Other trading activities | 4 | 16,391 | 17,407 |
| Interest received | 5 | 291 | 2,707 |
| Other income | 6 | 15,431 | 31,534 |
| Total income and endowments | | 2,155,280 | 2,112,734 |
| Expenditure on raising funds | | 4,656 | 3,643 |
| Expenditure on charitable activities | | 2,156,116 | 2,128,301 |
| Total expenditure | 7 | 2,160,772 | 2,131,944 |
| Net expenditure | 9 | (5,492) | (19,210) |
| Reconciliation of Funds | | | |
| Total funds brought forward | | 1,421,382 | 1,440,592 |
| TOTAL FUNDS CARRIED FORWARD | | 1,415,890 | 1,421,382 |

All movements in 2021 and 2020 are in unrestricted funds.

The charity has no recognised gains or losses other than the results for the year as set out above.

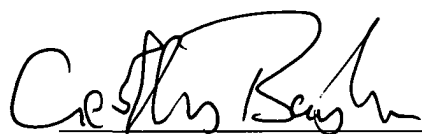
All of the activities of the charity are classed as continuing.

This includes the income and expenditure account.

THE UNICORN SCHOOL LIMITED
BALANCE SHEET AT 31 AUGUST 2021

| | <i>Notes</i> | <i>2021</i> £ | <i>2020</i> £ |
|---|--------------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible fixed assets | 11 | 1,279,899 | 1,198,919 |
| CURRENT ASSETS | | | |
| Debtors | 12 | 73,885 | 49,056 |
| Investments | 13 | - | 75,975 |
| Cash at bank and in hand | | 778,953 | 686,042 |
| | | 852,838 | 811,073 |
| Creditors: amounts falling due within one year | 14 | (716,847) | (588,610) |
| NET CURRENT ASSETS | | 135,991 | 222,463 |
| NET ASSETS | | 1,415,890 | 1,421,382 |
| FUNDS | | | |
| Unrestricted: | | | |
| Designated funds | 16 | 286,957 | 294,571 |
| General funds | 16 | 1,128,933 | 1,126,811 |
| TOTAL FUNDS CARRIED FORWARD | 17 | 1,415,890 | 1,421,382 |

Approved by the Board of Governors on 10 November 2021 and signed on its behalf.



G BAYLISS - Governor

Company registration number: 993831 (England and Wales)

THE UNICORN SCHOOL LIMITED

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021

| | <i>Notes</i> | 2021 | 2020 |
|---|--------------|----------------|----------------|
| | | £ | £ |
| Net expenditure for the year | 9 | (5,492) | (19,210) |
| Adjustments for: | | | |
| Depreciation charges | 9 | 59,129 | 56,994 |
| Interest received | 5 | (291) | (2,707) |
| Profit on the sale of plant and equipment | 11 | (834) | - |
| (Increase) in debtors | 12 | (24,829) | (4,940) |
| Increase / (decrease) in creditors | 14 | 128,237 | (33,202) |
| Net cash provided by / (used in) operating activities | | 155,920 | (3,065) |

STATEMENT OF CASH FLOWS

| | <i>Notes</i> | 2021 | 2020 |
|--|--------------|-----------------|-----------------|
| | | £ | £ |
| Cash flows from operating activities: | | | |
| Net cash provided by / (used in) operating activities | | 155,920 | (3,065) |
| Cash flows from investing activities: | | | |
| Interest received | 5 | 291 | 2,707 |
| Proceeds from the sale of plant and equipment | 11 | 2,500 | - |
| Purchase of property, plant and equipment | 11 | (141,775) | (25,781) |
| Decrease in investments | 13 | 75,975 | (975) |
| Net cash provided by / (used in) investing activities | | (63,009) | (24,049) |
| Change in cash and cash equivalents in the year | | 92,911 | (27,114) |
| Cash and cash equivalents at the beginning of the year | | 686,042 | 713,156 |
| Cash and cash equivalents at the end of the year | | 778,953 | 686,042 |

ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2021 | 2020 |
|---------------------------------|----------------|----------------|
| | £ | £ |
| Cash in hand | 703,324 | 521,207 |
| Notice deposits | 75,628 | 164,835 |
| Total cash and cash equivalents | 778,953 | 686,042 |

THE UNICORN SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 ACCOUNTING POLICIES

The principal accounting policies which are adopted consistently in the preparation of the financial statements are set out below:

a) Basis of accounting

The financial statements have been prepared in accordance with the company's memorandum and 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)' (as amended for accounting periods commencing on or after 1 January 2016). The school is a Public Benefit Entity as defined by FRS102.

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 £.

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

b) Incoming resources

School fees receivable and charges for services are accounted for in the period in which the service is provided. Fees receivable are stated after deducting discounts and allowances by the school.

Other fees include registration fees, which are recognised on a receipts basis.

Donations and similar income resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource. Donations received for the general purposes of the charity are included as unrestricted funds. Donations for activities restricted by the wishes of the donor are taken to restricted funds where these wishes are legally binding on the Governors.

Income from investment is included in the Statement of Financial Activities (SOFA) in the year in which it is receivable.

c) Resources expended

Resources expended are included in the Statement of Financial Activities in the year in which they are incurred, inclusive of any VAT which cannot be recovered. Costs incurred on school lunches, school trips and clubs are stated after netting off any disbursements received in respect of these activities.

Resources expended are allocated and apportioned between costs in furtherance of charitable objects (namely teaching costs, premises costs and support costs), fundraising costs and governance costs.

Teaching costs represent all costs directly incurred in the course of furthering the charity's principal objective through the provision of education to children and young people, including teaching staff costs, educational materials, depreciation and related equipment.

Premises costs represent those costs incurred in the running, maintenance and up-keep of the school buildings and grounds.

Support costs represent those costs incurred through the administration of the charity's activities in furtherance of the charity's principal objective.

Costs incurred in assisting the Governors in their stewardship of the charity are classified under governance costs.

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

1 ACCOUNTING POLICIES (CONTINUED)

d) VAT

The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

e) Tangible fixed assets and depreciation

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation (where applicable) and any impairment losses.

As of 1 September 2016, Freehold Land, Buildings and Improvements have not been depreciated further. In the opinion of the Governors their residual value (realisable value at the end of their economic life) was at least equal to the historical cost less accumulated depreciation at 31 August 2016. These assets are tested annually for impairment. Improvements are added to the fixed asset value. Where these replace previous identifiable improvements, the net book value of any replaced assets will be recorded as disposals in the year. Regular redesign and refurbishment costs are however expensed in the year.

Depreciation is provided on all other tangible fixed assets at rates calculated to write off the full cost less estimated residual value of each asset over its estimated useful economic life. The principal rates in use are:

| | |
|-------------------------------------|--|
| Freehold Buildings and Improvements | 0% per annum (see above) |
| Playground and equipment | over 15 years |
| Fixtures and fittings | 20% per annum on a straight line basis |
| Computer equipment | 33% per annum on a straight line basis |

f) Financial instruments

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.

Financial assets impairment

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

Financial liabilities

Basic financial liabilities, including creditors 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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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.

Financial liabilities derecognition

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

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

1 ACCOUNTING POLICIES (CONTINUED)

g) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

h) Fund accounting

The funds held by the charity are unrestricted funds. These are funds which can be used in accordance with charitable objects at the discretion of the Governors.

Designated funds - these funds are set aside by the Governors out of unrestricted general funds for specific future purposes or projects. The Reserves section of the Governors' Report sets out the purpose, policies and balances of each of these funds at the year end.

i) Taxation

As the company is a registered charity, it is exempt from corporation tax on its charitable activities.

Deeds of Covenant and Gift Aid Donations are received net of tax and credited to the appropriate fund in the year received. The tax credit recoverable from HM Revenue and Customs is also credited to the appropriate fund when receivable.

j) Employee benefits

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.

k) Operating lease

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

l) Pension schemes

Up to 31 August 2020 the charity contributed to the Teachers' Pension Scheme (England and Wales) (TPS) for its teaching staff at rates set by the Scheme Actuary. This is an unfunded multi-employer defined benefits pension scheme; it was not possible or appropriate to consistently identify the liabilities of the TPS which were attributable to the charity. As required by FRS17 the charity accounted for this scheme as if it were a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

From 1 September 2020 the charity has contributed to the Aviva Pension Trust for Independent Schools (APTIS) for its teaching staff. This is a defined contribution scheme and contributions are accounted for and paid on a monthly basis.

The charity also contributes to defined contribution pension schemes for certain members of staff who are not eligible to join the Aviva Pension Trust for Independent Schools. The assets of these schemes are held separately from those of the charity, being invested with insurance companies or a government workplace pension scheme.

Pension costs charged in the Statement of Financial Activities represent the contributions payable by the charity in the year.

m) Company limited by guarantee

The liability of the members is limited. Every member undertakes to contribute an amount not exceeding £1 to the assets of the company, in the event of the company being wound up whilst they are a member, or within one year after ceasing to be a member, for the payment of the debts and liabilities of the company contracted before ceasing to be a member.

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

2 INCOME FROM CHARITABLE ACTIVITIES

| | <u>2021</u> | <u>2020</u> |
|--|------------------|------------------|
| | £ | £ |
| Tuition fees payable by parents | 2,014,055 | 1,943,250 |
| Add: fees funded from Educational Fund | - | 3,685 |
| Add: fees funded from Bursary Fund | 72,812 | 65,393 |
| School tuition fees | 2,086,867 | 2,012,328 |
| Other fees receivable | 2,700 | 3,300 |
| Total income receivable | <u>2,089,567</u> | <u>2,015,628</u> |

School tuition fees are stated after discounts given of £32,152 (2020: £117,668).

3 DONATIONS AND LEGACIES

| | <u>2021</u> | <u>2020</u> |
|------------------|---------------|---------------|
| | £ | £ |
| Educational Fund | - | 11,246 |
| Rainbow Fund | 29,475 | 31,012 |
| Bursary Fund | 4,125 | 2,950 |
| Other donations | - | 250 |
| | <u>33,600</u> | <u>45,458</u> |

Voluntary income relates to donations and gifts to the funds above and other donations. The donations to the Rainbow Fund include £2,138 (including Gift Aid) (2020: £2,325) from Governors and their families.

These are all unrestricted donations and legacies.

4 OTHER TRADING ACTIVITIES

| | <u>2021</u> | <u>2020</u> |
|-----------------------|---------------|---------------|
| | £ | £ |
| Fundraising | | |
| School Committee Fund | <u>16,391</u> | <u>17,407</u> |

5 INTEREST RECEIVED

| | <u>2021</u> | <u>2020</u> |
|------------------------|-------------|--------------|
| | £ | £ |
| Bank interest received | <u>291</u> | <u>2,707</u> |

6 OTHER INCOME

| | <u>2021</u> | <u>2020</u> |
|--|---------------|---------------|
| | £ | £ |
| Grants receivable (note 8) | 14,597 | 31,534 |
| Profit on sale of fixed assets (note 11) | 834 | - |
| | <u>15,431</u> | <u>31,534</u> |

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

7 TOTAL EXPENDITURE

| | <i>Fund raising costs</i> | <i>Charitable activities</i> | <i>Governance costs</i> | <i>Total 2021</i> | <i>Total 2020</i> |
|-----------------------|-----------------------------------|----------------------------------|-----------------------------|-----------------------|-----------------------|
| | £ | £ | £ | £ | £ |
| Staff costs (note 8) | - | 1,592,709 | - | 1,592,709 | 1,597,843 |
| Depreciation (note 9) | - | 59,129 | - | 59,129 | 56,994 |
| Other | 4,656 | 495,326 | 8,952 | 508,934 | 477,107 |
| | <u>4,656</u> | <u>2,147,164</u> | <u>8,952</u> | <u>2,160,772</u> | <u>2,131,944</u> |
| 2020 | <u>3,643</u> | <u>2,118,699</u> | <u>9,602</u> | | |

Governance costs comprise the annual audit fee together with other Governance costs incurred. No Governor has claimed expenses nor had expenses met by the charity.

8 STAFF NUMBERS AND COSTS

| | <i>2021</i> | <i>2020</i> |
|-----------------------|------------------|------------------|
| | £ | £ |
| Staff costs: | | |
| Wages and salaries | 1,303,679 | 1,262,338 |
| Social security costs | 126,513 | 127,491 |
| Pension costs | 162,517 | 208,014 |
| | <u>1,592,709</u> | <u>1,597,843</u> |

Between September 2020 and March 2021 the charity furloughed three employees for certain time periods; grants received from the Coronavirus Job Retention Scheme amounted to £6,491 (2020: £31,354). The charity also received grants of £8,106 (2020: Nil) from a local council for support staff costs (Note 6). Redundancy expenses during the year amounted to £7,651; they were fully expensed during the year and paid in March 2021.

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

| | <i>2021</i> | <i>2020</i> |
|----------|---------------|---------------|
| | <i>Number</i> | <i>Number</i> |
| Teachers | 24 | 23 |
| Others | 5 | 6 |
| | <u>29</u> | <u>29</u> |

The average monthly headcount was 44 (2020: 45) of whom 38 were teaching staff (2020: 37) and 6 were non-teaching staff (2020: 8). The difference in these numbers from those in the table above reflects the high proportion of part-time staff working in the school.

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

| | <i>2021</i> | <i>2020</i> |
|------------------|---------------|---------------|
| | <i>Number</i> | <i>Number</i> |
| £60,001-£70,000 | 1 | 2 |
| £70,001-£80,000 | 1 | - |
| £80,001-£90,000 | 1 | 2 |
| £90,001-£100,000 | 1 | - |

The key management personnel of the charity comprise the Governors, the Head, the Bursar and the two Deputy Heads of the school.

The charity paid emoluments amounting to £313,844 (2020: £301,301) and pension contributions amounting to £43,369 (2020: £58,188) in the year for these members of staff. The remuneration of these members of staff is authorised by the Co-Chairs of Governors and Staffing Committee and set with reference to School Benchmarking Surveys.

No Governors have been paid any remuneration or received any other benefits from the charity.

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

9 NET EXPENDITURE

This is stated after charging:

| | <u>2021</u> | <u>2020</u> |
|-----------------------------|-------------|-------------|
| | £ | £ |
| Operating lease rentals | 1,717 | 1,578 |
| Staff pension contributions | 162,517 | 208,014 |
| Depreciation charges | 59,129 | 56,994 |
| Auditors' remuneration | | |
| External audit | 8,162 | 8,448 |
| Other services | 715 | 700 |
| | <u>715</u> | <u>700</u> |

10 TAXATION

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

11 TANGIBLE FIXED ASSETS

| | <i>Freehold interest in land, buildings and extensions</i> | <i>Playground and equipment</i> | <i>Fixtures, fittings and equipment</i> | <i>Total</i> |
|--------------------------|--|-------------------------------------|---|------------------|
| | £ | £ | £ | £ |
| Cost: | | | | |
| At 1 September 2020 | 1,701,679 | 106,828 | 428,895 | 2,237,402 |
| Additions | - | - | 141,775 | 141,775 |
| Disposals | - | - | (23,994) | (23,994) |
| At 31 August 2021 | <u>1,701,679</u> | <u>106,828</u> | <u>546,676</u> | <u>2,355,183</u> |
| Depreciation: | | | | |
| At 1 September 2020 | 663,040 | 45,504 | 329,939 | 1,038,483 |
| Adjustment for disposals | - | - | (22,328) | (22,328) |
| Charge for the year | - | 7,121 | 52,008 | 59,129 |
| At 31 August 2021 | <u>663,040</u> | <u>52,625</u> | <u>359,619</u> | <u>1,075,284</u> |
| Net book value: | | | | |
| At 31 August 2021 | <u>1,038,639</u> | <u>54,203</u> | <u>187,057</u> | <u>1,279,899</u> |
| At 31 August 2020 | <u>1,038,639</u> | <u>61,324</u> | <u>98,956</u> | <u>1,198,919</u> |

The net book value of land and buildings at 31 August 2021 is made up as follows:

| | <u>2021</u> | <u>2020</u> |
|-----------------------------|----------------|----------------|
| | £ | £ |
| Freehold land and buildings | <u>260,482</u> | <u>260,482</u> |

The Charities SORP (FRS 102) requires the Board of Governors to declare where the market value of freehold land and buildings differs materially from net book value. The Governors still estimate the current market value of the freehold land and buildings to be well in excess of net book value.

During the year the charity sold kitchen equipment with a net book value of £1,666 and received proceeds of £2,500 giving a profit of £834. On 31 August 2021 new kitchen equipment amounting to £80,256 was added to Fixtures, fittings and equipment.

THE UNICORN SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

12 DEBTORS

| | <u>2021</u> | <u>2020</u> |
|-------------------------------------|---------------|---------------|
| | £ | £ |
| School fees receivable | 32,088 | 2,553 |
| Other debtors | 2,369 | 12,339 |
| Prepaid expenses and accrued income | 39,428 | 34,164 |
| | <u>73,885</u> | <u>49,056</u> |

13 INVESTMENTS

| | <u>2021</u> | <u>2020</u> |
|---|-------------|-------------|
| | £ | £ |
| Carrying amount of financial assets | | |
| Debt instruments measured at amortised cost | - | 75,975 |

During the year a one year bond has matured and has not been reinvested.

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | <u>2021</u> | <u>2020</u> |
|-------------------------------|----------------|----------------|
| | £ | £ |
| Members' unsecured loan notes | 303,500 | 295,000 |
| Deferred income (note 15) | 262,259 | 205,661 |
| Other creditors | 48,527 | 6,103 |
| Other tax and social security | 33,173 | 31,498 |
| Accruals | 69,388 | 50,348 |
| | <u>716,847</u> | <u>588,610</u> |

The members' unsecured loan notes are repayable within ninety days of the last child of the member ceasing to receive tuition at the school. Interest is payable at the Governors' discretion at a rate not exceeding 5%. Historically the Governors have not paid interest.

15 DEFERRED INCOME

| | <u>2021</u> | <u>2020</u> |
|---|----------------|----------------|
| | £ | £ |
| Total deferred income at 1 September 2020 | 205,661 | 250,475 |
| Amounts received in the year | 2,070,653 | 1,898,436 |
| Amounts credited to statement of financial activities | (2,014,055) | (1,943,250) |
| Total deferred income at 31 August 2021 | <u>262,259</u> | <u>205,661</u> |

Deferred income relates to deposits and fees paid in advance for the following year.

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

16 UNRESTRICTED FUNDS

| | <i>Incoming resources</i> | <i>Outgoing resources</i> | <i>Net movement in resources</i> | <i>Transfers</i> | <i>Balance at 1 Sep 20</i> | <i>Balance at 31 Aug 21</i> |
|-------------------------|-------------------------------|-------------------------------|--------------------------------------|------------------|--------------------------------|---------------------------------|
| | £ | £ | £ | £ | £ | £ |
| Designated Funds | | | | | | |
| School Committee Fund | 16,391 | (13,897) | 2,494 | (2,494) | - | - |
| Educational Fund | 31 | - | 31 | - | 95,710 | 95,741 |
| Rainbow Fund | 29,505 | - | 29,505 | (29,472) | 80,223 | 80,256 |
| Bursary Fund | 4,152 | (74,324) | (70,172) | 62,494 | 118,638 | 110,960 |
| Subtotal | 50,079 | (88,221) | (38,142) | 30,528 | 294,571 | 286,957 |
| General Fund | 2,105,201 | (2,072,551) | 32,650 | (30,528) | 1,126,811 | 1,128,933 |
| Total | <u>2,155,280</u> | <u>(2,160,772)</u> | <u>(5,492)</u> | <u>-</u> | <u>1,421,382</u> | <u>1,415,890</u> |

During the year transfers of £2,494 were made from the School Committee Fund to the Bursary Fund. Outgoing resources from the School Committee Fund represent fundraising costs and donations to charity.

A transfer was made from the Rainbow Fund to the General Fund of £29,472 to fund much of the building cost of the new kitchen. The balance on the Rainbow Fund at 31 August 2021 was £80,256 which equates to the cost of the kitchen equipment. Over the next five years an annual transfer of £16,051 will be made from the Rainbow Fund to the General Fund, being the equivalent of the annual depreciation charge on the kitchen equipment in the General Fund.

Outgoing resources from the Bursary Fund related to fees (£72,812) and other expenses (£1,512). The Bursary Fund also benefitted from a transfer in of £60,000 from the General Fund.

All transfers were approved by the Governors.

17 ANALYSIS OF NET ASSETS AMONG FUNDS

| | <i>Total funds 2021</i> | <i>Total funds 2020</i> |
|-----------------------|-----------------------------|-----------------------------|
| | £ | £ |
| Tangible fixed assets | 1,279,899 | 1,198,919 |
| Net current assets | 135,991 | 222,463 |
| | <u>1,415,890</u> | <u>1,421,382</u> |

All funds are unrestricted.

18 LEASING COMMITMENTS

Operating leases

At 31 August 2021 the charity had future minimum lease payments under non-cancellable operating leases as follows:

| | <i>2021</i> | <i>2020</i> |
|----------------------------|--------------|--------------|
| | <i>Other</i> | <i>Other</i> |
| | £ | £ |
| Payments due: | | |
| Within one year | 7,270 | 1,596 |
| Between two and five years | <u>9,992</u> | <u>1,945</u> |

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

19 RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 102 except for the donations received from Governors as disclosed in Note 3. No Governors nor any persons connected with them have received any such remuneration nor expenses.

20 TEACHERS' DEFINED CONTRIBUTION PENSION SCHEME AND BENEFITS

On 31 August 2020 the teaching staff left the Teachers' Pension Scheme (the TPS). On 1 September 2020 the teaching staff joined a new Defined Contribution pension scheme operated by Aviva, the Aviva Pension Trust for Independent Schools ("APTIS").

The pension charge for the year includes contributions payable to APTIS of £143,362 (2020 TPS: £187,972). Wages and salaries (Note 8) include contributions made during the year on behalf of the teachers to the Aviva Group Income Protection scheme (£4,027) and the Aviva Life Assurance scheme (£4,540). At the year end there were unpaid pension contributions of £15,925 (2020: Nil). There were no further amounts payable to the TPS.

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%.

21 OTHER PENSION SCHEMES

The charity pays contributions into personal pension schemes for four of its non-teaching staff at 8% of gross pay and these contributions amounted to £14,926 during the year (2020: £15,388).

The charity also pays contributions into NEST (National Employment Savings Trust) for thirteen of its other eligible jobholders at 3% of qualifying earnings and these contributions amounted to £3,451 during the year (2020: £4,654).