

CHILD LIGHT LIMITED

England & Wales · Charity number 1039099

Details

Status	Registered
Legal form	Charitable company
Company number	02928829
Registered	1994-06-29
Register	View on the Charity Commission register

Contact

Address	Heritage School 17-19 Brookside Cambridge CB2 1JE
Phone	01223350615
Email	office@heritageschool.org.uk
Website	www.childlight.org

Activities

Objects: 2.1 The Objects of the Charity are for the public benefit either in the United Kingdom or overseas and specifically restricted to: 2.1.1 The advancement of education whether secular or religious (including without prejudice to the generality of the foregoing the advancement of the educational principles formulated by Charlotte Mason); 2.1.2 The advancement of the Christian faith as set out in the Statement of Faith appearing in Schedule 2 to these Articles; 2.1.3 Generally the advancement of any educational, religious or other charitable object not inconsistent with the foregoing.

Activities: Child Light engages in a range of educational activities, including publishing, running conferences and operating schools.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Religious Activities
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** UNITED KINGDOM OR OVERSEAS
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£2,693,664	£2,579,487	£1,405,649	57
2024-07-31	£2,620,027	£2,506,410	£1,291,472	58
2023-07-31	£2,441,672	£2,311,038	£1,177,855	58
2022-07-31	£2,190,583	£2,093,009	£1,047,221	58
2021-07-31	£2,096,065	£2,013,567	£949,647	58

Trustees

Name	Role	Appointed
Revd Dr Robert McDonald	Chair	2019-12-03
Catherine Mary Meakin		2018-12-04
DAVID EDWARD CHARLES ALDERSON		
Dr Paul Anthony John Martin		2024-06-10
Felicity Hough		2023-03-17
Tolulope Anifalaje		2023-03-13

CHILD LIGHT LIMITED

England & Wales - Charity number 1039099

Accounts

CHILD LIGHT LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

CHILD LIGHT LIMITED
(A company limited by guarantee)

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CHILD LIGHT LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2025**

Trustees

Mr D E C Alderson
Mr T Amies, Chair
Revd C M Meakin
Revd Dr R McDonald
Mrs F Hough
Mrs T Anifalaje
Dr P Martin

Company registered number

02928829

Charity registered number

1039099

Registered office

17-19 Brookside
Cambridge
CB2 1JE

Company secretary

Mr J W Fletcher

Chair of the Trustees

Mr T Amies

Independent auditors

Griffin Stone Moscrop & Co
Chartered Accountants
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

Bankers

Lloyds Bank
5 The Square
Petersfield
Hampshire
GU32 3HL

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2025

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Child Light Limited (the company) for the year ended 31 July 2025. The Trustees confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

a. Constitution

Child Light Limited is a registered charity and was established in 1994. It is a private company limited by guarantee with the company number 02928829.

The company is constituted under a Memorandum of Association and has the registered charity number 1039099.

Day to day management of the charity and its principal activity (Heritage School) is delegated to Mr Jason Fletcher, Headmaster of Heritage School (Chief Executive of the charity).

b. Recruitment, Appointment and Induction of Trustees

Invitations are extended from time to time to suitably qualified and experienced men and women to become Trustees, following consultation with the existing body of Trustees. Newly appointed Trustees are provided with the induction materials, including a copy of the Memorandum of Association. They will have an induction with fellow Trustees and the Chief Executive and will be expected to spend time familiarising themselves with the workings of the charity.

CHILD LIGHT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

Day to day management of the operations of the charity, particularly its principal activity Heritage School, is overseen by the Headmaster (Chief Executive).

Within Heritage School there is a Senior Leadership Team consisting of the Headmaster, the Deputy Head, the Bursar, the Head of Infants, the Head of Juniors and the Head of Seniors. This team meets fortnightly to consider operational matters and whole-school policy decisions.

Beneath this Senior Leadership Team, teachers meet in their departments or faculties regularly as required. Heads of subject areas hold meetings as required. Staff meetings involving Infant School and Junior School class teachers are held fortnightly as are staff meetings for Senior School teachers. INSET training occurs four times per year for all staff. All of these meetings provide opportunities for discussion of educational philosophy and methodology and feedback regarding relevant policy and operational matters.

Day-to-day financial oversight is exercised jointly by the Headmaster and the Bursar in relation to the budget approved by Trustees. Budgetary responsibility for specific departments is devolved to heads of subject areas, the Head of Infants or the Head of Juniors. Budgetary responsibility for our enrichment programme is managed by our Head of Enrichment.

Bursaries are awarded by a Bursary Committee, which will always include at least one Trustee. Within overall levels approved by Trustees, the Bursary Committee awards bursaries following a means-tested application process. The Headmaster is not a member of the Bursary Committee.

Trustees have responsibility over all operational and policy decisions taken by the management of the school (and the charity as a whole). Specifically, they routinely consider:

- the financial position of the school, including setting the level of fees, agreeing the extent of bursaries to be awarded in each year, agreeing an annual budget, monitoring progress against budget, and authorising exceptional expenditure,
- staffing needs, performance and recruitment,
- regulatory compliance, including safeguarding and health & safety,
- advertising and recruitment of pupils,
- matters affecting the ethos of the school,
- property issues and lease agreements,
- any significant new developments.

d. Internal Controls and Risk Management

The systems of internal control are designed to provide reasonable, but not absolute assurance against misstatement and loss. They include:

- regular strategic reviews, an annual budget approved by the Trustees and quarterly management accounts comparing performance against budget,
- regular reports submitted by the Chief Executive,
- regular consideration by the Trustees of the financial position,
- identification and management of risks.

CHILD LIGHT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

Structure, governance and management (continued)

e. Related party relationships

Three of the trustees (Revd C M Meakin, Mrs T Anifalaje and Revd Dr. R McDonald) have between them six (2024 - same) children who attend the school.

The company secretary, who is also the Headmaster, and his wife are employees of the school. The salaries and any benefits to which they are entitled are on terms no more favourable than those of any other employee.

f. Financial risk management

The Trustees have assessed the major risks to which the Company is exposed, in particular those related to the operations and finances of the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Objectives and activities

a. Policies and objectives

The objects of the charity as stated in its Memorandum and Articles of Association:

The advancement of education whether secular or religious (including without prejudice to the generality of the foregoing the advancement of the educational principles formulated by Charlotte Mason);

The advancement of the Christian faith as set out in the Statement of Faith appearing in Schedule 2 to these Articles;

Generally the advancement of any educational, religious or other charitable object not inconsistent with the foregoing.

b. Strategies for achieving objectives

The charity pursues the above stated objects by providing advice, advocacy or information, by undertaking research, by acting as an umbrella or resourcing body and by directly delivering services.

Child Light Limited is particularly concerned to advance the approach to education articulated by Charlotte Mason and the PNEU (Parents National Education Union).

The primary strategy used to implement the charity's objectives is the operation of Heritage School, whose activities are described below.

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

Objectives and activities (continued)

c. Public Benefit

The activities undertaken in the past by Child Light have always included more than the direct provision of educational services. Child Light has advanced education more broadly through the provision of advice, advocacy or information including publications, undertaking research and acting as an umbrella body. During 2024–25 Child Light offered advice to other educators through its Educator Training Days, through one-to-one consultancy visits by educators to Heritage School, through speaking engagements, by publishing articles and by participating in conferences.

Child Light also continued to serve the wider community by hiring our facilities at a reasonable cost to other educational providers.

In addition, our accessible fee structure is intended to make the work of Child Light as beneficial to as wide a segment of the population as possible.

CHILD LIGHT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

Strategic report

Achievements and performance

a. Main achievements of the Company

During 2024–25 Heritage School was the principal activity of Child Light Limited. We commenced 2024–25 with 200 pupils, with a single class (or form) in each year group from Reception to Year 11.

Our Leavers in July 2025 received offers at their preferred destinations for post-16 education and training, with Hills Road Sixth Form as the most common. They achieved excellent results, in keeping with the pattern of results over the past 10 years, with 55% of all results being awarded 9-8, 73% of all results being awarded either 9-7, and 84% of all results being awarded 9-6. 'Added value' analysis shows that over six years for which we have data, Heritage pupils have achieved, on average, 1.25 grades higher per subject than standardised assessments considered 'most likely'. This demonstrates Heritage School's unique ability to help pupils exceed expectations.

During 2023–24, we made the following teacher appointments for a September 2024 start: a Senior History & RS teacher and a Senior English teacher. During the 2024–25 academic year we appointed a Senior Geography teacher.

Recruitment of pupils was strong overall during 2024–25, such that we started 2025–26 with approximately 200 pupils.

In the financial year 2024–25 we have pursued a range of activities within our control to advance Christian education along Charlotte Mason/PNEU lines. These activities have had the successful continued growth of Heritage School as their main purpose. In addition, as noted above, we welcomed numerous visitors to Heritage School who wished to see Charlotte Mason based education in practice, and we shared our vision with others via publishing and networking activity.

There are factors outside of our control that affect our ability to successfully achieve our objectives, particularly pupil recruitment and staff recruitment. An exceptional factor during 2024–25 was the election of a Labour government and the implementation of VAT on independent school fees, together with the loss of business rates relief for charities and an increase in employer national insurance contributions. The impact of higher taxes and wider uncertainties was mitigated through effective marketing of the unique selling points of the school generally, and effective recruitment of new staff, together with a sustained focus on delivering the strongest possible service that leads to positive personal recommendations on the part of those involved with Heritage School.

CHILD LIGHT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

Strategic report (continued)

Financial review

a. Review

We were able to meet all operational costs from fee income during 2024-2025, and to carry forward cash reserves into 2025-26, as these accounts show.

Fundraising activities were undertaken during 2024-25 by the Heritage Community Association (HCA), which was formed in the summer of 2011. It raised £8,405 during 2024-25 to support the work of the school.

b. Reserves policy

At the end of the 2024-25 financial year, £1,405,649 total funds were held, of which £32,661 were restricted. The trustees seek to build unrestricted reserves equal to 25% of the current year's total expenditure.

c. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

d. Pay policy for senior staff

Pay and remuneration of the charity's key management personnel are determined in the light of independent school sector norms and the government's statutory guidance on pay and conditions for teachers in England and Wales (see <https://www.gov.uk/government/publications/school-teachers-pay-and-conditions>). These norms are used to guide the Headmaster's pay, the Deputy Head's pay, and the value of additional responsibilities undertaken by teaching staff. Pay for school administrators is determined in relation to industry standards. The performance of key management personnel is evaluated by Trustees regularly in the course of their normal duties. Pay is not explicitly linked to performance criteria. Trustees set pay levels for all staff, including key management personnel, when they approve the annual budget.

e. Plans for future periods

In 2025-26 the operation of Heritage School will be the predominant focus of the activities of Child Light Limited. Our main developmental priorities are to:

- undertake a review of marketing activities,
- strengthen recruitment to nearer 100% capacity, with a particular focus upon Lower Prep (Reception) entry,
- appoint a new office manager
- continue strengthening management systems and policy frameworks more generally
- further develop the quality of our educational offering
- continue to promote the work and vision of Heritage School more broadly, by welcoming visitors and educators and through writing, speaking and networking,
- appoint new Trustees
- ensure effective financial management in the light of substantially increased costs due to changes in government tax policies,
- raise funds in support of bursaries,
- maintain and increase investment into our properties to ensure they continue to serve our educational goals.

CHILD LIGHT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

Members' liability

The Members of the Company guarantee to contribute an amount not exceeding £1 to the assets of the Company in the event of winding up.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic 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 Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Griffin Stone Moscrop & Co, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

CHILD LIGHT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

Approved by order of the members of the board of Trustees and signed on their behalf by:

T Amies

.....
Mr T Amies

Date: 2 March 2026

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED

Opinion

We have audited the financial statements of Child Light Limited (the 'charitable company') for the year ended 31 July 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED (CONTINUED)

Responsibilities of trustees

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

In preparing the financial statements, the Trustees 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 specific procedures designed and implemented to detect irregularities, including fraud, are detailed below:

- Enquiry of management and those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of activities and reviewing accounting estimates for bias.

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

CHILD LIGHT LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED (CONTINUED)

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.

Richard Hill

Richard Hill (Senior statutory auditor)

for and on behalf of

Griffin Stone Moscrop & Co

Chartered Accountants

Statutory Auditors

21 - 27 Lamb's Conduit Street

London

WC1N 3GS

Date: 23/4/2026

CHILD LIGHT LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	4	5,742	27,167	32,909	32,880
Charitable activities	6	2,629,637	-	2,629,637	2,570,570
Other trading activities	7	-	9,126	9,126	8,734
Investments	5	17,647	-	17,647	2,249
Other income	8	4,345	-	4,345	5,594
Total income		2,657,371	36,293	2,693,664	2,620,027
Expenditure on:					
Raising funds	9	-	5,780	5,780	5,483
Charitable activities		2,550,432	23,275	2,573,707	2,500,927
Total expenditure		2,550,432	29,055	2,579,487	2,506,410
Net movement in funds		106,939	7,238	114,177	113,617
Reconciliation of funds:					
Total funds brought forward		1,266,049	25,423	1,291,472	1,177,855
Net movement in funds		106,939	7,238	114,177	113,617
Total funds carried forward		1,372,988	32,661	1,405,649	1,291,472

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

The notes on pages 17 to 36 form part of these financial statements.

CHILD LIGHT LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 02928829

BALANCE SHEET
AS AT 31 JULY 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	15	6,568,141	6,638,047
		<u>6,568,141</u>	<u>6,638,047</u>
Current assets			
Stocks	16	2,659	14,721
Debtors	17	129,216	86,139
Cash at bank and in hand		588,493	719,343
		<u>720,368</u>	<u>820,203</u>
Current liabilities			
Creditors: amounts falling due within one year	18	(295,966)	(463,816)
Net current assets		<u>424,402</u>	<u>356,387</u>
Total assets less current liabilities		<u>6,992,543</u>	<u>6,994,434</u>
Creditors: amounts falling due after more than one year	19	(5,586,894)	(5,702,962)
Net assets excluding pension asset		<u>1,405,649</u>	<u>1,291,472</u>
Total net assets		<u><u>1,405,649</u></u>	<u><u>1,291,472</u></u>
Charity funds			
Restricted funds	21	32,661	25,423
Unrestricted funds	21	1,372,988	1,266,049
Total funds		<u><u>1,405,649</u></u>	<u><u>1,291,472</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

T Amies
.....
Mr T Amies

Date: 2 March 2026

The notes on pages 17 to 36 form part of these financial statements.

CHILD LIGHT LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	(26,413)	445,911
Cash flows from investing activities		
Purchase of tangible fixed assets	(6,235)	(40,102)
Net cash used in investing activities	(6,235)	(40,102)
Cash flows from financing activities		
Repayments of borrowing	(98,202)	(91,714)
Net cash used in financing activities	(98,202)	(91,714)
Change in cash and cash equivalents in the year	(130,850)	314,095
Cash and cash equivalents at the beginning of the year	719,343	405,248
Cash and cash equivalents at the end of the year	588,493	719,343

The notes on pages 17 to 36 form part of these financial statements

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

1. General information

Child Light Limited is a company limited by guarantee, incorporated in England & Wales, whose main activity is that of operating a school. The registered office and situation of the school is 17-19 Brookside, Cambridge CB2 1JE. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Child Light Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The trustees consider there are no material uncertainties about the company's ability to continue as a going concern.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

With effect from 1 January 2025, UK school fees became subject to Value Added Tax (VAT) in accordance with changes to UK VAT legislation. From that date, tuition fees and certain related supplies are treated as standard-rated for VAT purposes. Fee income is recognised net of VAT.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

CHILD LIGHT LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Input VAT is recovered in accordance with applicable VAT regulations and the School's partial exemption method where relevant.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in activities that raise funds.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line
Computer equipment	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.9 Debtors

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

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

2. Accounting policies (continued)

2.12 Pensions

The company operates a defined benefits pension scheme in respect of its teaching staff. The scheme is a state plan where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the company's share of the underlying assets and liabilities of the plan. Therefore, as required by Section 28 of FRS 102, the company accounts for this scheme as if it was a defined contribution scheme. Contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The company also operates two defined contribution pension schemes, one in respect of its non-teaching staff and another for teaching staff not opted into the defined benefits scheme described above.

2.13 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

3. Accounting estimates and areas of judgment

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates, but these are unlikely to be material.

4. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	5,742	27,167	32,909	32,880
Total 2024	6,468	26,412	32,880	

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

5. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Investment income	17,647	17,647	2,249
Total 2024	2,249	2,249	

6. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Heritage School income	2,629,637	2,629,637	2,570,570
Total 2024	2,570,570	2,570,570	

7. Income from other trading activities

Income from fundraising events

	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
HCA fundraising	8,405	8,405	7,657
Other fundraising	721	721	1,077
	9,126	9,126	8,734
Total 2024	8,734	8,734	

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

8. Other incoming resources

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Royalties received	1,032	1,032	1,570
Other interest received	-	-	356
Other income	3,313	3,313	3,668
	<u>4,345</u>	<u>4,345</u>	<u>5,594</u>
Total 2024	<u>5,594</u>	<u>5,594</u>	

9. Expenditure on raising funds

Costs of raising voluntary income

	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Heritage Community Association (HCA) costs	5,780	5,780	5,483
	<u>5,483</u>	<u>5,483</u>	
Total 2024	<u>5,483</u>	<u>5,483</u>	

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

10. Analysis of grants

	Grants to Institutions 2025 £	Total funds 2025 £	Total funds 2024 £
Amazing Grace School, Uganda	1,213	1,213	596
Total 2024	596	596	

11. Analysis of expenditure by charitable activities

	Activities undertaken directly 2025 £	Grant funding of activities 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Heritage School direct costs	1,683,336	1,213	889,158	2,573,707	2,500,927
Total 2024	1,679,914	596	820,417	2,500,927	

Analysis of direct costs

	Activities 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	1,451,028	1,451,028	1,441,094
Depreciation	76,141	76,141	78,309
Heritage School direct costs	137,034	137,034	158,349
Expenditure of income received in the Bursary fund	19,133	19,133	2,162
	1,683,336	1,683,336	1,679,914

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

11. Analysis of expenditure by charitable activities (continued)

Analysis of support costs

	Activities 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	323,197	323,197	304,054
Recruitment and training	9,730	9,730	11,473
Property	172,960	172,960	126,459
Administration	106,541	106,541	108,657
Marketing	10,202	10,202	9,981
Audit	9,900	9,900	7,306
Professional fees	18,819	18,819	13,387
Finance costs	232,007	232,007	233,571
Compliance and inspections	5,802	5,802	5,529
	<u>889,158</u>	<u>889,158</u>	<u>820,417</u>
Total 2024	<u>820,417</u>	<u>820,417</u>	

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 July 2025, no Trustee expenses have been incurred (2024 - £NIL).

13. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £5,940 (2024 - £4,390), and an accounts preparation fee of £3,960 (2024 - £2,916).

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

14. Staff costs

	2025 £	2024 £
Wages and salaries	1,352,171	1,352,818
Social security costs	123,245	117,226
Contribution to defined contribution pension schemes	298,809	275,104
	<u>1,774,225</u>	<u>1,745,148</u>

The average number of persons employed by the Company during the year was as follows:

	2025 No.	2024 No.
Teaching staff	43	46
Administrative staff	14	12
	<u>57</u>	<u>58</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025 No.	2024 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	-

The remuneration (including national insurance and pension contributions) received by key management personnel was £264,303 (2024 - £220,907). The key management personnel for the purpose of this disclosure are the Headmaster, Deputy Head and the Bursar.

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

15. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 August 2024	6,933,179	25,949	61,052	20,008	7,040,188
Additions	-	-	6,235	-	6,235
Disposals	-	-	(5,744)	(5,945)	(11,689)
At 31 July 2025	6,933,179	25,949	61,543	14,063	7,034,734
Depreciation					
At 1 August 2024	312,772	25,331	45,638	18,400	402,141
Charge for the year	69,537	154	5,914	536	76,141
On disposals	-	-	(5,744)	(5,945)	(11,689)
At 31 July 2025	382,309	25,485	45,808	12,991	466,593
Net book value					
At 31 July 2025	6,550,870	464	15,735	1,072	6,568,141
At 31 July 2024	6,620,407	618	15,414	1,608	6,638,047

The total net book value of the charity's freehold property has been pledged as security for liabilities. For further details, see Note 19.

16. Stocks

	2025 £	2024 £
Finished goods and goods for resale	2,659	14,721

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

17. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	22,188	25,906
Other debtors	12,657	1,788
Prepayments	94,371	54,746
Tax recoverable	-	3,699
	<u>129,216</u>	<u>86,139</u>

18. Creditors: Amounts falling due within one year

	2025 £	2024 £
Bank loan	114,014	96,145
Other loans	1,276	4,711
Trade creditors	118,393	38,897
Other creditors	3,971	4,331
Accruals and deferred income	58,312	319,732
	<u>295,966</u>	<u>463,816</u>

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

19. Creditors: Amounts falling due after more than one year

	2025 £	2024 £
Bank loans	4,086,894	4,202,962
Other loans	1,500,000	1,500,000
	<u>5,586,894</u>	<u>5,702,962</u>

Included within the above are amounts falling due as follows:

	2025 £	2024 £
Between one and two years		
Bank loans	122,948	98,448
Between two and five years		
Bank loans	424,294	204,193
Other loans	500,000	500,000
Over five years		
Bank loans	3,539,652	3,900,321
Other loans	1,000,000	1,000,000

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2025 £	2024 £
Payable or repayable by instalments	3,539,652	3,900,321
Payable or repayable other than by instalments	1,000,000	1,000,000
	<u>4,539,652</u>	<u>4,900,321</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

During the year ended 31 July 2021 a new bank loan was arranged with the charity borrowing £4,640,000 to be repaid over 30 years. This loan is subject to 3.98% interest per annum for the first 5 years and thereafter to an annual interest rate charge of 3.93% over the prevailing bank base rate. This loan is secured by a first fixed and floating legal charge over the charity's freehold properties, 17-19 Brookside (Cambridge, CB2 1JE), Panton Hall (Cambridge, CB2 1HP) and all other assets.

- In addition the charity took out four other loans during the year ended 31 July 2021:
- Two loans were taken out on similar terms, one for £450,000 and one for £50,000 which are to be repaid after 7 years. These loans are subject to 3% interest per annum. On the settlement of these loans, an independent valuation of 17-19 Brookside (Cambridge, CB2 1JE) will be carried out, and the charity will pay the lenders 23% and 2.60% (respectively) of any increase in the market value of the property over £4,835,000 less any 'capital expenditure on improvements'. The repayments are subject to a maximum amount equal to the original loan plus 7% compounded interest per annum.
 - A loan for £900,000 is to be repaid after 15 years. This loan was subject to 3% interest per annum for the first year of the term, rising by 0.5% for each subsequent year until it reaches 6% in year 7. The interest rate will remain at 6% for the remainder of the term.
 - A loan for £100,000 is to be repaid after 10 years. This loan was subject to 3% interest per annum for the first year of the term, rising by 0.5% for each subsequent year until it reaches 6% in year 7. The interest rate will remain at 6% for the remainder of the term.

The four loans have a second fixed charge over the charity's freehold properties and rank equally, with any payments proportionate to the loans advanced.

20. Financial instruments

	2025 £	2024 £
Financial assets		
Financial assets measured at fair value through income and expenditure	588,493	719,343

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

21. Statement of funds

Statement of funds - current year

	Balance at 1 August 2024 £	Income £	Expenditure £	Balance at 31 July 2025 £
Unrestricted funds				
General fund	1,266,049	2,657,371	(2,550,432)	1,372,988
Restricted funds				
Restricted funds - other	4,520	1,821	(872)	5,469
Amazing Grace	1,155	372	(1,111)	416
Bursary fund	-	19,133	(19,133)	-
Commemoration fund	2,960	-	-	2,960
Building fund	10,000	1,785	(1,785)	10,000
Heritage Community Association fund	6,788	13,182	(6,154)	13,816
	25,423	36,293	(29,055)	32,661
Total of funds	1,291,472	2,693,664	(2,579,487)	1,405,649

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

21. Statement of funds (continued)

Restricted funds - other

Such resources represent small donations given for specific purposes relating to the running of the school.

Amazing Grace School, Uganda

Amazing Grace School is a school in Uganda of a roughly similar age as Heritage School. A number of the pupils are orphans, and there are boarders and day pupils. The relationship between Amazing Grace and Heritage Schools extends into the classroom as pupils write letters to one another and send art work and other items to each other. Typically, Heritage School donates the proceeds from the Christmas Concert collection and a portion of all HCA raised funds to Amazing Grace each year.

In summer 2025, it became apparent that Amazing Grace School is no longer suitable for our donations due to their governance structure. The school will alert the HCA donors of the situation with the proposal that restricted funds still held are transferred for the unrestricted use of Heritage School.

Bursary fund

Bursaries are awarded to pupils who, it is believed, will gain most from a Heritage education and will contribute fully to the life of the school. Bursaries are awarded on a sliding scale up to a maximum of 75%, with emphasis on ensuring a broad distribution, so that as many families can benefit as possible.

Commemoration fund

The Commemoration fund was established in the year ended 31 July 2022 and is to be used for any activities that celebrate the people, history, or key events in the school's life. The aim of this fund is for such activities not to place a burden on the operational funding of the school.

Building and facilities improvement fund

This fund is for donations received for the purposes of increasing, improving or repairing the facilities owned by Child Light at Brookside or Panton Hall.

Heritage Community Association (HCA) fund

The HCA raises funds for Heritage School through activities including cake sales, second-hand clothing sales, fetes, and other events. Funds raised are initially treated as restricted funds, meaning they are held for the benefit of the school. The HCA may subsequently choose to donate these funds to the school, at which point they can be used for the school's general purposes.

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2023 £	Income £	Expenditure £	Balance at 31 July 2024 £
Unrestricted funds				
General fund	1,172,337	2,584,881	(2,491,169)	1,266,049
Restricted funds				
Restricted funds - other	530	4,512	(522)	4,520
Amazing Grace	488	1,263	(596)	1,155
Bursary fund	-	2,162	(2,162)	-
Commemoration fund	4,500	-	(1,540)	2,960
Building fund	-	17,000	(7,000)	10,000
Heritage Community Association fund	-	10,209	(3,421)	6,788
	5,518	35,146	(15,241)	25,423
Total of funds	1,177,855	2,620,027	(2,506,410)	1,291,472

22. Summary of funds

Summary of funds - current year

	Balance at 1 August 2024 £	Income £	Expenditure £	Balance at 31 July 2025 £
General funds	1,266,049	2,657,371	(2,550,432)	1,372,988
Restricted funds	25,423	36,293	(29,055)	32,661
	1,291,472	2,693,664	(2,579,487)	1,405,649

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

22. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 August 2023 £	Income £	Expenditure £	Balance at 31 July 2024 £
General funds	1,172,337	2,584,881	(2,491,169)	1,266,049
Restricted funds	5,518	35,146	(15,241)	25,423
	<u>1,177,855</u>	<u>2,620,027</u>	<u>(2,506,410)</u>	<u>1,291,472</u>

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	6,568,141	-	6,568,141
Current assets	687,707	32,661	720,368
Creditors due within one year	(295,966)	-	(295,966)
Creditors due in more than one year	(5,586,894)	-	(5,586,894)
Total	<u>1,372,988</u>	<u>32,661</u>	<u>1,405,649</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	6,638,047	-	6,638,047
Current assets	794,780	25,423	820,203
Creditors due within one year	(463,816)	-	(463,816)
Creditors due in more than one year	(5,702,962)	-	(5,702,962)
Total	<u>1,266,049</u>	<u>25,423</u>	<u>1,291,472</u>

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

24. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	114,177	113,617
Adjustments for:		
Depreciation charges	76,141	78,309
Decrease/(increase) in stocks	12,062	(2,499)
Increase in debtors	(43,077)	(14,313)
(Decrease)/increase in creditors	(185,716)	270,797
Net cash provided by/(used in) operating activities	(26,413)	445,911

25. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	588,493	719,343
Total cash and cash equivalents	588,493	719,343

26. Analysis of changes in net debt

	At 1 August 2024 £	Cash flows £	At 31 July 2025 £
Cash at bank and in hand	719,343	(130,850)	588,493
Debt due within 1 year	(100,856)	(14,434)	(115,290)
Debt due after 1 year	(5,702,962)	116,068	(5,586,894)
	(5,084,475)	(29,216)	(5,113,691)

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

27. Related party transactions

Related party transactions not disclosed elsewhere in the financial statements are as follows:

- Revd C M Meakin, a Trustee, has two (2024 - two) children who attended the school during the year;
- Revd Dr. R McDonald, a Trustee, has three (2024 - three) children who attended the school during the year; and
- Mrs T Anifalaje, a Trustee, has one (2024 - one) child who attended the school during the year.

The company secretary, who is also the Headmaster, and his wife are employees of the school. The salaries and any benefits to which they are entitled are on terms no more favourable than those of any other employee.

During the year, the charity received restricted donations totalling £6,620 (2024 - £2,500) from three (2024 - two) of its Trustees.

28. Pension commitments

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £260,424 (2024 - £252,520) and at the year-end no contributions were payable in respect of contributions to this scheme (2024 - same).

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 2020 and the Valuation Report was published in October 2023. The Valuation Report shows notional assets of £222.2bn and liabilities of £262.0bn, resulting in a scheme deficit of £39.8bn.

The employer contribution rate for the TPS is 28.60%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Group Personal Pension Schemes

The School also operates two group personal pension schemes; the Independent School's Pension Scheme (ISPS) and the Aviva Pension Trust for Independent Schools (APTIS). The schemes are defined contribution schemes, the assets of the schemes being held separately from those of the school in independently administered funds.

The school's contributions to the ISPS for non-teaching staff were 8.45% (combined pension and death in service benefit) (2024 - same) with employee contributions of 7.00% (2024 - same). Employer contributions paid to this scheme in the year were £22,986 (2024 - £21,407). No amounts remained payable to this scheme at the year end (2024 - same).

The APTIS scheme was introduced in the current year. The school's contributions to this scheme for the respective teaching staff were 23.02% or 14.34%, depending on the employee's choice of salary versus pension contribution, with employee contributions of 7.00%. Employer contributions paid to this scheme in the year were £13,970. No amounts remained payable to this scheme at the year end.

CHILD LIGHT LIMITED

England & Wales - Charity number 1039099

Accounts

CHILD LIGHT LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

CHILD LIGHT LIMITED
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CHILD LIGHT LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2024**

Trustees

Mr D E C Alderson
Mr T Amies, Chair
Revd C M Meakin
Revd Dr R McDonald
Mrs F Hough
Mrs T Anifalaje
Dr P Martin (appointed 10 June 2024)

Company registered number

02928829

Charity registered number

1039099

Registered office

17-19 Brookside
Cambridge
CB2 1JE

Company secretary

Mr J W Fletcher

Chair of the Trustees

Mr T Amies

Independent auditors

Griffin Stone Moscrop & Co
Chartered Accountants
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

Bankers

Lloyds Bank
5 The Square
Petersfield
Hampshire
GU32 3HL

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2024

The Trustees present their annual report together with the audited financial statements of the Company for the 1 August 2023 to 31 July 2024. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Structure, governance and management

a. Constitution

Child Light Limited is a registered charity and was established in 1994. It is a private company limited by guarantee with the company number 02928829.

The company is constituted under a Memorandum of Association and is a registered charity number 1039099.

Day to day management of the charity and its principal activity (Heritage School) is delegated to Mr Jason Fletcher, Headmaster of Heritage School (Chief Executive of the charity).

b. Recruitment, Appointment and Induction of Trustees

Invitations are extended from time to time to suitable qualified and experienced men and women to become Trustees, following consultation with the existing body of Trustees. Newly appointed Trustees are provided with the induction materials, including a copy of the Memorandum of Association. They will have an induction with fellow Trustees and the Chief Executive and will be expected to spend time familiarising themselves with the workings of the charity.

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

Day to day management of the operations of the charity, particularly its principal activity Heritage School, is overseen by the Headmaster (Chief Executive).

Within Heritage School there is a Senior Leadership Team consisting of the Headmaster, the Deputy Head, the Bursar, the Head of Infants, the Head of Juniors and the Head of Seniors. This team meets fortnightly to consider operational matters and whole-school policy decisions.

Beneath this Senior Leadership Team, teachers meet in their departments regularly as required. Head of subject areas hold meetings as required. Staff meetings involving Infant School and Junior School class teachers are held fortnightly as are staff meetings for Senior School teachers. INSET training occurs four times per year for all staff. All of these meetings provide opportunities for discussion of educational philosophy and methodology and feedback regarding relevant policy and operational matters.

Day-to-day financial oversight is exercised jointly by the Headmaster and the Bursar in relation to the budget approved by Trustees. Budgetary responsibility for specific departments is devolved to heads of subject areas, the Head of Infants or the Head of Juniors. Budgetary responsibility for our enrichment programme is managed by our Head of Enrichment.

Bursaries are awarded by a Bursary Committee, which will always include at least one Trustee. Within overall levels approved by Trustees, the Bursary Committee awards bursaries following a means-tested application process. The Headmaster is not a member of the Bursary Committee.

Trustees have responsibility over all operational and policy decisions taken by the management of the school (and the charity as a whole). Specifically, they routinely consider:

- the financial position of the school, including setting the level of fees, agreeing the extent of bursaries to be awarded in each year, agreeing an annual budget, monitoring progress against budget, and authorising exceptional expenditure,
- staffing needs, performance and recruitment,
- regulatory compliance, including safeguarding and health & safety,
- advertising and recruitment of pupils,
- matters affecting the ethos of the school,
- property issues and lease agreements,
- any significant new developments.

d. Internal Controls and Risk Management

The systems of internal control are designed to provide reasonable, but not absolute assurance against misstatement and loss. They include:

- regular strategic reviews, an annual budget approved by the Trustees and quarterly management accounts comparing performance against budget,
- regular reports submitted by the Chief Executive,
- regular consideration by the Trustees of the financial position,
- identification and management of risks.

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

Structure, governance and management (continued)

e. Related party relationships

Three of the trustees (Revd C M Meakin, Mrs T Anifalaje and Revd Dr. R McDonald) have between them six (2023 - seven) children who attend the school.

The company secretary, who is also the Headmaster, and his wife are employees of the school. The salaries and any benefits to which they are entitled are on terms no more favourable than those of any other employee.

f. Financial risk management

The Trustees have assessed the major risks to which the Company is exposed, in particular those related to the operations and finances of the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Objectives and activities

a. Policies and objectives

The objects of the charity as stated in its Memorandum and Articles of Association:

- the advancement of education whether secular or religious;
- the advancement of the tenets of the Christian Faith; and
- the advancement of any educational, religious or other charitable object.

b. Strategies for achieving objectives

The charity pursues the above stated objects by providing advice, advocacy or information, by undertaking research, by acting as an umbrella or resourcing body and by directly delivering services.

Child Light Limited is particularly concerned to advance the approach to education articulated by Charlotte Mason and the PNEU (Parents National Education Union).

The primary strategy used to implement the charity's objectives is the operation of Heritage School, whose activities are described below.

c. Main activities undertaken to further the Company's purposes for the public benefit

The activities undertaken in the past by Child Light have always included more than the direct provision of educational services. Child Light has advanced education more broadly through the provision of advice, advocacy or information including publications, undertaking research and acting as an umbrella body. During 2023-24 Child Light offered advice to other educators through a new initiative called Educator Training Days, as well as through one-to-one consultancy visits by educators to Heritage School.

Child Light also continued to serve the wider community by hiring our facilities at a reasonable cost to other educational providers.

In addition, our accessible fee structure is intended to make the work of Child Light as beneficial to as wide a segment of the population as possible.

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

Strategic report

Achievements and performance

a. Main achievements of the Company

During 2023-24 Heritage School was the principal activity of Child Light Limited.

We commenced 2023-24 with 194 pupils. It was the eighth academic year in which we had a single class in each year group from Reception to Year 11.

Our Leavers in July 2024 received offers at their preferred destination for post-16 education and training, with Hills Road Sixth Form as the most common. They achieved excellent results relative to pre-pandemic standards, with 74% of all results being awarded either 9-7, the second highest in the city of Cambridge. 'Added value' analysis shows that over seven years for which we have data, Heritage pupils have achieved, on average, 1.3 grades higher per subject than standardised assessments considered 'most likely'. This demonstrates Heritage School's unique ability to help pupils exceed expectations.

A new Deputy Head commenced in September 2023. We also made the following teacher appointments during 2023-24 for a September 2024 start: Year 4 Class Teacher, Senior English Teacher, Senior History and RS teacher and Head of Humanities Faculty, SENCO.

Recruitment of pupils was strong during 2023-24, particularly for places in our Lower Prep (Reception) class and in our Year 7 class, leading to the highest number of pupils (200) starting in September 2024 in many years. We took the decision during 2023-24 to expand the number of pupils in our Senior classes to 20 (from 18) and in all of our Junior classes to 18 (from 16 in Year 3 and Year 4).

In April 2024 we were inspected by the ISI. All standards were met. Inspectors praised the school's leadership for 'effectively translating their clear vision into development plans that promote pupils' progress and wellbeing.' The full report can be found on our website.

In the financial year 2023-24 we have pursued a range of activities to advance Christian education along Charlotte Mason/PNEU lines including launching a formal Educator Training Day, Educator Visits and a consultancy programme.

There are factors outside of our control that affect our ability to successfully achieve our objectives, particularly pupil and staff recruitment. These wider economic factors include increased employer pension contributions in the Teachers Pensions from April 2024, the threat of higher taxes by a new Labour government, due to be implemented in late October 2024 and the loss of mandatory business rate relief from April 2025. The increased pension costs were partially mitigated through undertaking a consultation with affected staff about the conditions for continued participation in the Teachers' Pension Scheme. At the same time, efficiency savings were introduced through outsourcing payroll services.

The impact of these uncertainties is mitigated through prudent financial management, effective marketing of the school and making use of available channels to advertise teacher vacancies. A strong service that leads to positive personal recommendations on the part of those involved with Heritage School remains a high priority.

CHILD LIGHT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

Strategic report (continued)

Financial review

a. Review

Charitable activities raised £2,570,570 during 2023-2024, from which all operational costs for the school were met.

In addition, the Heritage Community Association (HCA), raised a further £11,131 in support of the work of Heritage School through a combination of fundraising activities (£7,657) and voluntary donations (£3,474).

b. Reserves policy

At the end of the 2023-24 year, £1,291,472 total funds were held, of which £25,423 were restricted. The trustees seek to build unrestricted reserves equal to 25% of the current year's total expenditure.

c. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

d. Pay policy for senior staff

Pay and remuneration of the charity's key management personnel are determined in the light of independent school sector norms and the government's statutory guidance on pay and conditions for teachers in England and Wales (see <https://www.gov.uk/government/publications/school-teachers-pay-and-conditions>). These norms are used to guide the Headmaster's pay, the Deputy Head's pay, and the value of additional responsibilities undertaken by teaching staff. Pay for school administrators is determined in relation to industry standards. The performance of key management personnel is evaluated by Trustees regularly in the course of their normal duties. Pay is not linked to performance criteria. Trustees set pay levels for all staff, including key management personnel, when they approve the annual budget.

e. Plans for future periods

In 2024-25 the operation of Heritage School will be the predominant focus of the activities of Child Light Limited. Our main developmental priorities are to:

- continue strengthening management systems generally
- take further steps toward 'sharing' the work of Heritage School with interested visitors through our new consultancy programmes, attending conferences and publishing activities
- navigate the financial consequences of the new tax policies to be introduced by the Labour government
- do all we can to strengthen recruitment to closer to 100% capacity, with a particular focus upon Lower Prep (Reception) entry
- embed expanded class sizes in our Senior School and lower Junior School, ensuring high quality service for our pupils
- implement wrap-around care up to 5:30pm every day of the week for pupils in Reception (Lower Prep) to Year 6, to support working parents more effectively
- appoint new Trustees

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

Members' liability

The Members of the Company guarantee to contribute an amount not exceeding £1 to the assets of the Company in the event of winding up.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

Auditors

The auditors, Griffin Stone Moscrop & Co, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

T Amies

.....
Mr T Amies

Date: 7/3/2025

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED

Opinion

We have audited the financial statements of Child Light Limited (the 'charitable company') for the year ended 31 July 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED (CONTINUED)

Responsibilities of trustees

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

In preparing the financial statements, the Trustees 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 specific procedures designed and implemented to detect irregularities, including fraud, are detailed below:

- Enquiry of management and those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of activities and reviewing accounting estimates for bias.

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

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED (CONTINUED)

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.

Richard Hill

Richard Hill (Senior statutory auditor)

for and on behalf of

Griffin Stone Moscrop & Co

Chartered Accountants

Statutory Auditors

21 - 27 Lamb's Conduit Street

London

WC1N 3GS

Date: 7/3/2025

CHILD LIGHT LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	4	6,468	26,412	32,880	54,195
Charitable activities	6	2,570,570	-	2,570,570	2,383,298
Other trading activities	7	-	8,734	8,734	2,930
Investments	5	2,249	-	2,249	-
Other income	8	5,594	-	5,594	1,249
Total income		2,584,881	35,146	2,620,027	2,441,672
Expenditure on:					
Raising funds	9	-	5,483	5,483	7,040
Charitable activities		2,491,169	9,758	2,500,927	2,303,998
Total expenditure		2,491,169	15,241	2,506,410	2,311,038
Net movement in funds		93,712	19,905	113,617	130,634
Reconciliation of funds:					
Total funds brought forward		1,172,337	5,518	1,177,855	1,047,221
Net movement in funds		93,712	19,905	113,617	130,634
Total funds carried forward		1,266,049	25,423	1,291,472	1,177,855

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

The notes on pages 16 to 35 form part of these financial statements.

CHILD LIGHT LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 02928829

BALANCE SHEET
AS AT 31 JULY 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	15	6,638,047	6,676,254
		<u>6,638,047</u>	<u>6,676,254</u>
Current assets			
Stocks	16	14,721	12,222
Debtors	17	86,139	71,826
Cash at bank and in hand		719,343	405,248
		<u>820,203</u>	<u>489,296</u>
Creditors: amounts falling due within one year	18	(463,816)	(188,837)
Net current assets		<u>356,387</u>	<u>300,459</u>
Total assets less current liabilities		<u>6,994,434</u>	<u>6,976,713</u>
Creditors: amounts falling due after more than one year	19	(5,702,962)	(5,798,858)
Net assets excluding pension asset		<u>1,291,472</u>	<u>1,177,855</u>
Total net assets		<u><u>1,291,472</u></u>	<u><u>1,177,855</u></u>
Charity funds			
Restricted funds	21	25,423	5,518
Unrestricted funds	21	1,266,049	1,172,337
Total funds		<u><u>1,291,472</u></u>	<u><u>1,177,855</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

T Amies

.....
Mr T Amies

Date: 7/3/2025

The notes on pages 16 to 35 form part of these financial statements.

CHILD LIGHT LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2024

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities	354,197	224,985
Cash flows from investing activities		
Purchase of tangible fixed assets	(40,102)	(3,256)
Net cash used in investing activities	(40,102)	(3,256)
Cash flows from financing activities		
Repayments of borrowing	-	(76,370)
Net cash provided by/(used in) financing activities	-	(76,370)
Change in cash and cash equivalents in the year	314,095	145,359
Cash and cash equivalents at the beginning of the year	405,248	259,889
Cash and cash equivalents at the end of the year	719,343	405,248

The notes on pages 16 to 35 form part of these financial statements

CHILD LIGHT LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

1. General information

Child Light Limited is a company limited by guarantee, incorporated in England & Wales, whose main activity is that of operating a school. The registered office and situation of the school is 17-19 Brookside, Cambridge CB2 1JE. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Child Light Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The trustees consider there are no material uncertainties about the company's ability to continue as a going concern.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.4 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in activities that raise funds.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

CHILD LIGHT LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line
Computer equipment	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.9 Debtors

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

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

CHILD LIGHT LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. Accounting policies (continued)

2.12 Pensions

The company operates a defined contribution pension scheme in respect of its non-teaching staff and the pension charge represents the amounts payable by the company to the fund in respect of the year.

The company also operates a defined benefits pension scheme in respect of its teaching staff. The scheme is a state plan where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the company's share of the underlying assets and liabilities of the plan. Therefore, as required by Section 28 of FRS 102, the company accounts for this scheme as if it was a defined contribution scheme. Contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

2.13 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

3. Accounting estimates and areas of judgment

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates, but these are unlikely to be material.

4. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	6,468	26,412	32,880	54,195
Total 2023	44,529	9,666	54,195	

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

5. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Investment income	2,249	2,249	-

6. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Heritage School income	2,570,570	2,570,570	2,383,298
Total 2023	2,383,298	2,383,298	

7. Income from other trading activities

Income from fundraising events

	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
HCA fundraising	7,657	7,657	2,022
Other fundraising	1,077	1,077	908
	8,734	8,734	2,930
Total 2023	2,930	2,930	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

8. Other incoming resources

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Royalties received	1,570	1,570	1,249
Other interest received	356	356	-
Other income	3,668	3,668	-
	<u>5,594</u>	<u>5,594</u>	<u>1,249</u>
Total 2023	<u>1,249</u>	<u>1,249</u>	

9. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Heritage Community Association (HCA) costs	-	5,483	5,483	7,040
	<u>1,371</u>	<u>5,669</u>	<u>7,040</u>	
Total 2023	<u>1,371</u>	<u>5,669</u>	<u>7,040</u>	

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

10. Analysis of grants

	Grants to Institutions 2024 £	Total funds 2024 £	Total funds 2023 £
Amazing Grace School, Uganda	596	596	887
	<u>596</u>	<u>596</u>	<u>887</u>
Total 2023	887	887	
	<u>887</u>	<u>887</u>	

11. Analysis of expenditure by charitable activities

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Heritage School direct costs	1,679,914	596	820,417	2,500,927	2,303,998
	<u>1,679,914</u>	<u>596</u>	<u>820,417</u>	<u>2,500,927</u>	<u>2,303,998</u>
Total 2023	1,523,717	887	779,394	2,303,998	
	<u>1,523,717</u>	<u>887</u>	<u>779,394</u>	<u>2,303,998</u>	

Analysis of direct costs

	Activities 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	1,441,094	1,441,094	1,294,674
Heritage School direct costs	78,309	78,309	73,120
Depreciation	158,349	158,349	131,012
Expenditure of income received in the Bursary fund	2,162	2,162	24,911
	<u>1,679,914</u>	<u>1,679,914</u>	<u>1,523,717</u>

CHILD LIGHT LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

11. Analysis of expenditure by charitable activities (continued)

Analysis of support costs

	Activities 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	304,054	304,054	289,962
Recruitment and training	11,473	11,473	11,660
Property	126,459	126,459	121,234
Administration	108,657	108,657	95,192
Marketing	9,981	9,981	14,832
Audit	7,306	7,306	9,657
Professional fees	13,387	13,387	565
Finance costs	233,571	233,571	231,605
Compliance and inspections	5,529	5,529	4,065
Loss on disposal	-	-	622
	<u>820,417</u>	<u>820,417</u>	<u>779,394</u>
Total 2023	<u>779,394</u>	<u>779,394</u>	

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 July 2024, no Trustee expenses have been incurred (2023 - £NIL).

13. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £4,390 (2023 - £5,795), and an accounts preparation fee of £2,916 (2023 - £3,862).

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

14. Staff costs

	2024	2023
	£	£
Wages and salaries	1,352,818	1,245,757
Social security costs	117,226	104,871
Contribution to defined contribution pension schemes	275,104	234,008
	1,745,148	1,584,636

The average number of persons employed by the Company during the year was as follows:

	2024	2023
	No.	No.
Teaching staff	46	46
Administrative staff	12	12
	58	58

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
	No.	No.
In the band £60,001 - £70,000	1	1

The remuneration (including national insurance and pension contributions) received by key management personnel was £220,907 (2023 - £166,408). The key management personnel for the purpose of this disclosure are the Headmaster, Deputy Head and the Bursar.

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

15. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 August 2023	6,913,207	25,949	43,066	17,864	7,000,086
Additions	19,972	-	17,986	2,144	40,102
At 31 July 2024	<u>6,933,179</u>	<u>25,949</u>	<u>61,052</u>	<u>20,008</u>	<u>7,040,188</u>
Depreciation					
At 1 August 2023	243,185	25,126	38,162	17,359	323,832
Charge for the year	69,587	205	7,476	1,041	78,309
At 31 July 2024	<u>312,772</u>	<u>25,331</u>	<u>45,638</u>	<u>18,400</u>	<u>402,141</u>
Net book value					
At 31 July 2024	<u>6,620,407</u>	<u>618</u>	<u>15,414</u>	<u>1,608</u>	<u>6,638,047</u>
At 31 July 2023	<u>6,670,022</u>	<u>823</u>	<u>4,904</u>	<u>505</u>	<u>6,676,254</u>

The total net book value of the charity's freehold property has been pledged as security for liabilities. For further details, see Note 19.

16. Stocks

	2024 £	2023 £
Finished goods and goods for resale	<u>14,721</u>	<u>12,222</u>

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

17. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	25,906	27,963
Other debtors	1,788	2,712
Prepayments	54,746	33,651
Tax recoverable	3,699	7,500
	<u>86,139</u>	<u>71,826</u>

18. Creditors: Amounts falling due within one year

	2024 £	2023 £
Bank loan	96,145	91,962
Other loans	4,711	1,313
Trade creditors	38,897	33,203
Other creditors	4,331	7,165
Accruals and deferred income	319,732	55,194
	<u>463,816</u>	<u>188,837</u>

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

19. Creditors: Amounts falling due after more than one year

	2024	2023
	£	£
Bank loans	4,202,962	4,298,858
Other loans	1,500,000	1,500,000
	5,702,962	5,798,858

Included within the above are amounts falling due as follows:

	2024	2023
	£	£
Between one and two years		
Bank loans	98,448	96,145
Between two and five years		
Bank loans	204,193	302,641
Other loans	500,000	-
Over five years		
Bank loans	3,900,321	3,900,072
Other loans	1,000,000	1,500,000

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2024	2023
	£	£
Payable or repayable by instalments	3,900,321	3,900,072
Payable or repayable other than by instalments	1,000,000	1,500,000
	4,900,321	5,400,072

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

During the year ended 31 July 2021 a new bank loan was arranged with the charity borrowing £4,640,000 to be repaid over 30 years. This loan is subject to 3.98% interest per annum for the first 5 years and thereafter to an annual interest rate charge of 3.93% over the prevailing bank base rate. This loan is secured by a first fixed and floating legal charge over the charity's freehold properties, 17-19 Brookside (Cambridge, CB2 1JE), Panton Hall (Cambridge, CB2 1HP) and all other assets.

- In addition the charity took out four other loans during the year ended 31 July 2021:
- Two loans were taken out on similar terms, one for £450,000 and one for £50,000 which are to be repaid after 7 years. These loans are subject to 3% interest per annum. On the settlement of these loans, an independent valuation of 17-19 Brookside (Cambridge, CB2 1JE) will be carried out, and the charity will pay the lenders 23% and 2.60% (respectively) of any increase in the market value of the property over £4,835,000 less any 'capital expenditure on improvements'. The repayments are subject to a maximum amount equal to the original loan plus 7% compounded interest per annum.
 - A loan for £900,000 is to be repaid after 15 years. This loan was subject to 3% interest per annum for the first year of the term, rising by 0.5% for each subsequent year until it reaches 6% in year 7. The interest rate will remain at 6% for the remainder of the term.
 - A loan for £100,000 is to be repaid after 10 years. This loan was subject to 3% interest per annum for the first year of the term, rising by 0.5% for each subsequent year until it reaches 6% in year 7. The interest rate will remain at 6% for the remainder of the term.

The four loans have a second fixed charge over the charity's freehold properties and rank equally, with any payments proportionate to the loans advanced.

20. Financial instruments

	2024 £	2023 £
Financial assets		
Financial assets measured at fair value through income and expenditure	719,343	405,248

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

21. Statement of funds

Statement of funds - current year

	Balance at 1 August 2023 £	Income £	Expenditure £	Balance at 31 July 2024 £
Unrestricted funds				
General fund	1,172,337	2,584,881	(2,491,169)	1,266,049
Restricted funds				
Restricted funds - other	530	4,512	(522)	4,520
Amazing Grace School, Uganda	488	1,263	(596)	1,155
Bursary fund	-	2,162	(2,162)	-
Commemoration fund	4,500	-	(1,540)	2,960
Building and facilities improvement fund	-	17,000	(7,000)	10,000
Heritage Community Association fund	-	10,209	(3,421)	6,788
	5,518	35,146	(15,241)	25,423
Total of funds	1,177,855	2,620,027	(2,506,410)	1,291,472

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

21. Statement of funds (continued)

Restricted funds - other

Such resources represent small donations given for specific purposes relating to the running of the school.

Amazing Grace School, Uganda

Amazing Grace School is a school in Uganda of a roughly similar age as Heritage School. A number of the pupils are orphans, and there are boarders and day pupils. The relationship between Amazing Grace and Heritage Schools extends into the classroom as pupils write letters to one another and send art work and other items to each other. Typically, Heritage School donates the proceeds from the Christmas Concert collection and a portion of all HCA raised funds to Amazing Grace each year.

Bursary fund

Bursaries are awarded to pupils who, it is believed, will gain most from a Heritage education and will contribute fully to the life of the school. Bursaries are awarded on a sliding scale up to a maximum of 75%, with emphasis on ensuring a broad distribution, so that as many families can benefit as possible.

Commemoration fund

The Commemoration fund was established in the year ended 31 July 2022 and is to be used for any activities that celebrate the people, history, or key events in the school's life. The aim of this fund is for such activities not to place a burden on the operational funding of the school.

Building and facilities improvement fund

This fund is for donations received for the purposes of increasing, improving or repairing the facilities owned by Child Light at Brookside or Panton Hall.

Heritage Community Association fund

The Heritage Community Association (HCA) is a community made up of people with an interest in Heritage School, for instance parents of current pupils. They raise funds for Heritage School and Amazing Grace School through cake sales and second hand clothing sales, and events such as fetes.

CHILD LIGHT LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2023 £
Unrestricted funds					
General fund	1,013,804	2,431,098	(2,278,133)	5,568	1,172,337
Restricted funds					
Restricted funds - other	4,776	5,763	(7,107)	(2,902)	530
Amazing Grace School, Uganda	887	488	(887)	-	488
Bursary fund	22,588	2,323	(24,911)	-	-
Commemoration fund	2,500	2,000	-	-	4,500
Fixed asset fund	2,666	-	-	(2,666)	-
	33,417	10,574	(32,905)	(5,568)	5,518
Total of funds	1,047,221	2,441,672	(2,311,038)	-	1,177,855

22. Summary of funds

Summary of funds - current year

	Balance at 1 August 2023 £	Income £	Expenditure £	Balance at 31 July 2024 £
General funds	1,172,337	2,584,881	(2,491,169)	1,266,049
Restricted funds	5,518	35,146	(15,241)	25,423
	1,177,855	2,620,027	(2,506,410)	1,291,472

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

22. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2023 £
General funds	1,013,804	2,431,098	(2,278,133)	5,568	1,172,337
Restricted funds	33,417	10,574	(32,905)	(5,568)	5,518
	<u>1,047,221</u>	<u>2,441,672</u>	<u>(2,311,038)</u>	<u>-</u>	<u>1,177,855</u>

23. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	6,638,047	-	6,638,047
Current assets	794,780	25,423	820,203
Creditors due within one year	(463,816)	-	(463,816)
Creditors due in more than one year	(5,702,962)	-	(5,702,962)
Total	<u>1,266,049</u>	<u>25,423</u>	<u>1,291,472</u>

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	6,676,254	-	6,676,254
Current assets	483,778	5,518	489,296
Creditors due within one year	(188,837)	-	(188,837)
Creditors due in more than one year	(5,798,858)	-	(5,798,858)
Total	<u>1,172,337</u>	<u>5,518</u>	<u>1,177,855</u>

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

24. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net income for the period (as per Statement of Financial Activities)	113,617	130,634
Adjustments for:		
Depreciation charges	78,309	73,120
Loss on the disposal of fixed assets	-	622
Increase in stocks	(2,499)	(234)
Increase in debtors	(14,313)	(17,342)
Increase in creditors	179,083	38,185
Net cash provided by operating activities	354,197	224,985

25. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	719,343	405,248
Total cash and cash equivalents	719,343	405,248

26. Analysis of changes in net debt

	At 1 August 2023 £	Cash flows £	At 31 July 2024 £
Cash at bank and in hand	405,248	314,095	719,343
Debt due within 1 year	(93,275)	(7,581)	(100,856)
Debt due after 1 year	(5,798,858)	95,896	(5,702,962)
	(5,486,885)	402,410	(5,084,475)

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

27. Related party transactions

Related party transactions not disclosed elsewhere in the financial statements are as follows:

- Revd C M Meakin, a Trustee, has two (2023 - two) children who attended the school during the year;
- Revd Dr. R McDonald, a Trustee, has three (2023 - three) children who attended the school during the year; and
- Mrs T Anifalaje, a Trustee, has one (2023 - one) child who attended the school during the year.

The company secretary, who is also the Headmaster, and his wife are employees of the school. The salaries and any benefits to which they are entitled are on terms no more favourable than those of any other employee.

During the year, the charity received restricted donations totalling £2,500 (2023 - £4,300) from two (2023 - three) of its Trustees.

28. Pension commitments

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 2014. Membership is automatic for teachers in member schools. All teachers have the option to opt-out of the TPS following enrolment. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis —these contributions along with those made by employers are credited to the Exchequer. The school has accounted for its contributions to the scheme as if it were a defined contribution scheme. The school has set out below the information available on the scheme.

At the balance sheet date, no contributions were payable by the charity (2023 - same).

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020 in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 and the Employer Contribution Rate was assessed using agreed assumptions in line with the Directions and was accepted at the original assessed rate as there was no cost control mechanism breach.

The valuation report was published by the Department for Education on 26 October 2023. The key elements of the valuation are:

- Total scheme liabilities for service (the capital sum needed at 31 March 2020 to meet the stream of future cash flows in respect of benefits earned) of £262 billion;
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £222 billion;
- Notional past service deficit of £39.8 billion (2016 - £22 billion);
- Discount rate is 1.7% in excess of CPI (2016 - 2.4% in excess of CPI) (this change has had the greatest financial significance).

As a result of the valuation, new employer contribution rates have been set at 28.68% of pensionable pay from 1 April 2024 until 31 March 2027 (compared to 23.68% under the previous valuation including a 0.08% administration levy).

The employer's pension costs paid to TPS in the period amounted to £252,520 (2023 - £213,262).

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

28. Pension commitments (continued)

Group Personal Pension Schemes

The School also operates a group personal pension scheme. The Scheme is a defined contribution scheme, the assets of the scheme being held separately from those of the school in independently administered funds.

The school's contributions to the Independent School's Pension Scheme for non-teaching staff were 8.45% (combined pension and death in service benefit) (2023 - 8.5%) with employee contributions of 7% (2023 - 7%).

Employer contributions paid to the schemes in the year were £21,407 (2023 - £20,746).

CHILD LIGHT LIMITED

England & Wales - Charity number 1039099

Accounts

CHILD LIGHT LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

CHILD LIGHT LIMITED
(A company limited by guarantee)

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CHILD LIGHT LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2023**

Trustees

Mr D E C Alderson
Mr T Amies, Chair
Mr D Leckie (resigned 5 December 2022)
Revd C M Meakin
Revd Dr R McDonald
Mrs F Hough (appointed 17 March 2023)
Mrs T Anifalaje (appointed 13 March 2023)

Company registered number

02928829

Charity registered number

1039099

Registered office

17-19 Brookside
Cambridge
CB2 1JE

Company secretary

Mr J W Fletcher

Chair of the Trustees

Mr T Amies

Independent auditors

Griffin Stone Moscrop & Co
Chartered Accountants
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

Bankers

Lloyds Bank
5 The Square
Petersfield
Hampshire
GU32 3HL

CHILD LIGHT LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2023

The Trustees present their annual report together with the audited financial statements of the Company for the 1 August 2022 to 31 July 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Structure, governance and management

a. Constitution

Child Light Limited is a registered charity and was established in 1994. It is a private company limited by guarantee with the company number 02928829.

The company is constituted under a Memorandum of Association and is a registered charity number 1039099.

Day to day management of the charity and its principal activity (Heritage School) is delegated to Mr Jason Fletcher, Headmaster of Heritage School (Chief Executive of the charity).

b. Recruitment, Appointment and Induction of Trustees

Invitations are extended from time to time to suitable qualified and experienced men and women to become Trustees, following consultation with the existing body of Trustees. Newly appointed Trustees are provided with the induction materials, including a copy of the Memorandum of Association. They will have an induction with fellow Trustees and the Chief Executive and will be expected to spend time familiarising themselves with the workings of the charity.

CHILD LIGHT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

Day to day management of the operations of the charity, particularly its principal activity Heritage School, is overseen by the Headmaster (Chief Executive).

Within Heritage School there is a Senior Leadership Team consisting of the Headmaster, the Deputy Head, the Bursar, the Head of Infants, the Head of Juniors, the Head of Seniors, and the Head of Academics Seniors. This team meets fortnightly to consider operational matters and whole-school policy decisions.

Beneath this Senior Leadership Team, teachers meet in their departments regularly as required. Head of subject areas hold meetings as required. Staff meetings involving Infant School and Junior School class teachers are held fortnightly as is a staff meeting for Senior School teachers. INSET training occurs four times per year for all staff. All of these meetings provide opportunities for discussion of educational philosophy and methodology and feedback regarding relevant policy and operational matters.

Day-to-day financial oversight is exercised jointly by the Headmaster and the Bursar in relation to the budget approved by Trustees. Budgetary responsibility for specific departments is devolved to heads of subject areas, the Head of Infants or the Head of Juniors. Budgetary responsibility for our enrichment programme is managed by our Head of Enrichment.

Bursaries are awarded by a Bursary Committee, which will always include at least one Trustee. Within overall levels approved by Trustees, the Bursary Committee awards bursaries following a means-tested application process. The Headmaster is not a member of the Bursary Committee.

Trustees have responsibility over all operational and policy decisions taken by the management of the school (and the charity as a whole). Specifically, they routinely consider:

- the financial position of the school, including setting the level of fees, agreeing the extent of bursaries to be awarded in each year, agreeing an annual budget, monitoring progress against budget, and authorising exceptional expenditure;
- staffing needs, performance and recruitment;
- regulatory compliance, including safeguarding and health & safety;
- advertising and recruitment of pupils;
- matters affecting the ethos of the school;
- property issues and lease agreements; and
- any significant new developments.

d. Internal Controls and Risk Management

The systems of internal control and risk management are designed to provide reasonable, but not absolute assurance against misstatement and loss. They include:

- regular strategic reviews, an annual budget approved by the Trustees and quarterly management accounts comparing performance against budget;
- regular reports submitted by the Chief Executive;
- regular consideration by the Trustees of the financial position; and
- identification and management of risks.

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

Structure, governance and management (continued)

e. Related party relationships

Mr Macaulay, a trustee, (the Headmaster) who are employees of the school. Four of the trustees (Revd C M Meakin, Mr T Amies, Mrs T Anifalaje and Revd Dr. R McDonald) have between them seven (2022 - same) children who attend the school.

The company secretary, who is also the headmaster, and his wife are employees of the school. The salaries and any benefits to which they are entitled are on terms no more favourable than those of any other employee.

f. Financial risk management

The Trustees have assessed the major risks to which the Company is exposed, in particular those related to the operations and finances of the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Objectives and activities

a. Policies and objectives

The objects of the charity as stated in its Memorandum and Articles of Association:

- the advancement of education whether secular or religious;
- the advancement of the tenets of the Christian Faith; and
- the advancement of any educational, religious or other charitable object.

b. Strategies for achieving objectives

The charity pursues the above stated objects by providing advice, advocacy or information, by undertaking research, by acting as an umbrella or resourcing body and by directly delivering services.

Child Light Limited is particularly concerned to advance the approach to education articulated by Charlotte Mason and the PNEU (Parents National Education Union).

The primary strategy used to implement the charity's objectives is the operation of Heritage School, whose activities are described below.

c. Main activities undertaken to further the Company's purposes for the public benefit

The activities undertaken in the past by Child Light have always included more than the direct provision of educational services. Child Light has advanced education more broadly through the provision of advice, advocacy or information including publications, undertaking research and acting as an umbrella body. During 2022-23 Child Light offered advice to other educators interested in operating along similar lines, and it oversaw the publication of a book for use in schools entitled Let's Explore the British Isles by Caroline Walker.

Child Light also continued to serve the wider community by hiring our facilities at a reasonable cost to other educational providers.

In addition, our accessible fee structure is intended to make the work of Child Light as beneficial to as wide a segment of the population as possible.

CHILD LIGHT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

Strategic report

Achievements and performance

a. Main achievements of the Company

During 2022-23 Heritage School was the principal activity of Child Light Limited.

We commenced 2022-23 with 190 pupils. It was the seventh academic year in which we had a single class in each year group from Reception to Year 11.

Our Leavers in July 2023 received offers at their preferred destination for post-16 education and training, with Hills Road Sixth Form as the most common. They achieved excellent results relative to pre-pandemic standards, with 55% of all results being awarded 9-8, 70% of all results being awarded either 9-7, and 84% of all results being awarded 9-6. 'Added value' analysis shows that over six years for which we have data, Heritage pupils have achieved, on average, 1.3 grades higher per subject than standardised assessments considered 'most likely'. This demonstrates Heritage School's unique ability to help pupils exceed expectations.

2022-23 was the first academic year since 2018-19 that was not directly affected by the Coronavirus Pandemic. During 2022-23, we appointed a new Deputy Head, to commence in September 2023. We also made the following teacher appointments during 2022-23 for a September 2022 start: Year 3 Class Teacher, Year 5 Class Teacher.

Recruitment of pupils was strong during 2022-23, particularly for places in our Lower Prep (Reception) class and in our Year 7 class.

In the financial year 2022-23 we have pursued a range of activities within our control to advance Christian education along Charlotte Mason/PNEU lines. These activities have had the successful continued growth of Heritage School as their main purpose. This also included publishing activity, particularly Let's Explore The British Isles, by Caroline Walker, a text for use in upper primary school classrooms. In addition we welcomed numerous visitors to Heritage School who wished to see Charlotte Mason based education in practice.

There are factors outside of our control that affect our ability to successfully achieve our objectives, particularly pupil recruitment and staff recruitment. The impact of these uncertainties is mitigated through effective marketing of the school generally and effective advertising for teaching vacancies, together with delivering a strong service that leads to positive personal recommendations on the part of those involved with Heritage School.

Financial review

a. Review

We were able to meet all operational costs from fee income during 2022-2023, and to carry forward cash reserves into 2023-24, as these accounts show.

Fundraising activities were undertaken during 2022-23 by the Heritage Community Association (HCA), which was formed in the summer of 2011. It raised £6,604 during 2022-23 to support the work of the school.

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

b. Reserves policy

At the end of the 2022-23 year, £1,177,855 total funds were held, of which £5,518 were restricted. The trustees seek to build unrestricted reserves equal to 25% of the current year's total expenditure.

c. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

d. Pay policy for senior staff

Pay and remuneration of the charity's key management personnel are determined in the light of independent school sector norms and the government's statutory guidance on pay and conditions for teachers in England and Wales (see <https://www.gov.uk/government/publications/school-teachers-pay-and-conditions>). These norms are used to guide the Headmaster's pay, the Deputy Head's pay, and the value of additional responsibilities undertaken by teaching staff. Pay for school administrators is determined in relation to industry standards. The performance of key management personnel is evaluated by Trustees regularly in the course of their normal duties. Pay is not linked to performance criteria. Trustees set pay levels for all staff, including key management personnel, when they approve the annual budget.

e. Plans for future periods

In 2023-24 the operation of Heritage School will be the predominant focus of the activities of Child Light Limited. Our main developmental priorities are to:

- integrate a new Deputy Head to strengthen management capacity in the school
- continue strengthening management systems generally
- take initial steps toward 'sharing' the work of Heritage School with interested visitors, with a particular focus on establishing an 'Open Day' as a way of welcoming visitors to see and learn more about Charlotte Mason distinctives
- strengthen recruitment to nearer 100% capacity, with a particular focus upon Lower Prep (Reception) entry
- expand our class sizes to 20 in the Senior School
- develop a strategy to provide wrap-around care up to approximately 5:30pm every day of the week for pupils in Reception (Lower Prep) to Year 6, to support working parents more effectively
- appoint new Trustees
- continue to improve our regulatory compliance management with support from our Compliance Officer
- effective financial management in the light of anticipated increases to the employer contribution for the Teachers' Pension Scheme and seek to further strengthen our reserves
- support the Finance Officer to be able to undertake more responsibilities for financial management, including payroll
- Increase our stewardship of our owned property with greater maintenance investment toward compliance and longevity.

Members' liability

The Members of the Company guarantee to contribute an amount not exceeding £1 to the assets of the Company in the event of winding up.

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Griffin Stone Moscrop & Co, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
Mr T Amies

Date: 4 March 2024

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED

Opinion

We have audited the financial statements of Child Light Limited (the 'charitable company') for the year ended 31 July 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED (CONTINUED)

Responsibilities of trustees

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

In preparing the financial statements, the Trustees 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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:

- Enquiry of management and those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of activities and reviewing accounting estimates for bias.

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

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED (CONTINUED)

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.

Chris Brecht

Christopher Brecht (Senior statutory auditor)

for and on behalf of

Griffin Stone Moscrop & Co

Chartered Accountants
Statutory Auditors

21 - 27 Lamb's Conduit Street

London

WC1N 3GS

Date: 15/3/2024

CHILD LIGHT LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	46,551	10,574	57,125	15,981
Charitable activities	5	2,383,298	-	2,383,298	2,171,863
Other income	6	1,249	-	1,249	2,739
Total income		2,431,098	10,574	2,441,672	2,190,583
Expenditure on:					
Raising funds	7	1,371	5,669	7,040	350
Charitable activities		2,276,762	27,236	2,303,998	2,092,659
Total expenditure		2,278,133	32,905	2,311,038	2,093,009
Net income/(expenditure)		152,965	(22,331)	130,634	97,574
Transfers between funds	19	5,568	(5,568)	-	-
Net movement in funds		158,533	(27,899)	130,634	97,574
Reconciliation of funds:					
Total funds brought forward		1,013,804	33,417	1,047,221	949,647
Net movement in funds		158,533	(27,899)	130,634	97,574
Total funds carried forward		1,172,337	5,518	1,177,855	1,047,221

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

The notes on pages 15 to 31 form part of these financial statements.

CHILD LIGHT LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 02928829

BALANCE SHEET
AS AT 31 JULY 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	6,676,254	6,746,740
		<u>6,676,254</u>	<u>6,746,740</u>
Current assets			
Stocks	14	12,222	11,988
Debtors	15	71,826	54,484
Cash at bank and in hand		405,248	259,889
		<u>489,296</u>	<u>326,361</u>
Creditors: amounts falling due within one year	16	(188,837)	(135,060)
Net current assets		<u>300,459</u>	<u>191,301</u>
Total assets less current liabilities		<u>6,976,713</u>	<u>6,938,041</u>
Creditors: amounts falling due after more than one year	17	(5,798,858)	(5,890,820)
Net assets excluding pension asset		<u>1,177,855</u>	<u>1,047,221</u>
Total net assets		<u><u>1,177,855</u></u>	<u><u>1,047,221</u></u>
Charity funds			
Restricted funds	19	5,518	33,417
Unrestricted funds	19	1,172,337	1,013,804
Total funds		<u><u>1,177,855</u></u>	<u><u>1,047,221</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Mr T Amies

Date: 4 March 2024

The notes on pages 15 to 31 form part of these financial statements.

CHILD LIGHT LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	224,985	139,557
Cash flows from investing activities		
Purchase of tangible fixed assets	(3,256)	(2,964)
Net cash used in investing activities	(3,256)	(2,964)
Cash flows from financing activities		
Repayments of borrowing	(76,370)	(85,148)
Net cash used in financing activities	(76,370)	(85,148)
Change in cash and cash equivalents in the year	145,359	51,445
Cash and cash equivalents at the beginning of the year	259,889	208,444
Cash and cash equivalents at the end of the year	405,248	259,889

The notes on pages 15 to 31 form part of these financial statements

CHILD LIGHT LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

1. General information

Child Light Limited is a company limited by guarantee, incorporated in England & Wales, whose main activity is that of operating a school. The registered office and situation of the school is 17-19 Brookside, Cambridge CB2 1JE. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Child Light Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The trustees consider there are no material uncertainties about the company's ability to continue as a going concern.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.4 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in activities that raise funds.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line
Computer equipment	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

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

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

2. Accounting policies (continued)

2.11 Pensions

The company operates a defined contribution pension scheme in respect of its non-teaching staff and the pension charge represents the amounts payable by the company to the fund in respect of the year.

The company also operates a defined benefits pension scheme in respect of its teaching staff. The scheme is a state plan where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the company's share of the underlying assets and liabilities of the plan. Therefore, as required by Section 28 of FRS 102, the company accounts for this scheme as if it was a defined contribution scheme. Contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

2.12 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

3. Critical accounting estimates and areas of judgment

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates, but these are unlikely to be material.

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	46,551	10,574	57,125	15,981
	<u>5,312</u>	<u>10,669</u>	<u>15,981</u>	
Total 2022	<u>5,312</u>	<u>10,669</u>	<u>15,981</u>	

CHILD LIGHT LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Heritage School income	2,383,298	2,383,298	2,171,863
	<u>2,171,863</u>	<u>2,171,863</u>	
Total 2022	<u>2,171,863</u>	<u>2,171,863</u>	

6. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Royalties received	1,249	1,249	394
Coronavirus Job Retention Scheme and similar income	-	-	2,145
Other income	-	-	200
	<u>1,249</u>	<u>1,249</u>	<u>2,739</u>
Total 2022	<u>2,739</u>	<u>2,739</u>	

CHILD LIGHT LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Heritage Community Association (HCA) costs	1,371	5,669	7,040	350
Total 2022	350	-	350	

8. Analysis of grants

	Grants to Institutions 2023 £	Total funds 2023 £	Total funds 2022 £
Amazing Grace School, Uganda	887	887	604
Total 2022	604	604	

9. Analysis of expenditure by charitable activities

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Heritage School direct costs	1,523,717	887	779,394	2,303,998	2,092,659
Total 2022	1,392,699	604	699,356	2,092,659	

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

9. Analysis of expenditure by charitable activities (continued)

Analysis of direct costs

	Activities 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	1,294,674	1,294,674	1,219,913
Heritage School direct costs	73,120	73,120	75,699
Depreciation	131,012	131,012	97,087
Application of bursaries	24,911	24,911	-
	<u>1,523,717</u>	<u>1,523,717</u>	<u>1,392,699</u>

Analysis of support costs

	Activities 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	289,962	289,962	280,971
Recruitment and training	11,660	11,660	8,744
Property	121,234	121,234	74,455
Administration	95,192	95,192	82,297
Marketing	14,832	14,832	8,953
Audit	9,657	9,657	7,845
Professional fees	565	565	1,638
Finance costs	231,605	231,605	230,122
Compliance and inspections	4,065	4,065	4,331
Loss on disposal	622	622	-
	<u>779,394</u>	<u>779,394</u>	<u>699,356</u>
Total 2022	<u>699,356</u>	<u>699,356</u>	

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 July 2023, no Trustee expenses have been incurred (2022 - £NIL).

11. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £5,795 (2022 - £4,705), and an accounts preparation fee of £3,862 (2022 - £3,140).

12. Staff costs

	2023 £	2022 £
Wages and salaries	1,245,757	1,178,737
Social security costs	104,871	95,603
Contribution to defined contribution pension schemes	234,008	226,544
	1,584,636	1,500,884

The average number of persons employed by the Company during the year was as follows:

	2023 No.	2022 No.
Teaching staff	46	44
Administrative staff	12	14
	58	58

No employee received remuneration amounting to more than £60,000 in either year.

The remuneration received by key management personnel was £129,545 (2022 - £137,137). In addition they received employer pension contributions to their pension schemes of £22,774 (2022 - £26,087). The key management personnel for the purpose of this disclosure are the Headmaster, Deputy Headmistress and the Bursar.

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

13. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 August 2022	6,913,207	25,949	40,229	18,413	6,997,798
Additions	-	-	3,256	-	3,256
Disposals	-	-	(419)	(549)	(968)
At 31 July 2023	6,913,207	25,949	43,066	17,864	7,000,086
Depreciation					
At 1 August 2022	174,048	24,852	35,622	16,536	251,058
Charge for the year	69,137	274	2,749	960	73,120
On disposals	-	-	(209)	(137)	(346)
At 31 July 2023	243,185	25,126	38,162	17,359	323,832
Net book value					
At 31 July 2023	6,670,022	823	4,904	505	6,676,254
At 31 July 2022	6,739,159	1,097	4,607	1,877	6,746,740

The total net book value of the charity's freehold property has been pledged as security for liabilities. For further details, see Note 17.

14. Stocks

	2023 £	2022 £
Finished goods and goods for resale	12,222	11,988

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

15. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	27,963	7,849
Other debtors	2,712	1,783
Prepayments	33,651	44,852
Tax recoverable	7,500	-
	71,826	54,484

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loan	91,962	88,602
Other loans	1,313	1,276
Trade creditors	33,203	21,294
Other creditors	7,165	5,892
Accruals and deferred income	55,194	17,996
	188,837	135,060

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

17. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans	4,298,858	4,390,820
Other loans	1,500,000	1,500,000
	<u>5,798,858</u>	<u>5,890,820</u>

Included within the above are amounts falling due as follows:

	2023 £	2022 £
Between one and two years		
Bank loans	96,145	91,962
Between two and five years		
Bank loans	302,641	298,411
Over five years		
Bank loans	3,900,072	4,000,447
Other loans	1,500,000	1,500,000

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2023 £	2022 £
Payable or repayable by instalments	3,900,072	4,000,447
Payable or repayable other than by instalments	1,500,000	1,500,000
	<u>5,400,072</u>	<u>5,500,447</u>

During the year ended 31 July 2021 a new bank loan was arranged with the charity borrowing £4,640,000 to be repaid over 30 years. This loan is subject to 3.98% interest per annum for the first 5 years and thereafter to an annual interest rate charge of 3.93% over the prevailing bank base rate. This loan is secured by a first fixed and floating legal charge over the charity's freehold properties, 17-19 Brookside (Cambridge, CB2 1JE), Panton Hall (Cambridge, CB2 1HP) and all other assets.

In addition the charity took out four other loans during the year ended 31 July 2021:

- Two loans were taken out on similar terms, one for £450,000 and one for £50,000 which are to be repaid after 7 years. These loans are subject to 3% interest per annum. On the settlement of these loans, an independent valuation of 17-19 Brookside (Cambridge, CB2 1JE) will be carried out, and the charity will pay the lenders 23% and 2.60% (respectively) of any increase in the market value of the property over £4,835,000 less any 'capital expenditure on improvements'. The repayments are subject to a maximum amount equal to the original loan plus 7% compounded interest per annum.

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

17. Creditors: Amounts falling due after more than one year (continued)

- A loan for £900,000 is to be repaid after 15 years. This loan was subject to 3% interest per annum for the first year of the term, rising by 0.5% for each subsequent year until it reaches 6% in year 7. The interest rate will remain at 6% for the remainder of the term.

- A loan for £100,000 is to be repaid after 10 years. This loan was subject to 3% interest per annum for the first year of the term, rising by 0.5% for each subsequent year until it reaches 6% in year 7. The interest rate will remain at 6% for the remainder of the term.

The four loans have a second fixed charge over the charity's freehold properties and rank equally, with any payments proportionate to the loans advanced.

18. Financial instruments

	2023	2022
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	405,248	259,889

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

19. Statement of funds

Statement of funds - current year

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2023 £
Unrestricted funds					
General fund	1,013,804	2,431,098	(2,278,133)	5,568	1,172,337
Restricted funds					
Restricted funds - other	4,776	5,763	(7,107)	(2,902)	530
Amazing Grace School, Uganda	887	488	(887)	-	488
Bursary fund	22,588	2,323	(24,911)	-	-
Commemoration fund	2,500	2,000	-	-	4,500
Fixed asset fund	2,666	-	-	(2,666)	-
	33,417	10,574	(32,905)	(5,568)	5,518
Total of funds	1,047,221	2,441,672	(2,311,038)	-	1,177,855

Restricted funds - other

Such resources represent small donations given for specific purposes relating to the running of the school.

Amazing Grace School, Uganda

Amazing Grace School is a school in Uganda of a roughly similar age as Heritage School. A number of the pupils are orphans, and there are boarders and day pupils. The relationship between Amazing Grace and Heritage Schools extends into the classroom as pupils write letters to one another and send art work and other items to each other. Typically, Heritage School donates the proceeds from the Christmas Concert collection and a portion of all HCA raised funds to Amazing Grace each year.

Bursary fund

Bursaries are awarded to pupils who, it is believed, will gain most from a Heritage education and will contribute fully to the life of the school. Bursaries are awarded on a sliding scale up to a maximum of 75%, with emphasis on ensuring a broad distribution, so that as many families can benefit as possible.

Commemoration fund

The Commemoration fund was established in the year ended 31 July 2022 and is to be used for any activities that celebrate the people, history, or key events in the school's life. The aim of this fund is for such activities not to place a burden on the operational funding of the school.

Fixed asset fund

The fixed asset fund represents monies which were given towards the purchase of a piano for Panton Hall.

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2021 £	Income £	Expenditure £	Balance at 31 July 2022 £
Unrestricted funds				
General fund	924,316	2,179,914	(2,090,426)	1,013,804
Restricted funds				
Restricted funds - other	24,639	7,196	(1,805)	30,030
Amazing Grace School, Uganda	692	973	(778)	887
Commemoration fund	-	2,500	-	2,500
	25,331	10,669	(2,583)	33,417
Total of funds	949,647	2,190,583	(2,093,009)	1,047,221

20. Summary of funds

Summary of funds - current year

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2023 £
General funds	1,013,804	2,431,098	(2,278,133)	5,568	1,172,337
Restricted funds	33,417	10,574	(32,905)	(5,568)	5,518
	1,047,221	2,441,672	(2,311,038)	-	1,177,855

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

20. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 August 2021 £	Income £	Expenditure £	Balance at 31 July 2022 £
General funds	924,316	2,179,914	(2,090,426)	1,013,804
Restricted funds	25,331	10,669	(2,583)	33,417
	<u>949,647</u>	<u>2,190,583</u>	<u>(2,093,009)</u>	<u>1,047,221</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	6,676,254	-	6,676,254
Current assets	483,778	5,518	489,296
Creditors due within one year	(188,837)	-	(188,837)
Creditors due in more than one year	(5,798,858)	-	(5,798,858)
Total	<u>1,172,337</u>	<u>5,518</u>	<u>1,177,855</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	6,746,740	-	6,746,740
Current assets	292,944	33,417	326,361
Creditors due within one year	(135,060)	-	(135,060)
Creditors due in more than one year	(5,890,820)	-	(5,890,820)
Total	<u>1,013,804</u>	<u>33,417</u>	<u>1,047,221</u>

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	130,634	97,574
Adjustments for:		
Depreciation charges	73,120	75,699
Loss on the disposal of fixed assets	622	-
Decrease/(increase) in stocks	(234)	192
Increase in debtors	(17,342)	(27,797)
Increase/(decrease) in creditors	38,185	(6,111)
Net cash provided by operating activities	224,985	139,557

23. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	405,248	259,889
Total cash and cash equivalents	405,248	259,889

24. Analysis of changes in net debt

	At 1 August 2022 £	Cash flows £	At 31 July 2023 £
Cash at bank and in hand	259,889	145,359	405,248
Debt due within 1 year	(89,878)	(3,397)	(93,275)
Debt due after 1 year	(5,890,820)	91,962	(5,798,858)
	(5,720,809)	233,924	(5,486,885)

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

25. Related party transactions

Related party transactions not disclosed elsewhere in the financial statements are as follows:

- Revd C M Meakin, a Trustee, has two (2022 - two) children who attended the school during the year;
- Revd Dr. R McDonald, a Trustee, has three (2022 - three) children who attended the school during the year;
- Mr Amies, a Trustee, has one (2022 - one) child who attended the school during the year; and
- Mrs T Anifalaje, a Trustee, has one (2022 - same) child who attended the school during the year.

The company secretary, who is also the headmaster, and his wife are employees of the school. The salaries and any benefits to which they are entitled are on terms no more favourable than those of any other employee.

During the year, the charity received no unrestricted donations (2022 - same) and restricted donations totalling £4,300 (2022 - £2,000) from three (2022- one) of its Trustees.

26. Pension commitments

The charity operates a defined benefit scheme (DBS) in respect of its teaching staff and a defined contribution scheme (DCS) in respect of its non-teaching staff. The assets of each scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the company to these two funds.

The DBS is administered by Teachers' Pensions. The number of staff in this scheme at the year end was 35 (2022 – 33). The total employer contributions paid to this fund during the current year were £213,262 (2022 -£209,105).

The total employer contributions paid to the DCS fund during the current year were £20,746 (2022 - £17,439).

As at the balance sheet date, no contributions were (2022 - £Nil was) payable by the charity.

CHILD LIGHT LIMITED

England & Wales - Charity number 1039099

Accounts

CHILD LIGHT LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

CHILD LIGHT LIMITED
(A company limited by guarantee)

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CHILD LIGHT LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2022**

Trustees

Mr R C Macaulay (resigned 6 December 2021)
Mr D E C Alderson
Mr T Amies, Chair
Mr D Leckie (resigned 5 December 2022)
Mrs C M Meakin
Dr R McDonald

Company registered number

02928829

Charity registered number

1039099

Registered office

17-19 Brookside
Cambridge
CB2 1JE

Company secretary

Mr J W Fletcher

Chair of the Trustees

Mr T Amies

Independent auditors

Griffin Stone Moscrop & Co
Chartered Accountants
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

Bankers

Lloyds Bank
5 The Square
Petersfield
Hampshire
GU32 3HL

CHILD LIGHT LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2022

The Trustees present their annual report together with the audited financial statements of the Company for the 1 August 2021 to 31 July 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Structure, governance and management

a. Constitution

Child Light Limited is a registered charity and was established in 1994. It is a private company limited by guarantee with the company number 02928829.

The company is constituted under a Memorandum of Association and is a registered charity number 1039099.

b. Recruitment, Appointment and Induction of Trustees

Invitations are extended from time to time to suitable qualified and experienced men and women to become Trustees, following consultation with the existing body of Trustees. Newly appointed Trustees are provided with the induction materials, including a copy of the Memorandum of Association. They will have an induction with fellow Trustees and the Chief Executive and will be expected to spend time familiarising themselves with the workings of the charity.

CHILD LIGHT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

Day to day management of the operations of the charity, particularly its principal activity Heritage School, is overseen by the Headmaster (Chief Executive).

Within Heritage School there is a Senior Leadership Team consisting of the Headmaster, the Deputy Head, the Bursar, the Head of Infants, the Head of Juniors, the Head of Seniors, the Head of Academics, the Head of Seniors Pastoral, and the Charlotte Mason Consultant. This team meets fortnightly to consider operational matters and whole-school policy decisions.

Beneath this Senior Leadership Team, teachers meet in their departments regularly as required. Head of subject areas hold meetings as required. Staff meetings involving Infant School and Junior School class teachers are held fortnightly as is a staff meeting for Senior School teachers. INSET training occurs four times per year for all staff. All of these meetings provide opportunities for discussion of educational philosophy and methodology and feedback regarding relevant policy and operational matters.

Day-to-day financial oversight is exercised jointly by the Headmaster and the Bursar in relation to the budget approved by Trustees. Budgetary responsibility for specific departments is devolved to heads of subject areas, the Head of Infants or the Head of Juniors. Budgetary responsibility for our enrichment programme is managed by our Head of Enrichment.

Bursaries are awarded by a Bursary Committee, which will always include at least one Trustee. Within overall levels approved by Trustees, the Bursary Committee awards bursaries following a means-tested application process. The Headmaster is not a member of the Bursary Committee.

Trustees have responsibility over all operational and policy decisions taken by the management of the school (and the charity as a whole). Specifically, they routinely consider:

- the financial position of the school, including setting the level of fees, agreeing the extent of bursaries to be awarded in each year, agreeing an annual budget, monitoring progress against budget, and authorising exceptional expenditure;
- staffing needs, performance and recruitment;
- regulatory compliance, including safeguarding;
- advertising and recruitment of pupils;
- matters affecting the ethos of the school;
- property issues and lease agreements; and
- any significant new developments.

d. Internal Controls and Risk Management

The systems of internal control and risk management are designed to provide reasonable, but not absolute assurance against misstatement and loss. They include:

- regular strategic reviews, an annual budget approved by the Trustees and quarterly management accounts comparing performance against budget;
- regular reports submitted by the Chief Executive;
- regular consideration by the Trustees of the financial position; and
- identification and management of risks.

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

Structure, governance and management (continued)

e. Related party relationships

Mr Macaulay, a trustee, has a daughter and son in law (the Headmaster) who are employees of the school. Three other trustees (Mr Amies, Mrs Meakin and Mr McDonald) have between them six (2021 - same) children who attend the school.

The salaries paid to the headmaster and his spouse are on terms no more favourable than those of any other employee and there is no benefit or discount on fees as a result of being related to a trustee.

f. Financial risk management

The Trustees have assessed the major risks to which the Company is exposed, in particular those related to the operations and finances of the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Objectives and activities

a. Policies and objectives

The objects of the charity as stated in its Memorandum and Articles of Association:

- the advancement of education whether secular or religious;
- the advancement of the tenets of the Christian Faith; and
- the advancement of any educational, religious or other charitable object.

b. Strategies for achieving objectives

The charity pursues the above stated objects by providing advice, advocacy or information, by undertaking research, by acting as an umbrella or resourcing body and by directly delivering services.

Child Light Limited is particularly concerned to advance the approach to education articulated by Charlotte Mason and the PNEU (Parents National Education Union).

The primary strategy used to implement the charity's objectives is the operation of Heritage School, whose activities are described below.

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

Objectives and activities (continued)

c. Main activities undertaken to further the Company's purposes for the public benefit

The activities undertaken in the past by Child Light have always included more than the direct provision of educational services. Child Light has advanced education more broadly through the provision of advice, advocacy or information including publications, undertaking research and acting as an umbrella body. During 2021-22 Child Light offered advice to other educators interested in operating along similar lines, and it oversaw the re-publication of the original biography of Charlotte Mason by Lutterworth Press, Cambridge. In addition, Child Light worked on an innovative narrative Geography book for upper primary age pupils which will be published in 2022-23.

Child Light also continued to serve the wider community by hiring our facilities at a reasonable cost to other educational providers.

In addition, our accessible fee structure is intended to make the work of Child Light as beneficial to as wide a segment of the population as possible.

CHILD LIGHT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

Strategic report

Achievements and performance

a. Main achievements of the Company

During 2021-22 Heritage School was the principal activity of Child Light Limited.

We commenced 2021-22 with 193 pupils. 2021-22 was the sixth academic year in which we had a single class in each year group from Reception to Year 11.

Our Leavers in July 2022 received offers at their preferred destination for post-16 education and training, with Hills Road Sixth Form as the most common. They achieved outstanding results, with 73% of all results being awarded 9-8, 82% of all results being awarded either 9-7, and 91% of all results being awarded 9-6. 70% of all grades were above what standardised tests predicted to be 'most likely', with an average 'added value' of 1.5 grades per subject, demonstrating Heritage School's unique ability to help pupils exceed expectations.

During 2021-22 the Coronavirus Pandemic continued to have a dramatic impact upon operations. We continued to manage the changing landscape of Covid-19 regulations and did everything possible to keep pupils and staff safe and maintain in-person learning. This demanded a high level of management resources up through April 2022. This included setting up 'clinics' for in-school testing of Senior pupils upon return in September and in early January. Our risk management and the support of pupils and parents meant that we were remarkably successful in preventing Covid-19 from disrupting in-person learning. From April 2022 protocols eased as the country transitioned to 'living with Covid'. We were able to resume many normal aspects of operations in the summer term, including residential camps for pupils in Year 4, Year 5-6 and Year 7-10.

We implemented My Concern, a tool for recording pastoral and safeguarding concern in April 2022, which has strengthened safeguarding management.

During 2021-22, we appointed a Site Manager, Compliance Officer and Admissions Officer. We also made the following teacher appointments during 2021-22 for a September 2022 start: Lower Prep (Reception), Year 2 and Religious Studies.

Recruitment of pupils was strong during 2021-22, particularly for places in Year 7.

In the financial year 2021-22 we have pursued a range of activities within our control to advance Christian education along Charlotte Mason/PNEU lines. These activities have had the successful continued growth of Heritage School as their main purpose. This also included publishing activity, particularly the re-publication of The Story of Charlotte Mason by Essex Cholmondeley with Lutterworth Press, Cambridge, and the preparation for publication of Let's Explore The British Isles, by Caroline Walker, a text for use in upper primary school classrooms. In addition we welcomed numerous visitors to Heritage School who wished to see Charlotte Mason based education in practice.

There are factors outside of our control that affect our ability to successfully achieve our objectives, particularly pupil recruitment and staff recruitment. The impact of these uncertainties is mitigated through effective marketing of the school generally and effective advertising for teaching vacancies, together with delivering a strong service that leads to positive personal recommendations on the part of those involved with Heritage School.

Financial review

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

Strategic report (continued)

a. Review

We were able to meet all operational costs from fee income during 2021-2022, and to carry forward cash reserves into 2022-23, as these accounts show.

Fundraising activities were undertaken during 2021-22 by the Heritage Community Association (HCA), which was formed in the summer of 2011. It raised £7,148 during 2021-22 to support the work of the school.

b. Reserves policy

At the end of the 2021-22 year, £1,047,221 total funds were held, of which £33,417 were restricted. The trustees seek to build unrestricted reserves equal to 25% of the current year's total expenditure.

c. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

d. Pay policy for senior staff

Pay and remuneration of the charity's key management personnel are determined with reference to the government's statutory guidance on pay and conditions for teachers in England and Wales (see <https://www.gov.uk/government/publications/school-teachers-pay-and-conditions>). This framework is used to determine the Headmaster's pay and the value of additional responsibilities undertaken by teaching staff. Pay for school administrators is determined in relation to industry standards. The performance of key management personnel is evaluated by Trustees regularly in the course of their normal duties. Pay is not linked to performance criteria. Trustees set pay levels for all staff, including key management personnel, when they approve the annual budget.

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

e. Plans for future periods

In 2022-23 the operation of Heritage School will be the predominant focus of the activities of Child Light Limited. Our main developmental priorities are to:

- appoint a new Deputy Head to strengthen management capacity in the school;
- strengthening management systems generally;
- consider new strands of business activity, with a particular focus on welcoming visitors to see and learn more about Charlotte Mason distinctives;
- publish Let's Explore the British Isles by Caroline Walker, a text for pupils in the upper primary age range;
- strengthen recruitment to nearer 100% capacity, with a particular focus upon Lower Prep (Reception) entry;
- develop a new promotional video to aid recruitment, focussed on Lower Prep (Reception) entry;
- appoint new Trustees;
- continue to improve our regulatory compliance management with support from our new Compliance Officer;
- effective financial management as we seek to further strengthen our reserves;
- support the Finance Officer to be able to undertake more responsibilities for financial management, including payroll; and
- Increase our stewardship of our owned property with greater maintenance investment toward compliance and longevity.

Members' liability

The Members of the Company guarantee to contribute an amount not exceeding £1 to the assets of the Company in the event of winding up.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Griffin Stone Moscrop & Co, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
Mr T Amies

Date: 13 March 2023

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED

Opinion

We have audited the financial statements of Child Light Limited (the 'charitable company') for the year ended 31 July 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED (CONTINUED)

Responsibilities of trustees

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

In preparing the financial statements, the Trustees 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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:

- Enquiry of management and those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of activities and reviewing accounting estimates for bias.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED (CONTINUED)

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.

Chris Brecht

Christopher Brecht (Senior statutory auditor)

for and on behalf of

Griffin Stone Moscrop & Co

Chartered Accountants

Statutory Auditors

21 - 27 Lamb's Conduit Street

London

WC1N 3GS

Date: 13 March 2023

CHILD LIGHT LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	5,312	10,669	15,981	59,155
Charitable activities	5	2,171,863	-	2,171,863	1,988,490
Other income	6	2,739	-	2,739	48,420
Total income		2,179,914	10,669	2,190,583	2,096,065
Expenditure on:					
Raising funds	7	350	-	350	1,272
Charitable activities		2,090,076	2,583	2,092,659	2,012,295
Total expenditure		2,090,426	2,583	2,093,009	2,013,567
Net movement in funds		89,488	8,086	97,574	82,498
Reconciliation of funds:					
Total funds brought forward		924,316	25,331	949,647	867,149
Net movement in funds		89,488	8,086	97,574	82,498
Total funds carried forward		1,013,804	33,417	1,047,221	949,647

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

The notes on pages 19 to 35 form part of these financial statements.

CHILD LIGHT LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 02928829

BALANCE SHEET
AS AT 31 JULY 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	6,746,740	6,819,475
		<u>6,746,740</u>	<u>6,819,475</u>
Current assets			
Stocks	14	11,988	12,180
Debtors	15	54,484	26,687
Cash at bank and in hand		259,889	208,444
		<u>326,361</u>	<u>247,311</u>
Creditors: amounts falling due within one year	16	(135,060)	(137,717)
Net current assets		<u>191,301</u>	<u>109,594</u>
Total assets less current liabilities		<u>6,938,041</u>	<u>6,929,069</u>
Creditors: amounts falling due after more than one year	17	(5,890,820)	(5,979,422)
Net assets excluding pension asset		<u>1,047,221</u>	<u>949,647</u>
Total net assets		<u><u>1,047,221</u></u>	<u><u>949,647</u></u>
Charity funds			
Restricted funds	19	33,417	25,331
Unrestricted funds	19	1,013,804	924,316
Total funds		<u><u>1,047,221</u></u>	<u><u>949,647</u></u>

CHILD LIGHT LIMITED
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2022

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Mr T Amies

Date: 13 March 2023

The notes on pages 19 to 35 form part of these financial statements.

CHILD LIGHT LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	139,557	549,015
Cash flows from investing activities		
Dividends, interests and rents from investments	-	13
Purchase of tangible fixed assets	(2,964)	(6,204,881)
Net cash used in investing activities	(2,964)	(6,204,868)
Cash flows from financing activities		
Cash inflows from new borrowing	-	6,140,000
Repayments of borrowing	(85,148)	(592,912)
Net cash (used in)/provided by financing activities	(85,148)	5,547,088
Change in cash and cash equivalents in the year	51,445	(108,765)
Cash and cash equivalents at the beginning of the year	208,444	317,209
Cash and cash equivalents at the end of the year	259,889	208,444

The notes on pages 19 to 35 form part of these financial statements

CHILD LIGHT LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

1. General information

Child Light Limited is a company limited by guarantee, incorporated in England & Wales, whose main activity is that of operating a school. The registered office and situation of the school is 17-19 Brookside, Cambridge CB2 1JE. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Child Light Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The trustees consider there are no material uncertainties about the company's ability to continue as a going concern.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.4 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

CHILD LIGHT LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in activities that raise funds.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

CHILD LIGHT LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line
Computer equipment	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

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

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

CHILD LIGHT LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

2. Accounting policies (continued)

2.11 Pensions

The company operates a defined contribution pension scheme in respect of its non-teaching staff and the pension charge represents the amounts payable by the company to the fund in respect of the year.

The company also operates a defined benefits pension scheme in respect of its teaching staff. The scheme is a state plan where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the company's share of the underlying assets and liabilities of the plan. Therefore, as required by Section 28 of FRS 102, the company accounts for this scheme as if it was a defined contribution scheme. Contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

2.12 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

3. Critical accounting estimates and areas of judgment

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates, but these are unlikely to be material.

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	5,312	10,669	15,981	59,155
Total 2021	15,753	43,402	59,155	

CHILD LIGHT LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Heritage School income	2,171,863	2,171,863	1,988,490
	<u>2,171,863</u>	<u>2,171,863</u>	<u>1,988,490</u>
Total 2021	1,988,490	1,988,490	
	<u>1,988,490</u>	<u>1,988,490</u>	

6. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Royalties received	394	394	202
Coronavirus Job Retention Scheme and similar income	2,145	2,145	32,616
Other interest received	-	-	13
Other income	200	200	15,589
	<u>2,739</u>	<u>2,739</u>	<u>48,420</u>
Total 2021	48,420	48,420	
	<u>48,420</u>	<u>48,420</u>	

CHILD LIGHT LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Heritage Community Association (HCA) costs	350	-	350	1,272
Total 2021	141	1,131	1,272	

8. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £	Total funds 2021 £
Amazing Grace School, Uganda	604	604	-

9. Analysis of expenditure by charitable activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Heritage School direct costs	1,392,699	604	699,356	2,092,659	2,012,295
Total 2021	1,352,789	-	659,506	2,012,295	

CHILD LIGHT LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

9. Analysis of expenditure by charitable activities (continued)

Analysis of direct costs

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	1,219,913	1,219,913	1,203,529
Heritage School direct costs	75,699	75,699	75,621
Depreciation	97,087	97,087	73,639
	<u>1,392,699</u>	<u>1,392,699</u>	<u>1,352,789</u>

Analysis of support costs

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	280,971	280,971	266,139
Recruitment and training	8,744	8,744	7,032
Property	74,455	74,455	79,469
Administration	82,297	82,297	77,833
Marketing	8,953	8,953	7,950
Audit	7,845	7,845	6,150
Professional fees	1,638	1,638	-
Finance costs	230,122	230,122	210,790
Compliance and inspections	4,331	4,331	4,143
	<u>699,356</u>	<u>699,356</u>	<u>659,506</u>
Total 2021	<u>659,506</u>	<u>659,506</u>	

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 July 2022, no Trustee expenses have been incurred (2021 - £NIL).

CHILD LIGHT LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

11. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £4,705 (2021 - £3,700), and an accounts preparation fee of £3,140 (2021 - £2,450).

12. Staff costs

	2022	2021
	£	£
Wages and salaries	1,178,737	1,160,915
Social security costs	95,603	89,628
Contribution to defined contribution pension schemes	226,544	219,125
	1,500,884	1,469,668

The average number of persons employed by the Company during the year was as follows:

	2022	2021
	No.	No.
Teaching staff	44	44
Administrative staff	14	14
	58	58

No employee received remuneration amounting to more than £60,000 in either year.

The remuneration received by key management personnel was £137,137 (2021 - £125,261). In addition they received employer pension contributions to their pension schemes of £26,087 (2021 - £23,278). The key management personnel for the purpose of this disclosure are the Headmaster, Deputy Headmistress and the Bursar.

CHILD LIGHT LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

13. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 August 2021	6,913,207	25,949	37,814	17,864	6,994,834
Additions	-	-	2,415	549	2,964
At 31 July 2022	<u>6,913,207</u>	<u>25,949</u>	<u>40,229</u>	<u>18,413</u>	<u>6,997,798</u>
Depreciation					
At 1 August 2021	104,911	24,487	30,215	15,746	175,359
Charge for the year	69,137	365	5,407	790	75,699
At 31 July 2022	<u>174,048</u>	<u>24,852</u>	<u>35,622</u>	<u>16,536</u>	<u>251,058</u>
Net book value					
At 31 July 2022	<u><u>6,739,159</u></u>	<u><u>1,097</u></u>	<u><u>4,607</u></u>	<u><u>1,877</u></u>	<u><u>6,746,740</u></u>
At 31 July 2021	<u><u>6,808,296</u></u>	<u><u>1,462</u></u>	<u><u>7,599</u></u>	<u><u>2,118</u></u>	<u><u>6,819,475</u></u>

The total net book value of the charity's freehold property has been pledged as security for liabilities. For further details, see Note 17.

14. Stocks

	2022 £	2021 £
Finished goods and goods for resale	<u><u>11,988</u></u>	<u><u>12,180</u></u>

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

15. Debtors

	2022	2021
	£	£
Due within one year		
Trade debtors	7,849	5,634
Other debtors	1,783	688
Prepayments	44,852	19,070
Tax recoverable	-	1,295
	<u>54,484</u>	<u>26,687</u>

16. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Bank loan	88,602	85,148
Other loans	1,276	1,276
Trade creditors	21,294	17,995
Other creditors	5,892	22,927
Accruals and deferred income	17,996	10,371
	<u>135,060</u>	<u>137,717</u>

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

17. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loan	4,390,820	4,479,422
Other loans	1,500,000	1,500,000
	<u>5,890,820</u>	<u>5,979,422</u>

Included within the above are amounts falling due as follows:

	2022 £	2021 £
Between one and two years		
Bank loans	<u>91,962</u>	<u>88,602</u>
Between two and five years		
Bank loans	<u>298,411</u>	<u>196,008</u>
Over five years		
Bank loans	4,000,447	4,194,812
Other loans	<u>1,500,000</u>	<u>1,500,000</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2022 £	2021 £
Payable or repayable by instalments	4,000,447	4,194,812
Payable or repayable other than by instalments	<u>1,500,000</u>	<u>1,500,000</u>
	<u>5,500,447</u>	<u>5,694,812</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

During the prior year a new bank loan was arranged with the charity borrowing £4,640,000 to be repaid over 30 years. This loan is subject to 3.98% interest per annum for the first 5 years and thereafter to an annual interest rate charge of 3.93% over the prevailing bank base rate. This loan is secured by a first fixed and floating legal charge over the charity's freehold properties, 17-19 Brookside (Cambridge, CB2 1JE), Panton Hall (Cambridge, CB2 1HP) and all other assets.

In addition the charity took out four other loans during the prior year:

- Two loans were taken out on similar terms, one for £450,000 and one for £50,000 which are to be repaid after 7 years. These loans are subject to 3% interest per annum. On the settlement of these loans, an independent valuation of 17-19 Brookside (Cambridge, CB2 1JE) will be carried out, and the charity will pay the lenders 23% and 2.60% (respectively) of any increase in the market value of the property over £4,835,000 less any 'capital expenditure on improvements'. The repayments are subject to a maximum amount equal to the original loan plus 7% compounded interest per annum.

- A loan for £900,000 is to be repaid after 15 years. This loan was subject to 3% interest per annum for the first year of the term, rising by 0.5% for each subsequent year until it reaches 6% in year 7. The interest rate will remain at 6% for the remainder of the term.

- A loan for £100,000 is to be repaid after 10 years. This loan was subject to 3% interest per annum for the first year of the term, rising by 0.5% for each subsequent year until it reaches 6% in year 7. The interest rate will remain at 6% for the remainder of the term.

The four loans have a second fixed charge over the charity's freehold properties and rank equally, with any payments proportionate to the loans advanced.

18. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value through income and expenditure	259,889	208,444

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

19. Statement of funds

Statement of funds - current year

	Balance at 1 August 2021 £	Income £	Expenditure £	Balance at 31 July 2022 £
Unrestricted funds				
General fund	924,316	2,179,914	(2,090,426)	1,013,804
Restricted funds				
Restricted funds - other	24,639	7,196	(1,805)	30,030
Amazing Grace School, Uganda	692	973	(778)	887
Commemoration fund	-	2,500	-	2,500
	25,331	10,669	(2,583)	33,417
Total of funds	949,647	2,190,583	(2,093,009)	1,047,221

Restricted funds - other

Such resources represent small donations given for specific purposes relating to the running of the school.

Amazing Grace School, Uganda

Amazing Grace School is a school in Uganda of a roughly similar age as Heritage School. A number of the pupils are orphans, and there are boarders and day pupils. The relationship between Amazing Grace and Heritage Schools extends into the classroom as pupils write letters to one another and send art work and other items to each other. Typically, Heritage School donates the proceeds from the Christmas Concert collection and a portion of all HCA raised funds to Amazing Grace each year.

Commemoration fund

The Commemoration fund was established in the year ended 31 July 2022 and is to be used for any activities that celebrate the people, history, or key events in the school's life. The aim of this fund is for such activities not to place a burden on the operational funding of the school.

Building fund

The Building fund was launched in April 2019 to raise funds towards securing premises for Heritage School.

The charity completed the freehold acquisition of its main site on 17 August 2020 and the restricted conditions were met. Accordingly, the trustees deemed it reasonable to transfer the remaining fund balance of £524,516 to the general fund, the fund against which the related depreciation is charged.

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2021 £
Unrestricted funds					
General fund	359,573	2,052,663	(2,012,436)	524,516	924,316
Restricted funds					
Restricted funds - other	19,781	5,127	(269)	-	24,639
Amazing Grace School, Uganda	1,055	499	(862)	-	692
Building fund	486,740	37,776	-	(524,516)	-
	507,576	43,402	(1,131)	(524,516)	25,331
Total of funds	867,149	2,096,065	(2,013,567)	-	949,647

20. Summary of funds

Summary of funds - current year

	Balance at 1 August 2021 £	Income £	Expenditure £	Balance at 31 July 2022 £
General funds	924,316	2,179,914	(2,090,426)	1,013,804
Restricted funds	25,331	10,669	(2,583)	33,417
	949,647	2,190,583	(2,093,009)	1,047,221

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

20. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2021 £
General funds	359,573	2,052,663	(2,012,436)	524,516	924,316
Restricted funds	507,576	43,402	(1,131)	(524,516)	25,331
	<u>867,149</u>	<u>2,096,065</u>	<u>(2,013,567)</u>	<u>-</u>	<u>949,647</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	6,746,740	-	6,746,740
Current assets	292,944	33,417	326,361
Creditors due within one year	(135,060)	-	(135,060)
Creditors due in more than one year	(5,890,820)	-	(5,890,820)
Total	<u>1,013,804</u>	<u>33,417</u>	<u>1,047,221</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	6,819,475	-	6,819,475
Current assets	221,980	25,331	247,311
Creditors due within one year	(137,717)	-	(137,717)
Creditors due in more than one year	(5,979,422)	-	(5,979,422)
Total	<u>924,316</u>	<u>25,331</u>	<u>949,647</u>

CHILD LIGHT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	97,574	82,498
Adjustments for:		
Depreciation charges	75,699	75,621
Dividends, interests and rents from investments	-	(13)
Decrease in stocks	192	825
Decrease/(increase) in debtors	(27,797)	534,568
Decrease in creditors	(6,111)	(144,484)
Net cash provided by operating activities	139,557	549,015

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	259,889	208,444
Total cash and cash equivalents	259,889	208,444

24. Analysis of changes in net debt

	At 1 August 2021 £	Cash flows £	At 31 July 2022 £
Cash at bank and in hand	208,444	51,445	259,889
Debt due within 1 year	(86,424)	(3,454)	(89,878)
Debt due after 1 year	(5,979,422)	88,602	(5,890,820)
	(5,857,402)	136,593	(5,720,809)

CHILD LIGHT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

25. Related party transactions

Related party transactions not disclosed elsewhere in the financial statements are as follows:

- Mr Macaulay, a Trustee, has a daughter and son in law (the Headmaster) who were employees of the school during the year;
- Mrs Meakin, a Trustee, has two (2021 - two) children who attended the school during the year;
- Mr Leckie, a Trustee during the year, has no (2021 - four) children who attended the school during the year;
- Dr McDonald, a Trustee, has three (2021 - three) children who attended the school during the year;
- Mr Amies, a Trustee, has one (2021 - one) child who attended the school during the year; and

The salaries paid to the Headmaster and his spouse are on terms no more favourable than those of any other employee and there is no benefit or discount on fees as a result of being related to a Trustee.

During the year, the charity received no unrestricted donations (2021 - £200 from one of its Trustees) and restricted donations totalling £2,000 (2021 - £25,625) from one (2021 - five) of its Trustees.

26. Pension commitments

The charity operates a defined benefit scheme (DBS) in respect of its teaching staff and a defined contribution scheme (DCS) in respect of its non-teaching staff. The assets of each scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the company to these two funds.

The DBS is administered by Teachers' Pensions. The number of staff in this scheme at the year end was 33 (2021 - 33). The total employer contributions paid to this fund during the current year were £209,105 (2021 - £199,655).

The total employer contributions paid to the DCS fund during the current year were £17,439 (2021 - £19,470).

As at the balance sheet date, no contributions were (2021 - £Nil was) payable by the charity.

CHILD LIGHT LIMITED

England & Wales - Charity number 1039099

Accounts

CHILD LIGHT LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

CHILD LIGHT LIMITED
(A company limited by guarantee)

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CHILD LIGHT LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2021**

Trustees

Mr R C Macaulay (resigned 6 December 2021)
Mr D E C Alderson
Mr T Amies, Chair
Mr D Leckie
Mrs C M Meakin
Dr R McDonald

Company registered number

02928829

Charity registered number

1039099

Registered office

17-19 Brookside
Cambridge
CB2 1JE

Company secretary

Mr J W Fletcher

Chair of the Trustees

Mr T Amies

Independent auditors

Griffin Stone Moscrop & Co
Chartered Accountants
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

Bankers

Lloyds Bank
5 The Square
Petersfield
Hampshire
GU32 3HL

CHILD LIGHT LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2021

The Trustees present their annual report together with the audited financial statements of the Company for the 1 August 2020 to 31 July 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Structure, governance and management

a. Constitution

Child Light Limited is a registered charity and was established in 1994. It is a private company limited by guarantee with the company number 02928829.

The company is constituted under a Memorandum of Association and is a registered charity number 1039099.

b. Recruitment, Appointment and Induction of Trustees

Invitations are extended from time to time to suitable qualified and experienced men and women to become Trustees, following consultation with the existing body of Trustees. Newly appointed Trustees are provided with the induction materials, including a copy of the Memorandum and Articles of Association. They will have an induction with fellow Trustees and the Chief Executive and will be expected to spend time familiarising themselves with the workings of the charity.

CHILD LIGHT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

Day to day management of the operations of the charity, particularly its principal activity Heritage School, is overseen by Mr Jason Fletcher (Headmaster and Chief Executive).

Within Heritage School there is a Senior Leadership Team consisting of the Headmaster, the Deputy Head, the Bursar, the Head of Infants, the Head of Juniors, the Head of Seniors, the Head of Academics, the Head of Seniors Pastoral, and our Charlotte Mason Consultant. This team meets fortnightly to consider operational matters and whole-school policy decisions.

Beneath this Senior Leadership Team, teachers meet in their departments regularly as required. Head of subject areas hold meetings as required. Staff meetings involving Infant School and Junior School class teachers are held fortnightly as is a staff meeting for Senior School teachers. INSET training occurs four times per year for all staff. All of these meetings provide opportunities for discussion of educational philosophy and methodology and feedback regarding relevant policy and operational matters.

Day-to-day financial oversight is exercised jointly by the Headmaster and the Bursar in relation to the budget approved by Trustees. Budgetary responsibility for specific departments is devolved to heads of subject areas, the Head of Infants or the Head of Juniors. Budgetary responsibility for our enrichment programme is managed by our Head of Enrichment.

Bursaries are awarded by a Bursary Committee, which will always include at least one Trustee. Within overall levels approved by Trustees, the Bursary Committee awards bursaries following a means-tested application process. The Headmaster is not a member of the Bursary Committee.

Trustees have responsibility over all operational and policy decisions taken by the management of the school (and the charity as a whole). Specifically, they routinely consider:

- the financial position of the school, including setting the level of fees, agreeing the extent of bursaries to be awarded in each year, agreeing an annual budget, monitoring progress against budget, and authorising exceptional expenditure;
- staffing needs, performance and recruitment;
- regulatory compliance, including safeguarding;
- advertising and recruitment of pupils;
- matters affecting the ethos of the school;
- property issues and lease agreements; and
- any significant new developments.

d. Internal Controls and Risk Management

The systems of internal control and risk management are designed to provide reasonable, but not absolute assurance against misstatement and loss. They include:

- regular strategic reviews, an annual budget approved by the Trustees and quarterly management accounts comparing performance against budget;
- regular reports submitted by the Chief Executive;
- regular consideration by the Trustees of the financial position; and
- identification and management of risks.

CHILD LIGHT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

Structure, governance and management (continued)

e. Related party relationships

Mr Macaulay, a trustee, has a daughter and son in law (the Headmaster) who are employees of the school. Four other trustees (Mr Amies, Mrs Meakin, Mr Leckie and Mr McDonald) have between them ten (2020 - same) children who attend the school.

Mr Amies has a spouse who works for the school.

The salaries paid to the headmaster and his and Mr Amies' spouse are on terms no more favourable than those of any other employee and there is no benefit or discount on fees as a result of being related to a trustee.

Objectives and activities

a. Policies and objectives

The objects of the charity as stated in its Memorandum and Articles of Association:

- the advancement of education whether secular or religious;
- the advancement of the tenets of the Christian Faith; and
- the advancement of any educational, religious or other charitable object.

b. Strategies for achieving objectives

The charity pursues the above stated objects by providing advice, advocacy or information, by undertaking research, by acting as an umbrella or resourcing body and by directly delivering services.

Child Light Limited is particularly concerned to advance the approach to education articulated by Charlotte Mason and the PNEU (Parents National Education Union).

The primary strategy used this year to implement the charity's objectives was the operation of Heritage School, whose activities are described below.

c. Main activities undertaken to further the Company's purposes for the public benefit

The activities undertaken in the past by Child Light Limited have always included more than the direct provision of educational services. Child Light Limited has advanced education more broadly through the provision of advice, advocacy or information, including publications and undertaking research. During 2020-21 Child Light Limited has offered advice to other educators interested in operating along similar lines, and it made an agreement with a publisher to re-publish the original biography of Charlotte Mason.

Child Light Limited also continued to serve the wider community by hiring our facilities at a reasonable cost to other educational providers.

In addition, our accessible fee structure is intended to make the work of Child Light Limited as beneficial to as wide a segment of the population as possible.

CHILD LIGHT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

Achievements and performance

a. Main achievements of the Company

During 2020-21 Heritage School was the principal activity of Child Light Limited.

We commenced 2020-21 with 192 pupils. 2020-21 was the fifth academic year in which we had a single class in each year group, from Reception to Year 11.

Our Leavers in July 2021 received offers at their preferred destination for post-16 education and training, with the majority going to Hills Road or Comberton Sixth Form. They achieved another set of outstanding exam results, with 68% of all results being awarded 9-8, 85% of all results being awarded either 9-7, and 92% of all results being awarded 9-6. 68% of all grades were above what standardised tests predicted to be 'most likely', demonstrating Heritage School's ability to add value and help pupils exceed expectations. In 2020-21 we undertook more detailed statistical analysis of value-added and found that Heritage teaching added +1 grade per pupil per subject.

A hugely significant long-term development for the charity was that in August of 2020 we completed the purchase of our main school site from our landlords. During 2019-20 we had worked to raise finance to meet the landlords' asking price. The transaction was completed, finally, at the start of the 2020-21 financial year. It is a remarkable achievement for a school founded in 2007 to have the freehold on its two central Cambridge properties (17-19 Brookside and Panton Hall), thus guaranteeing our future in our current location.

During 2020-21 the Coronavirus Pandemic continued to have a dramatic impact upon operations. We managed the changing landscape of Covid-19 regulations and did everything possible to keep pupils and staff safe and maintain in-person learning. This demanded a high level of management resources, including from our newly appointed (in June 2020) Compliance Officer. This included setting up 'clinics' for in-school testing of Senior pupils upon return in September and in early March. Our risk management and the support of pupils and parents meant that we were remarkably successful in preventing Covid-19 from disrupting in-person learning. There were no cases of Covid-19 amongst staff or pupils during the whole of 2020-21 or any known transmission taking place in school. No classes (or 'bubbles') were required to isolate. During the national lockdown from early January to early March, we rapidly transitioned to the provision of online learning, while supporting children of critical workers and vulnerable children with in-person learning. For the second year running, public examinations were cancelled in favour of teacher recommended grades. We ran our own internal examinations for our Year 11 pupils in May and early June. These internal assessments provided us with strong evidence to feed into our rigorously managed process for recommending grades to exam boards.

We made significant staff appointments for and during 2020-21, which have further strengthened the school's management and administrative capabilities. These included appointing a new Special Educational Needs and Disabilities Coordinator (SENDCo) from September 2020 and a new Marketing Officer. In February 2021 we appointed a new Office Manager and shortly thereafter a new Finance Officer. We also appointed a new Educational Visits Coordinator.

In May of 2021, we had an Independent Schools Inspectorate Monitoring Inspection which found that the school had met all of its regulatory requirements. The decision taken by Trustees to appoint a Compliance Officer in June of 2020, in order to strengthen management resources in relation to regulatory compliance, enabled the school both to cope well with the regulatory demands of Covid-19 compliance and risk management and at the same time to strengthen various systems to ensure the school was fully compliant in all areas.

Recruitment of pupils was strong during 2020-21, with particularly strong demand for Lower Prep (Reception) relative to previous years; all available places were filled by October 2021. Demand for places in Year 7 remained strong; all places were filled from the start of term in September 2021.

In the financial year 2020-21 we have pursued a range of activities within our control to advance Christian education along Charlotte Mason/Parents National Educational Union lines. These activities have had the successful continued growth of Heritage School as their main purpose.

CHILD LIGHT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

Achievements and performance (continued)

There are factors outside of our control that affect our ability to successfully achieve our objectives, particularly pupil recruitment and staff recruitment. The impact of these uncertainties is mitigated through effective marketing of the school generally and effective advertising for teaching vacancies, together with delivering a strong service that leads to positive personal recommendations on the part of those involved with Heritage School.

Financial review

a. Review

2020-21 was a year in which we expected a modest deficit as we began to make adjustments following the purchase of 17-19 Brookside. We were able to meet all operational costs from fee income and reserves, and to carry forward cash reserves into 2020-21, as these accounts show.

Fundraising activities were undertaken during 2020-21 by the Heritage Community Association (HCA), which was formed in the summer of 2011. It raised £2,789 during 2020-21 to support the work of the school. The school also received £37,776 from donors during 2020-21 in support, after the fact, of the purchase of 17-19 Brookside.

b. Reserves policy

At the end of the 2020-21 year, £949,647 total funds were held, of which £25,331 were restricted. The trustees seek to build reserves equal to 25% of the current year's total expenditure.

c. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

d. Pay policy for senior staff

Pay and remuneration of the charity's key management personnel are determined with reference to the government's statutory guidance on pay and conditions for teachers in England and Wales (see <https://www.gov.uk/government/publications/school-teachers-pay-and-conditions>). This framework is used to determine the Headmaster's pay and the value of additional responsibilities undertaken by teaching staff. Pay for school administrators is determined in relation to industry standards. The performance of key management personnel is evaluated by Trustees regularly in the course of their normal duties. Pay is not linked to performance criteria. Trustees set pay levels for all staff, including key management personnel, when they approve the annual budget.

CHILD LIGHT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

e. Plans for future periods

In 2021-22 the operation of Heritage School will be the focus of the activities of Child Light Limited. Our main developmental priorities are:

- manage the impact of the coronavirus pandemic effectively so as to ensure that we minimise disruption to in-person learning as much as possible and return to providing the full range of normal activities as rapidly as possible;
- appoint a new Site Manager;
- continue to improve our regulatory compliance management with support from our new Compliance Officer;
- strengthen Safeguarding by appointing our SENDCo as a Deputy Designated Safeguarding Lead and by implementing 'My Concern', a secure cloud-based system for managing safeguarding in schools;
- re-publish The Story of Charlotte Mason by Essex Cholmondeley with Lutterworth Press, Cambridge;
- welcome educationalists to Heritage who are interested in and may be able to help us deepen and refine our distinctive educational vision;
- strengthen recruitment to nearer 100% capacity, with a particular focus upon Lower Prep (Reception) entry; and
- effective financial management as we seek to further strengthen our reserves.

Members' liability

The Members of the Company guarantee to contribute an amount not exceeding £1 to the assets of the Company in the event of winding up.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CHILD LIGHT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Griffin Stone Moscrop & Co, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 24 March 2022 and signed on their behalf by:



.....
Mr T Amies
(Chair of Trustees)

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED

Opinion

We have audited the financial statements of Child Light Limited (the 'charitable company') for the year ended 31 July 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

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

Responsibilities of trustees

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

In preparing the financial statements, the Trustees 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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:

- Enquiry of management and those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of activities and reviewing accounting estimates for bias.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

CHILD LIGHT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILD LIGHT LIMITED (CONTINUED)

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.

Chris Brecht

Christopher Brecht (Senior statutory auditor)

for and on behalf of

Griffin Stone Moscrop & Co

Chartered Accountants

Statutory Auditors

21 - 27 Lamb's Conduit Street

London

WC1N 3GS

24 March 2022

CHILD LIGHT LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	15,753	43,402	59,155	337,393
Charitable activities	5	1,988,490	-	1,988,490	1,893,958
Investments	4	-	-	-	68
Other income	6	48,420	-	48,420	73,884
Total income		2,052,663	43,402	2,096,065	2,305,303
Expenditure on:					
Raising funds	7	141	1,131	1,272	2,639
Charitable activities	8	2,012,295	-	2,012,295	1,962,860
Total expenditure		2,012,436	1,131	2,013,567	1,965,499
Net income		40,227	42,271	82,498	339,804
Transfers between funds	19	524,516	(524,516)	-	-
Net movement in funds		564,743	(482,245)	82,498	339,804
Reconciliation of funds:					
Total funds brought forward		359,573	507,576	867,149	527,345
Net movement in funds		564,743	(482,245)	82,498	339,804
Total funds carried forward		924,316	25,331	949,647	867,149

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

The notes on pages 17 to 33 form part of these financial statements.

CHILD LIGHT LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 02928829

BALANCE SHEET
AS AT 31 JULY 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	6,819,475	690,215
		<u>6,819,475</u>	<u>690,215</u>
Current assets			
Stocks	14	12,180	13,005
Debtors	15	26,687	561,255
Cash at bank and in hand		208,444	317,209
		<u>247,311</u>	<u>891,469</u>
Creditors: amounts falling due within one year	16	(137,717)	(714,535)
Net current assets		<u>109,594</u>	<u>176,934</u>
Total assets less current liabilities		<u>6,929,069</u>	<u>867,149</u>
Creditors: amounts falling due after more than one year	17	(5,979,422)	-
Net assets excluding pension asset		<u>949,647</u>	<u>867,149</u>
Total net assets		<u><u>949,647</u></u>	<u><u>867,149</u></u>
Charity funds			
Restricted funds	19	25,331	507,576
Unrestricted funds	19	924,316	359,573
Total funds		<u><u>949,647</u></u>	<u><u>867,149</u></u>

CHILD LIGHT LIMITED
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2021

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 24 March 2022 and signed on their behalf by:



Mr T Amies
(Chair of Trustees)

The notes on pages 17 to 33 form part of these financial statements.

CHILD LIGHT LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	6,096,103	1,029
Cash flows from investing activities		
Dividends, interests and rents from investments	13	3,077
Purchase of tangible fixed assets	(6,204,881)	(1,409)
Net cash (used in)/provided by investing activities	(6,204,868)	1,668
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(108,765)	2,697
Cash and cash equivalents at the beginning of the year	317,209	314,512
Cash and cash equivalents at the end of the year	208,444	317,209

The notes on pages 17 to 33 form part of these financial statements

CHILD LIGHT LIMITED
(A company limited by guarantee)

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

1. General information

Child Light Limited is a company limited by guarantee, incorporated in England & Wales, whose main activity is that of operating a school. The registered office and situation of the school is 17-19 Brookside, Cambridge CB2 1JE. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Child Light Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The trustees consider there are no material uncertainties about the company's ability to continue as a going concern.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.4 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

CHILD LIGHT LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line
Computer equipment	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

2.7 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

CHILD LIGHT LIMITED
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.10 Debtors

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

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.13 Pensions

The company operates a defined contribution pension scheme in respect of its non-teaching staff and the pension charge represents the amounts payable by the company to the fund in respect of the year.

The company also operates a defined benefits pension scheme in respect of its teaching staff. The scheme is a state plan where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the company's share of the underlying assets and liabilities of the plan. Therefore, as required by Section 28 of FRS 102, the company accounts for this scheme as if it was a defined contribution scheme. Contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

CHILD LIGHT LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

2. Accounting policies (continued)

2.14 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

3. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	15,753	43,402	59,155	337,393
	<u>15,753</u>	<u>43,402</u>	<u>59,155</u>	
Total 2020	4,782	332,611	337,393	
	<u>4,782</u>	<u>332,611</u>	<u>337,393</u>	

4. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	-	-	68
	<u>-</u>	<u>-</u>	<u>68</u>
Total 2020	68	68	
	<u>68</u>	<u>68</u>	

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Heritage School income	1,988,490	1,988,490	1,893,958
	<u>1,988,490</u>	<u>1,988,490</u>	<u>1,893,958</u>
Total 2020	1,893,958	1,893,958	
	<u>1,893,958</u>	<u>1,893,958</u>	

CHILD LIGHT LIMITED
(A company limited by guarantee)

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

6. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Royalties received	202	202	321
Other income	15,589	15,589	-
Coronavirus Job Retention Scheme income	32,616	32,616	70,486
Other interest received	13	13	3,077
	<u>48,420</u>	<u>48,420</u>	<u>73,884</u>
Total 2020	<u>73,884</u>	<u>73,884</u>	

CHILD LIGHT LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Heritage Community Association (HCA) costs	141	1,131	1,272	2,639
	<u>141</u>	<u>1,131</u>	<u>1,272</u>	
Total 2020	813	1,826	2,639	
	<u>813</u>	<u>1,826</u>	<u>2,639</u>	

8. Analysis of expenditure on charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Heritage School	2,012,295	2,012,295	1,962,860
	<u>2,012,295</u>	<u>2,012,295</u>	
Total 2020	1,962,860	1,962,860	
	<u>1,962,860</u>	<u>1,962,860</u>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Direct costs	1,352,789	659,506	2,012,295	1,962,860
	<u>1,352,789</u>	<u>659,506</u>	<u>2,012,295</u>	
Total 2020	1,253,866	708,994	1,962,860	
	<u>1,253,866</u>	<u>708,994</u>	<u>1,962,860</u>	

CHILD LIGHT LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Heritage School direct costs	73,639	73,639	89,046
Staff costs	1,203,529	1,203,529	1,138,279
Depreciation	75,621	75,621	26,541
	<u>1,352,789</u>	<u>1,352,789</u>	<u>1,253,866</u>

Analysis of support costs

	Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Recruitment and training	7,032	7,032	5,865
Property	79,469	79,469	325,204
Administration	288,623	288,623	89,689
Marketing	7,950	7,950	13,003
Staff costs	266,139	266,139	248,086
Audit	6,150	6,150	7,815
Compliance and inspections	4,143	4,143	6,389
Professional fees	-	-	714
Loss on disposal	-	-	12,229
	<u>659,506</u>	<u>659,506</u>	<u>708,994</u>
Total 2020	<u>708,994</u>	<u>708,994</u>	

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 July 2021, no Trustee expenses have been incurred (2020 - £NIL).

CHILD LIGHT LIMITED
(A company limited by guarantee)

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

11. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £3,700 (2020 - £4,700), and an accounts preparation fee of £2,450 (2020 - £3,115).

12. Staff costs

	2021	2020
	£	£
Wages and salaries	1,160,915	1,095,522
Social security costs	89,628	85,226
Contribution to defined contribution pension schemes	219,125	205,617
	<u>1,469,668</u>	<u>1,386,365</u>

The average number of persons employed by the Company during the year was as follows:

	2021	2020
	No.	No.
Teaching staff	44	47
Administrative staff	14	10
	<u>58</u>	<u>57</u>

No employee received remuneration amounting to more than £60,000 in either year.

The remuneration received by key management personnel was £125,261 (2020 - £107,186). In addition they received employer pension contributions to their pension schemes of £23,278 (2020 - £20,001). The key management personnel for the purpose of this disclosure are the Headmaster, Deputy Headmaster and the Bursar.

CHILD LIGHT LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

13. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 August 2020	715,788	25,949	32,371	16,145	790,253
Additions	6,197,419	-	5,443	2,019	6,204,881
Disposals	-	-	-	(300)	(300)
At 31 July 2021	<u>6,913,207</u>	<u>25,949</u>	<u>37,814</u>	<u>17,864</u>	<u>6,994,834</u>
Depreciation					
At 1 August 2020	35,774	24,000	25,411	14,853	100,038
Charge for the year	69,137	487	4,804	1,193	75,621
On disposals	-	-	-	(300)	(300)
At 31 July 2021	<u>104,911</u>	<u>24,487</u>	<u>30,215</u>	<u>15,746</u>	<u>175,359</u>
Net book value					
At 31 July 2021	<u>6,808,296</u>	<u>1,462</u>	<u>7,599</u>	<u>2,118</u>	<u>6,819,475</u>
At 31 July 2020	<u>680,014</u>	<u>1,949</u>	<u>6,960</u>	<u>1,292</u>	<u>690,215</u>

The total net book value of the charity's freehold property has been pledged as security for liabilities. For further details, see Note 17.

14. Stocks

	2021 £	2020 £
Finished goods and goods for resale	<u>12,180</u>	<u>13,005</u>

CHILD LIGHT LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

15. Debtors

	2021 £	2020 £
	-	-
Due within one year		
Trade debtors	5,634	24,423
Other debtors	688	78,619
Prepayments	19,070	455,475
Tax recoverable	1,295	2,738
	<u>26,687</u>	<u>561,255</u>

16. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loan	85,148	592,912
Other loans	1,276	-
Trade creditors	17,995	38,327
Other taxation and social security	-	21,983
Pension fund loan payable	-	24,926
Other creditors	22,927	10,317
Accruals and deferred income	10,371	26,070
	<u>137,717</u>	<u>714,535</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loan	4,479,422	-
Other loans	1,500,000	-
	<u>5,979,422</u>	<u>-</u>

Included within the above are amounts falling due as follows:

	2021 £	2020 £
Between one and two years		
Bank loans	88,602	-
	<u>88,602</u>	<u>-</u>
Between two and five years		
Bank loans	196,008	-
	<u>196,008</u>	<u>-</u>
Over five years		
Bank loans	4,194,812	-
Other loans	1,500,000	-
	<u>5,694,812</u>	<u>-</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2021 £	2020 £
Payable or repayable by instalments	4,194,812	-
Payable or repayable other than by instalments	1,500,000	-
	<u>5,694,812</u>	<u>-</u>

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During the year a new bank loan was arranged with the charity borrowing £4,640,000 to be repaid over 30 years. This loan is subject to 3.98% interest per annum for the first 5 years and thereafter to an annual interest rate charge of 3.93% over the prevailing bank base rate. This loan is secured by a first fixed and floating legal charge over the charity's freehold properties, 17-19 Brookside (Cambridge, CB2 1JE), Panton Hall (Cambridge, CB2 1HP) and all other assets.

In addition the charity took out four other loans during the year:

- Two loans have been taken out on similar terms, one for £450,000 and one for £50,000 which are to be repaid after 7 years. These loans are subject to 3% interest per annum. On the settlement of these loans, an independent valuation of 17-19 Brookside (Cambridge, CB2 1JE) will be carried out, and the charity will pay the lenders 23% and 2.60% (respectively) of any increase in the market value of the property over £4,835,000 less any 'capital expenditure on improvements'. The repayments are subject to a maximum amount equal to the original loan plus 7% compounded interest per annum.

- A loan for £900,000 is to be repaid after 15 years. This loan is subject to 3% interest per annum for the first year of the term, rising by 0.5% for each subsequent year until it reaches 6% in year 7. The interest rate will remain at 6% for the remainder of the term.

- A loan for £100,000 is to be repaid after 10 years. This loan is subject to 3% interest per annum for the first year of the term, rising by 0.5% for each subsequent year until it reaches 6% in year 7. The interest rate will remain at 6% for the remainder of the term.

The four loans have a second fixed charge over the charity's freehold properties and rank equally, with any payments proportionate to the loans advanced.

18. Financial instruments

	2021	2020
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	208,444	317,209

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

19. Statement of funds

Statement of funds - current year

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2021 £
Unrestricted funds					
General fund	359,573	2,052,663	(2,012,436)	524,516	924,316
Restricted funds					
Restricted funds - other	19,781	5,127	(269)	-	24,639
Amazing Grace School, Uganda	1,055	499	(862)	-	692
Building fund	486,740	37,776	-	(524,516)	-
	507,576	43,402	(1,131)	(524,516)	25,331
Total of funds	867,149	2,096,065	(2,013,567)	-	949,647

Restricted funds - other

Such resources represent small donations given for specific purposes relating to the running of the school.

Amazing Grace School, Uganda

Amazing Grace School is a school in Uganda of a roughly similar age as Heritage School. A number of the pupils are orphans, and there are boarders and day pupils. The relationship between Amazing Grace and Heritage Schools extends into the classroom as pupils write letters to one another and send art work and other items to each other. Typically, Heritage School donates the proceeds from the Christmas Concert collection and a portion of all HCA raised funds to Amazing Grace each year.

Building fund

The Building fund was launched in April 2019 to raise funds towards securing premises for Heritage School.

The charity completed the freehold acquisition of its main site on 17 August 2020 and the restricted conditions were met. Accordingly, the trustees deemed it reasonable to transfer the remaining fund balance of £524,516 to the general fund, the fund against which the related depreciation is charged.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2019 £	Income £	Expenditure £	Balance at 31 July 2020 £
Unrestricted funds				
General fund	350,554	1,972,692	(1,963,673)	359,573
Restricted funds				
Restricted funds - other	3,277	18,330	(1,826)	19,781
Amazing Grace School, Uganda	43	1,012	-	1,055
Building fund	173,471	313,269	-	486,740
	176,791	332,611	(1,826)	507,576
Total of funds	527,345	332,611	(1,965,499)	867,149

20. Summary of funds

Summary of funds - current year

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2021 £
General funds	359,573	2,052,663	(2,012,436)	524,516	924,316
Restricted funds	507,576	43,402	(1,131)	(524,516)	25,331
	867,149	2,096,065	(2,013,567)	-	949,647

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

20. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 August 2019 £	Income £	Expenditure £	Balance at 31 July 2020 £
General funds	350,554	1,972,692	(1,963,673)	359,573
Restricted funds	176,791	332,611	(1,826)	507,576
	<u>527,345</u>	<u>2,305,303</u>	<u>(1,965,499)</u>	<u>867,149</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	6,819,475	-	6,819,475
Current assets	221,980	25,331	247,311
Creditors due within one year	(137,717)	-	(137,717)
Creditors due in more than one year	(5,979,422)	-	(5,979,422)
Total	<u>924,316</u>	<u>25,331</u>	<u>949,647</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	690,215	-	690,215
Current assets	383,893	507,576	891,469
Creditors due within one year	(714,535)	-	(714,535)
Total	<u>359,573</u>	<u>507,576</u>	<u>867,149</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	82,498	339,804
Adjustments for:		
Depreciation charges	75,621	26,541
Dividends, interests and rents from investments	(13)	(3,077)
Loss on the disposal of fixed assets	-	12,229
Decrease in stocks	825	1,082
Decrease/(increase) in debtors	534,568	(401,973)
Increase in creditors	5,402,604	26,423
Net cash provided by operating activities	6,096,103	1,029

23. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	208,444	317,209
Total cash and cash equivalents	208,444	317,209

24. Analysis of changes in net debt

	At 1 August 2020 £	Cash flows £	At 31 July 2021 £
Cash at bank and in hand	317,209	(108,765)	208,444
Debt due within 1 year	(617,838)	531,414	(86,424)
Debt due after 1 year	-	(5,979,422)	(5,979,422)
	(300,629)	(5,556,773)	(5,857,402)

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25. Related party transactions

Related party transactions not disclosed elsewhere in the financial statements are as follows:

- Mr Macaulay, a Trustee, has a daughter and son in law (the Headmaster) who were employees of the school during the year;
- Mrs Meakin, a Trustee, has two (2020 - two) children who attended the school during the year;
- Mr Leckie, a Trustee, has four (2020 - four) children who attended the school during the year;
- Dr McDonald, a Trustee, has three (2020 - three) children who attended the school during the year;
- Mr Amies, a Trustee, has one (2020 - one) child who attended the school during the year; and
- Mr Amies' spouse worked for the school during the year.

The salaries paid to the Headmaster and his and the Trustee's spouse are on terms no more favourable than those of any other employee and there is no benefit or discount on fees as a result of being related to a Trustee.

During the year, the charity received unrestricted donations totalling £200 (2020 - £300) from one of its trustees and restricted donations totalling £25,625 (2020 - £1,081) from five (2020 - one) of its Trustees.

26. Pension commitments

The charity operates a defined benefit scheme (DBS) in respect of its teaching staff and a defined contribution scheme (DCS) in respect of its non-teaching staff. The assets of each scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the company to these two funds.

The DBS is administered by Teachers' Pensions. The number of staff in this scheme at the year end was 50 (2020 - 36). The total employer contributions paid to this fund during the current year were £199,655 (2020 - £192,016).

The total employer contributions paid to the DCS fund during the current year were £19,470 (2020 - £13,601).

As at the balance sheet date, no contributions were (2020 - £24,926 was) payable by the charity.

27. Operating lease commitments

At 31 July 2021 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	-	10,959
	<u> </u>	<u> </u>