

# GRACE DIEU MANOR SCHOOL

England & Wales · Charity number 1115976

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [05900619](#)

**Registered** 2006-08-31

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** The Mill House Business Centre  
Mill House  
Station Road  
Castle Donington  
Derby  
DE74 2NJ

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**Email** [ANDREW@STERLING-ADVISORY.CO.UK](mailto:ANDREW@STERLING-ADVISORY.CO.UK)

**Website** [WWW.STERLING-ADVISORY.CO.UK](http://WWW.STERLING-ADVISORY.CO.UK)

## Activities

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**Objects:** 1) TO ADVANCE EDUCATION BY CONDUCTING ANY BOARDING OR DAY SCHOOL FOR CHILDREN OF THE ROMAN CATHOLIC RELIGION WITH OR WITHOUT OTHER CHRISTIAN OR NON-CHRISTIAN CHILDREN IN THE SPIRIT AND ETHOS OF THE INSTITUTE OF CHARITY (ROSMINIANS);2) TO CARRY ON SUCH OTHER CHARITABLE WORKS AS ADVANCE THE ROMAN CATHOLIC RELIGION

**Activities:** To advance education by conducting a day school for children of the Roman Catholic religion with or without other Christian or non-Christian children in the spirit and ethos of the Institute of Charity (The Rosminians).To carry on such other charitable works as advance the Rosman Catholic religion.

## Classification

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- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Education/training, Religious Activities
- **Who:** Children/young People

## Geography

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- **Area of benefit:** NOT DEFINED IN PRACTICE LEICESTER
- Derbyshire
- Leicestershire
- Nottinghamshire
- Warwickshire

## Finances

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Period end	Income	Expenditure	Assets	Employees
2024-08-31	-	-	-	-
2023-08-31	-	-	-	-
2022-08-31	-	-	-	-
2021-08-31	-	-	-	-
2020-08-31	£2,010,559	£3,145,967	£-371,791	88
2019-08-31	£2,273,033	£3,126,340	£763,617	88
2018-08-31	£1,999,695	£2,804,065	£1,616,924	86
2017-08-31	£2,003,806	£2,641,381	£5,450,961	79
2016-08-31	£2,578,451	£2,658,766	£6,088,536	57

## Trustees

Name	Role	Appointed
Dr Sheelagh Brigid Bolt		2017-08-17
FATHER BRIAN		
FATHER CHRIS		2019-01-06
FATHER PHILIP		
Fr David John Myers IC		2017-08-17
PAUL RAYMOND FRANCIS RUDD		2015-06-23
REVEREND FATHER		2014-02-14
REVEREND FATHER TOM THOMAS		2015-06-23
RICHARD WILLIAM GAMBLE		2013-07-08
Rev ANTHONY DESMOND MEREDITH		2017-08-17

**GRACE DIEU MANOR SCHOOL**

England & Wales - Charity number 1115976

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# Accounts

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**REGISTERED COMPANY NUMBER: 05900619 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1115976**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020  
FOR  
GRACE DIEU MANOR SCHOOL**

Duncan & Toplis Limited, Statutory Auditor  
3 Princes Court  
Royal Way  
Loughborough  
Leicestershire  
LE11 5XR

**GRACE DIEU MANOR SCHOOL**

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FOR THE YEAR ENDED 31 AUGUST 2020**

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## **GRACE DIEU MANOR SCHOOL**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The objects of the charity are primarily to advance education for children of the Roman Catholic religion with or without other Christian or non-Christian children in the spirit and ethos of the Institute of Charity (Rosminians) and to carry on such other charitable works as advance the Roman Catholic religion.

#### **AIMS**

As noted on Page 2 unfortunately the decision had to be taken to close the school from July 2020. Until that time through the work in the school, the charity sought to provide an education for children in the spirit of the Gospel and the traditions of the Catholic Faith.

In particular, Grace Dieu aimed to:

- Ensure that The 5 Areas of Development and Growth considered by our founder, Antonio Rosmini, to be at the heart of a good, well-rounded education, was successfully fostered from the Nursery upwards within a framework of excellent pastoral care.
- Be a school in which every pupil was known and valued personally.
- Ensure that there was a joy in living and learning amongst the pupils and a joy in the giving of this ('witness') from all in our Community which was exemplified from those who lead the school.
- To be a school in which pupils could grow and develop with confidence; where children and adults alike responded to the ethos of faith, encouragement and praise, which was the hallmark of the education at Grace Dieu.
- For all our visitors to sense that a quiet faith underpinned the life of the school; that a tangible and timeless spirituality permeates the industry and rhythm of the day.

#### **PUBLIC BENEFIT**

The trustees have considered the guidance contained in the Charity Commission's General Guidance on Public Benefit and, in particular, its supplementary Public Benefit Guidance on advancing education and on fee charging, when exercising their powers and duties and planning the future of the charity.

#### **Main Objectives and Strategies for the Year**

- To ensure that the aims as set out in the School's Mission Statement permeate the educational provision being offered at Grace Dieu whilst it remained open;
- To strive toward the school's desire to see the pupils to see the formation of the whole child: intellectual, emotional and spiritual;
- To ensure that the full potential of each pupil is realised;
- To offer excellent, non-selective, Catholic education;

#### **STRATEGIC REPORT**

##### **Achievement and performance**

The school performed well during 2019/20 in terms of pupil outcomes. The nursery facility was a significant success and expanded rapidly during this time. However the school struggled with reducing pupil numbers.

#### **CHARITABLE AIMS**

During the year the school continued to actively support fundraising activities for the LOROS and CAFOD charities.

## **GRACE DIEU MANOR SCHOOL**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020**

#### **STRATEGIC REPORT**

##### **Financial review**

##### **Closure of the school and nursery**

The school has been lossmaking for several years and the years 2018/19 and 2019/20 were no exception. During this period the Trustees discussed the future options with the various stakeholders and it was made clear that no further funds to support school would be made available beyond the academic year 2019/20. The school was marketed for sale throughout 2018/19 and a buyer came forward in December 2019. Unfortunately, during February 2020, negotiations with the buyer broke down irrevocably leaving the Trustees with no option but to close the school at the end of the 2019/20 academic year.

On 2 March 2020 the Trustees made the announcement to all stakeholders that the school would close at the end of the summer term on 3 July 2020. At that time it was planned that whilst the school would close, the nursery, which had an excellent reputation and long waiting list, would continue to trade after the school had closed. This decision was taken prior to the closure of schools and nurseries on 20 March due to the Covid-19 pandemic. As time elapsed, it became clear that the impact of Covid-19 would make the re-opening of a financially viable nursery impossible and the Trustees took the decision to close the nursery at the same time as the school on 3 July 2020.

##### **Financial position**

Incoming resources were £2,010,559. Resources expended were £3,145,967. The total net outgoing resources for the year ended 31st August 2020 were £1,135,408.

##### **Related Parties**

During the year the Institute of Charity continued to make, significant loans to Grace Dieu Manor School. The balance at 31st August 2020 is £1,805,533 (2019: £1,255,533) but with the exception of £100,000, the loan is not subject to interest and there are no formal terms or repayment date. Interest is charged on £100,000 at 2% per annum and £Nil of interest was paid in the year (2019: £2,000), this element is repayable on 1 July 2021. Subsequent to the year-end, the Institute of Charity has lent the school a further £185,522.

In 2010 Ratcliffe College made a loan to Grace Dieu Manor School. The loan carries a rate of interest 3% above the base rate and is repayable over 10 years. No repayments of capital or interest (2019: £Nil) were made during the year and the balance at 31st August 2020 is £22,985. (2019: £22,985).

##### **Reserves Policy**

At 31st August 2020, the unrestricted funds of the charitable company were Negative £413,810 (2019: £721,598). £2,212,154 is represented by fixed assets. Therefore the charitable company currently has no free reserves and is reliant on borrowing and support of creditors until the School Property can be sold.

##### **Bursary Policy**

Grace Dieu Manor School offered limited bursaries due to financial constraints but is offering financial help to a number of families.

## **GRACE DIEU MANOR SCHOOL**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020**

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

The charitable company, "Grace Dieu Manor School", was incorporated on 9th August 2006 and registered under the number 1115976 with the Charity Commission. From 1st September 2006, the company took over the net assets and operations of the charity "Trustees of Ratcliffe College" (established by a Trust Deed executed in 1923) which related to Grace Dieu Manor School, a school at Thringstone, Leicestershire, founded in 1933. At the same time, the remaining net assets and operations of the charity "Trustees of Ratcliffe College" were transferred to a second charitable company, "Ratcliffe College" (Charity Number 1115975), which operates a school of the same name at Fosse Way, Ratcliffe on the Wreake, Leicestershire, founded in 1847.

#### **CONNECTED CHARITIES**

The Institute of Charity (Charity Number 222508) and Ratcliffe College (Charity Number 1115975) are considered to be connected to the charitable company because they have:

- Common, parallel or related objects and activities and,
- Common control

#### **GOVERNANCE**

The Foundations were made by the Religious Congregation called the Institute of Charity (often called the Rosminians after the founder Antonio Rosmini). The trustees are members of the congregation. Members of the congregation provide chaplaincy facilities in the school.

Many trustees are members of the Rosminian Order. New trustees are appointed by Fr Provincial in consultation with the Board of Trustees. Where additional trustees are required, they are either appointed from the members of the Rosminians or the charity encourages existing trustees and governors to put forward names or discusses with similar organisations whether they are aware of suitable candidates. There are 3 lay trustees: Mr R Gamble, Mr P Rudd and Dr S Bolt

The Governing Body consisted of up to twelve members, of whom two were trustees (Foundation Governors); the remaining ten were appointed by the trustees (Ordinary Governors) after consultation with the Governing Body. The Terms of Service are detailed in the Memorandum and Articles of Association, Article 55.

Where additional governors were required, the charity encouraged existing trustees and governors to put forward names or discuss with similar organisations whether they were aware of suitable candidates.

#### **MANAGEMENT**

The trustees entrusted the management of the school to the Board of Governors, whose powers and duties are set out in the Memorandum and Articles of Association, Article 55.

The trustees were kept fully informed of the management of the school, receiving Reports and Minutes of the Governors' meetings, and their Sub Committees. These were reviewed regularly in the trustees' meetings. The accounts attached show the financial position of the school, which is commented on in the various notes therein.

The Board of Governors met 3 times a year to review its overall management and control for which they are legally responsible. The Finance and General Purposes Committee met at least once a term, usually 2 weeks prior to the Main Board meeting.

The trustees receive no remuneration for their services, nor (where applicable) for the work they do in the school. The trustees are entitled to recoup legitimate expenses incurred in the course of their duties as trustees.

## **GRACE DIEU MANOR SCHOOL**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020**

#### **RISK MANAGEMENT**

The Board of Governors had 5 Sub-Committees, which reported to the Board at their termly meetings. The Sub-Committees were as follows:

- Finance & General Purposes, Bursaries and Risk Management Committee;
- Education;
- Religious Life Committee to include pastoral care and Safeguarding;
- Marketing Committee;
- Early Years.

#### **PROTECTION OF CHILDREN & VULNERABLE ADULTS**

Along with all other organisations who serve in the community, the trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity serves. This means that anyone in any kind of work associated with the school, whether they are paid employees or volunteers, have to obtain enhanced disclosure clearance from the Disclosure and Barring Service. The trustees are committed to implementing all policies and procedures of the Catholic Office for the Protection of Children and Vulnerable Adults (COPCA) and those statutory requirements demanded in law (DFE) and deemed as 'compliant' by Independent Schools Inspectorate. The Headmistress was the School's Designated Senior Person for Safeguarding and the Assistant Head was the Deputy Designated person up until the schools closure. The Headmistress will have received the appropriate training as Designated Senior Persons for Safeguarding. All staff received regular updates on Safeguarding, together with the attendant policies and procedures.

## GRACE DIEU MANOR SCHOOL

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020

#### REFERENCE AND ADMINISTRATIVE DETAILS

Grace Dieu Manor School is a Charitable Company, Charity Reference Number 1115976, Company Registration number 5900619. The Registered Office and Principal address of the Company is:

Grace Dieu Manor School  
Whitwick  
Coalville  
Leicestershire  
LE67 5UG

#### DIRECTORS

The present directors of the company (who are also the charity trustees), are:-

Rev. Fr. Brian E. Cuddihy (Correspondent) - resigned 31 October 2019  
Dr Sheelagh Bolt  
Rev. Fr. Anthony Furlong  
Rev. Fr. Christopher Fuse  
Mr Richard Gamble  
Rev. Fr. Anthony Meredith  
Rev. Fr. David Myers  
Rev. Fr. Tom Thomas  
Rev. Fr. Philip Sainter  
Mr P R F Rudd

#### GOVERNORS

The School has its own Governing Body. The members who have served during the year are as follows:

<b>Name</b>	<b>Area of responsibility</b>
Mr Richard Gamble	Chair of Governors: Education; Pastoral; Finance & General Purposes
Mr Martin Collins	Finance & General Purposes; Marketing
Mrs Holly Cross	Education; Pastoral; Sport
Mr Edward de Lisle	Vice Chair of Governors; Finance & General Purposes
Mr Philip Fantham	Finance & General Purposes; Marketing; Sports
Mr David Finn	Finance & General Purposes
Mr Edward Gamble	Education; Marketing; Sports
Rev Fr. Philip Sainter	Foundation Governor; Pastoral
Miss K Lester	Finance & General Purposes; Education; Pastoral; Marketing

#### Key Executives and Professional Advisers

<b>The Headmaster:</b>	Mrs Margaret Kewell
<b>Bankers:</b>	Natwest, Market Place, Loughborough, Leicestershire, LE11 3NZ
<b>Solicitors:</b>	Veale Wasbrough Vizards LLP, Narrow Quay House, , Narrow Quay, Bristol, BS1 4QA
<b>Auditors:</b>	Duncan & Toplis Limited, 3 Princes Court, Royal Way, Loughborough, LE11 5XR

**GRACE DIEU MANOR SCHOOL**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2020**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Grace Dieu Manor School for the purposes of company law) are responsible for preparing the Report of the Trustees 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

As explained in note 25 to the financial statements, the trustees do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ..... and signed on the board's behalf by:

.....  
R W Gamble - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GRACE DIEU MANOR SCHOOL**

### **Disclaimer of Opinion**

We were engaged to audit the financial statements of Grace Dieu Manor School (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We do not express an opinion on the accompanying financial statements of the charitable company. Because of the significance of the matter described in the basis for the disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

### **Basis for disclaimer of opinion**

Following the closure of the school in July 2020 and the subsequent cessation of employment of the charitable company's employees including the finance team we have been unable to gain access to sufficient records, systems and information to perform sufficient and appropriate audit testing to satisfy ourselves that the material transactions and balances shown in the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements are materially accurate and correct. We are therefore unable to provide an opinion on the accuracy of the financial statements as a whole.

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

Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have been unable to form an opinion, whether based on the work undertaken in the course of the audit:

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

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

Notwithstanding our disclaimer of an opinion on the financial statements, in the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified material misstatements in the Report of the Trustees.

Arising from the limitation of our work referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

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

- 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
GRACE DIEU MANOR SCHOOL**

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, 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.

**Our responsibilities for the audit of the financial statements**

Our responsibility is to conduct an audit of the company's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report.

However, because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

**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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Niall Kingsley ACA (Senior Statutory Auditor)  
for and on behalf of Duncan & Toplis Limited, Statutory Auditor  
3 Princes Court  
Royal Way  
Loughborough  
Leicestershire  
LE11 5XR

Date: .....

**GRACE DIEU MANOR SCHOOL**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	3	-	-	-	30
<b>Charitable activities</b>					
School fees	6	1,740,838	-	1,740,838	2,253,534
Other trading activities	4	13,117	-	13,117	15,456
Investment income	5	2,070	-	2,070	4,013
Other income		<u>254,534</u>	<u>-</u>	<u>254,534</u>	<u>-</u>
<b>Total</b>		<b>2,010,559</b>	<b>-</b>	<b>2,010,559</b>	<b>2,273,033</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Teaching costs	7	1,815,956	-	1,815,956	1,619,713
Welfare		276,447	-	276,447	327,428
Premises		441,188	-	441,188	555,925
Support costs		560,178	-	560,178	566,164
Other		<u>52,198</u>	<u>-</u>	<u>52,198</u>	<u>57,110</u>
<b>Total</b>		<b>3,145,967</b>	<b>-</b>	<b>3,145,967</b>	<b>3,126,340</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(1,135,408)</b>	<b>-</b>	<b>(1,135,408)</b>	<b>(853,307)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>721,598</b>	<b>42,019</b>	<b>763,617</b>	<b>1,616,924</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>(413,810)</u></b>	<b><u>42,019</u></b>	<b><u>(371,791)</u></b>	<b><u>763,617</u></b>

The notes form part of these financial statements

**GRACE DIEU MANOR SCHOOL (REGISTERED NUMBER: 05900619)**

**BALANCE SHEET  
31 AUGUST 2020**

	Notes	Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	14	2,212,154	-	2,212,154	2,407,125
<b>CURRENT ASSETS</b>					
Stocks	15	-	-	-	13,352
Debtors	16	41,824	-	41,824	34,352
Cash at bank and in hand		<u>189,801</u>	<u>42,019</u>	<u>231,820</u>	<u>786,363</u>
		231,625	42,019	273,644	834,067
<b>CREDITORS</b>					
Amounts falling due within one year	17	<u>(2,100,292)</u>	-	<u>(2,100,292)</u>	<u>(1,582,344)</u>
<b>NET CURRENT ASSETS</b>		<u>(1,868,667)</u>	<u>42,019</u>	<u>(1,826,648)</u>	<u>(748,277)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		343,487	42,019	385,506	1,658,848
<b>CREDITORS</b>					
Amounts falling due after more than one year	18	<u>(757,297)</u>	-	<u>(757,297)</u>	<u>(895,231)</u>
<b>NET ASSETS</b>		<u>(413,810)</u>	<u>42,019</u>	<u>(371,791)</u>	<u>763,617</u>
<b>FUNDS</b>					
Unrestricted funds	21			(413,810)	721,598
Restricted funds				<u>42,019</u>	<u>42,019</u>
<b>TOTAL FUNDS</b>				<u>(371,791)</u>	<u>763,617</u>

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

.....  
R W Gamble - Trustee

**GRACE DIEU MANOR SCHOOL**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(1,059,192)	(654,147)
Finance costs paid		<u>(52,198)</u>	<u>(57,110)</u>
Net cash used in operating activities		<u>(1,111,390)</u>	<u>(711,257)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		-	(7,834)
Sale of tangible fixed assets		43,491	1,753
Sale of investment property		-	707,250
Interest received		<u>1,030</u>	<u>360</u>
Net cash provided by investing activities		<u>44,521</u>	<u>701,529</u>
<b>Cash flows from financing activities</b>			
New loans in year		550,000	904,634
Loan repayments in year		(25,245)	(9,025)
Capital repayments in year		<u>(7,199)</u>	<u>(5,102)</u>
Net cash provided by financing activities		<u>517,556</u>	<u>890,507</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		(549,313)	880,779
<b>Cash and cash equivalents at the beginning of the reporting period</b>	2	<u>781,133</u>	<u>(99,646)</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	2	<u><u>231,820</u></u>	<u><u>781,133</u></u>

The notes form part of these financial statements

GRACE DIEU MANOR SCHOOL

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2020

<b>1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>			
		2020	2019
		£	£
<b>Net expenditure for the reporting period (as per the Statement of Financial Activities)</b>		(1,135,408)	(853,307)
<b>Adjustments for:</b>			
Depreciation charges		194,970	141,081
(Profit)/loss on disposal of fixed assets		(43,491)	1,897
Interest received		(1,030)	(360)
Finance costs		52,198	57,110
Impairment of tangible fixed assets		-	63,083
Decrease/(increase) in stocks		13,352	(4,532)
(Increase)/decrease in debtors		(7,472)	875
Decrease in creditors		<u>(132,311)</u>	<u>(59,994)</u>
<b>Net cash used in operations</b>		<u>(1,059,192)</u>	<u>(654,147)</u>
 <b>2. ANALYSIS OF CASH AND CASH EQUIVALENTS</b>			
		2020	2019
		£	£
Cash in hand		-	150
Notice deposits (less than 3 months)		231,820	786,213
Overdrafts included in bank loans and overdrafts falling due within one year		<u>-</u>	<u>(5,230)</u>
 Total cash and cash equivalents		<u>231,820</u>	<u>781,133</u>
 <b>3. ANALYSIS OF CHANGES IN NET DEBT</b>			
	At 1.9.19	Cash flow	At 31.8.20
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	786,363	(554,543)	231,820
Bank overdraft	<u>(5,230)</u>	<u>5,230</u>	<u>-</u>
	<u>781,133</u>	<u>(549,313)</u>	<u>231,820</u>
 <b>Debt</b>			
Finance leases	(29,312)	7,199	(22,113)
Debts falling due within 1 year	(1,236,324)	(654,472)	(1,890,796)
Debts falling due after 1 year	<u>(872,649)</u>	<u>129,717</u>	<u>(742,932)</u>
	<u>(2,138,285)</u>	<u>(517,556)</u>	<u>(2,655,841)</u>
 <b>Total</b>	<u>(1,357,152)</u>	<u>(1,066,869)</u>	<u>(2,424,021)</u>

The notes form part of these financial statements

## GRACE DIEU MANOR SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

#### 1. GENERAL INFORMATION

Grace Dieu Manor School is a charitable company, limited by guarantee, registered in England and Wales. The company's registered number is 05900619 and registered office address is Grace Dieu Manor School, Whitwick, Coalville, Leicestershire, LE67 5UG.

The financial statements are presented in sterling which is the functional currency of the charitable company and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The financial statements cover the individual entity.

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

As explained in note 25, the charitable company ceased operations in July 2020. Consequently, the going concern assumption is not appropriate and the financial statements have been prepared on a realisation basis where assets are measured at the lower of carrying amounts and estimated net realisable values, while liabilities are measured at their estimated settlement amounts.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land is not depreciated

Freehold buildings	2% - 20% on depreciated replacement cost/valuation
Plant and machinery	20% on cost
Fixtures, fittings and equipment	10% on cost
Motor vehicles	25% on cost

The freehold land and buildings were previously valued using professional valuers as at 1 September 2006, the date the assets were transferred from the old charity. This valuation was frozen and adopted as the deemed historical cost. The land and buildings were valued on the following basis:

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020**

**2. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

1. Main college/school and buildings on site - depreciated replacement cost value
2. Other buildings - open market value

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the Statement of Financial Activities.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment is recognised immediately in the Statement of Financial Activities.

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

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

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Contributions are made for teaching staff to the Department for Education Superannuation Scheme ("TPS"). For the purposes of complying with relevant accounting standards the TPS is accounted for as a defined contribution scheme as the charitable company is not responsible for or entitled to receive benefit for any surplus or deficit of the scheme.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020**

**2. ACCOUNTING POLICIES - continued**

**Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

**Financial instruments**

The charitable company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

Basic financial liabilities, including trade and other creditors, bank loans and loans from connected entities, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

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

**3. DONATIONS AND LEGACIES**

	2020	2019
	£	£
Donations	-	30
	<u>          </u>	<u>          </u>

**4. OTHER TRADING ACTIVITIES**

	2020	2019
	£	£
Trading activities	13,117	15,456
	<u>          </u>	<u>          </u>

**GRACE DIEU MANOR SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020**

**5. INVESTMENT INCOME**

	2020	2019
	£	£
Rents received	1,040	3,653
Deposit account interest	<u>1,030</u>	<u>360</u>
	<u>2,070</u>	<u>4,013</u>

**6. INCOME FROM CHARITABLE ACTIVITIES**

		2020	2019
	Activity	£	£
Fees receivable	School fees	1,852,501	2,370,403
Bursaries and other allowances	School fees	(155,388)	(204,187)
Other fee income	School fees	<u>43,725</u>	<u>87,318</u>
		<u>1,740,838</u>	<u>2,253,534</u>

**7. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £
Teaching costs	1,815,956
Welfare	276,447
Premises	441,188
Support costs	<u>560,178</u>
	<u>3,093,769</u>

Charitable activities costs includes payments to the auditor of £11,380 (2019: £16,252) for audit fees.

Other resources expended of £52,198 (2019: £57,110) represents interest paid on borrowings.

**8. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation - owned assets	194,971	141,081
Surplus/(deficit) on disposal of fixed assets	(43,491)	1,897
Impairment of tangible fixed assets	<u>-</u>	<u>63,083</u>

**GRACE DIEU MANOR SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020**

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 August 2020 nor for the year ended 31 August 2019.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 August 2020 nor for the year ended 31 August 2019.

**10. STAFF COSTS**

	2020	2019
	£	£
Wages and salaries	1,569,180	1,636,964
Social security costs	-	103,116
Other pension costs	<u>191,876</u>	<u>157,806</u>
	<u><u>1,761,056</u></u>	<u><u>1,897,886</u></u>

The average monthly number of employees during the year was as follows:

	2020	2019
Teaching staff	26	26
Support staff	<u>62</u>	<u>62</u>
	<u><u>88</u></u>	<u><u>88</u></u>

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

	2020	2019
£100,001 - £110,000	<u>1</u>	<u>1</u>

The average number of employees during the year, calculated on a full time equivalent basis was 20 (2019: 20) for teaching staff and 47 (2019: 47) for support staff.

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

**GRACE DIEU MANOR SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020**

**11. EXCEPTIONAL ITEMS**

The charitable company classifies certain one off charges that have a material impact on the financial results as an 'exceptional item'. This is disclosed separately to provide further understanding of the financial performance of the charity.

During the prior year, £63,083 charges for asset write downs of exceptional size or incidence were recorded, relating to the impairment of tangible fixed assets. The trustees re-assessed their estimates of the useful economic lives of fixtures & fittings, plant & machinery and computer equipment, resulting in an impairment charge of £63,083 to the statement of financial activities in the prior year.

During the year redundancy costs of £259,809 were incurred following the closure of the school.

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	30	-	30
<b>Charitable activities</b>			
School fees	2,253,534	-	2,253,534
Other trading activities	15,456	-	15,456
Investment income	<u>4,013</u>	<u>-</u>	<u>4,013</u>
<b>Total</b>	<b>2,273,033</b>	<b>-</b>	<b>2,273,033</b>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Teaching costs	1,619,713	-	1,619,713
Welfare	327,428	-	327,428
Premises	555,925	-	555,925
Support costs	566,164	-	566,164
Other	<u>57,110</u>	<u>-</u>	<u>57,110</u>
<b>Total</b>	<b>3,126,340</b>	<b>-</b>	<b>3,126,340</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>(853,307)</b>	<b>-</b>	<b>(853,307)</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b>1,574,905</b>	<b>42,019</b>	<b>1,616,924</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b><u>721,598</u></b>	<b><u>42,019</u></b>	<b><u>763,617</u></b>

**GRACE DIEU MANOR SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020**

**13. KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES**

The total amount of employee benefits received by key management personnel is £116,525 (2019: £116,525).

**14. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 September 2019	7,167,259	586,953	70,133	341,497	8,165,842
Disposals	<u>-</u>	<u>-</u>	<u>(11,200)</u>	<u>-</u>	<u>(11,200)</u>
At 31 August 2020	<u>7,167,259</u>	<u>586,953</u>	<u>58,933</u>	<u>341,497</u>	<u>8,154,642</u>
<b>DEPRECIATION</b>					
At 1 September 2019	4,861,444	498,977	70,133	328,163	5,758,717
Charge for year	93,661	87,976	-	13,334	194,971
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>(11,200)</u>	<u>-</u>	<u>(11,200)</u>
At 31 August 2020	<u>4,955,105</u>	<u>586,953</u>	<u>58,933</u>	<u>341,497</u>	<u>5,942,488</u>
<b>NET BOOK VALUE</b>					
At 31 August 2020	<u>2,212,154</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,212,154</u>
At 31 August 2019	<u>2,305,815</u>	<u>87,976</u>	<u>-</u>	<u>13,334</u>	<u>2,407,125</u>

An impairment review was carried out by management in order to re-assess their estimates of the useful economic lives of tangible fixed assets. Following this review, the total net book value of those fixtures & fittings, plant & machinery and computer equipment assets were written down by £63,083 in the prior year.

The net book value of assets held under finance leases included in fixtures and fittings is £Nil (2019: £17,393).

**15. STOCKS**

	2020 £	2019 £
Finished goods	<u>-</u>	<u>13,352</u>

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade debtors	204	2,056
Other debtors	4,249	730
Prepayments and accrued income	<u>37,371</u>	<u>31,566</u>
	<u>41,824</u>	<u>34,352</u>

**GRACE DIEU MANOR SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020**

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	£	£
Bank loans and overdrafts (see note 19)	62,278	65,935
Other loans (see note 19)	1,828,518	1,175,619
Finance leases (see note 20)	7,748	6,730
Payments on account	-	77,330
Trade creditors	12,219	78,588
Social security and other taxes	34,693	35,948
Other creditors	32,606	79,206
Accruals and deferred income	<u>122,230</u>	<u>62,988</u>
	<u>2,100,292</u>	<u>1,582,344</u>

Deferred income arose in the prior year due to fees paid in advance for school fees relating to the current accounting year.

**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2020	2019
	£	£
Bank loans (see note 19)	742,932	769,750
Other loans (see note 19)	-	102,899
Finance leases (see note 20)	<u>14,365</u>	<u>22,582</u>
	<u>757,297</u>	<u>895,231</u>

The bank loan is being repaid over 20 years to 2029 at a fixed interest rate of 6.0%. The bank loan is secured by charges over the school, buildings and land at Grace Dieu Manor School.

Included within other loans are amounts owed to the Institute of Charity. The loan includes £100,000 that carries a rate of interest of 2% per annum and is repayable over 3 years to July 2021. The loan is unsecured.

**19. LOANS**

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	-	5,230
Bank loans	62,278	60,705
Other loans	<u>1,828,518</u>	<u>1,175,619</u>
	<u>1,890,796</u>	<u>1,241,554</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	66,150	64,484
Other loans - 1-2 years	<u>-</u>	<u>102,899</u>
	<u>66,150</u>	<u>167,383</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>224,183</u>	<u>218,531</u>

**GRACE DIEU MANOR SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020**

**19. LOANS - continued**

	2020	2019
	£	£
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	452,599	486,735

**20. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Finance leases	
	2020	2019
	£	£
Gross obligations repayable:		
Within one year	9,911	9,910
Between one and five years	<u>15,691</u>	<u>25,601</u>
	<u>25,602</u>	<u>35,511</u>
Finance charges repayable:		
Within one year	2,163	3,180
Between one and five years	<u>1,326</u>	<u>3,019</u>
	<u>3,489</u>	<u>6,199</u>
Net obligations repayable:		
Within one year	7,748	6,730
Between one and five years	<u>14,365</u>	<u>22,582</u>
	<u>22,113</u>	<u>29,312</u>
	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	3,275	4,128
Between one and five years	12,070	13,101
In more than five years	<u>-</u>	<u>2,244</u>
	<u>15,345</u>	<u>19,473</u>

The finance lease relates to the acquisition of kitchen equipment in the 2018 year and is repayable over the remaining 3 years to March 2023. The lease is secured on the asset to which it relates.

GRACE DIEU MANOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020

21. MOVEMENT IN FUNDS

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
<b>Unrestricted funds</b>			
General fund	721,598	(1,135,408)	(413,810)
<b>Restricted funds</b>			
EYPS grant	73	-	73
Young Innovators Challenge	746	-	746
Bursary fund	25,000	-	25,000
Playground project	11,500	-	11,500
R Gamble Donation	4,700	-	4,700
	<u>42,019</u>	<u>-</u>	<u>42,019</u>
<b>TOTAL FUNDS</b>	<u>763,617</u>	<u>(1,135,408)</u>	<u>(371,791)</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	2,010,559	(3,145,967)	(1,135,408)
	<u>2,010,559</u>	<u>(3,145,967)</u>	<u>(1,135,408)</u>
<b>TOTAL FUNDS</b>	<u>2,010,559</u>	<u>(3,145,967)</u>	<u>(1,135,408)</u>

Comparatives for movement in funds

	At 1.9.18 £	Net movement in funds £	At 31.8.19 £
<b>Unrestricted funds</b>			
General fund	1,574,905	(853,307)	721,598
<b>Restricted funds</b>			
EYPS grant	73	-	73
Young Innovators Challenge	746	-	746
Grace Dieu Parent's Association	4,700	-	4,700
Bursary fund	25,000	-	25,000
Playground project	11,500	-	11,500
	<u>42,019</u>	<u>-</u>	<u>42,019</u>
<b>TOTAL FUNDS</b>	<u>1,616,924</u>	<u>(853,307)</u>	<u>763,617</u>

## GRACE DIEU MANOR SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2020

#### 21. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	2,273,033	(3,126,340)	(853,307)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>2,273,033</u>	<u>(3,126,340)</u>	<u>(853,307)</u>

The bursary fund comprises funds donated towards scholarships and bursaries.

Early years professional status (EYPS) grant is money received from Leicestershire County Council to provide financial support for the training of staff.

The Young Innovators Challenge is prize money received from the 2015 Super Food Challenge which is to be spent on food technology equipment.

The Grace Dieu Parent's Association donate money to the charity for a variety of purposes, including school equipment, the prize day fun fair and the Christmas fayre.

The Playground project is monies received towards playground equipment.

#### 22. EMPLOYEE BENEFIT OBLIGATIONS

The teaching staff are members of the Department for Education Superannuation Scheme which is a defined benefits scheme. The Scheme permits staff to make additional voluntary contributions. The Department instructs the school as to the level of contribution, 16.48% for the school and between 7.4% and 11.7% for the employees. The school does not have any commitment to make good any actuarial deficit.

The Grace Dieu Manor School Monthly Pension Scheme is the scheme open for non teaching staff and is a defined contribution occupational pension scheme. The scheme is administered by The Peoples' Pension Organisation. Contribution rates are 5% for members and 3% or 8.6% for the charity .

Contributions totalling £32,214 (2019: £23,822) were payable to the schemes at the year end.

#### 23. RELATED PARTY DISCLOSURES

The Institute of Charity (Charity Number 222508) and Ratcliffe College (Charity Number 1115975) are considered to be connected to the charitable company because they have:

- Common, parallel or related objects and activities and,
- Common control

During the year, the charity received a further loan from the Institute of Charity totalling £550,000. £100,000 of the loan carries a rate of interest of 2% per annum and was repayable over 3 years to July 2021. Interest payable for the year is £2,000 (2019: £2,000). Subject to the £100,000 there are no formal terms attached to the remainder of these loans and therefore they are deemed repayable on demand. The total balance owed as at 31st August 2020 is £1,805,533 (2019: £1,255,533).

## GRACE DIEU MANOR SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2020

#### 23. RELATED PARTY DISCLOSURES - continued

During the year ending 2010 the Ratcliffe College Pension and Life Assurance Scheme was closed at a total cost of £713,950. Of this £428,517 was paid using the assets of the Scheme and the remaining £285,433 was due from Ratcliffe College (56%) and Grace Dieu Manor School (44%). The charity received a loan from Ratcliffe College to enable their contribution to be paid. This loan carries a rate of interest 3% above the base rate and is repayable over 10 years. Interest paid in the year was £Nil (2019: £NIL) and the balance at 31st August 2020 is £22,985 (2019: £22,985).

#### 24. FINANCIAL INSTRUMENTS

The carrying amount of the charity's financial instruments are as follows:

	2020	2019
	£	£
Financial assets that are debt instruments measured at amortised cost:		
Trade debtors	204	2,056
Other debtors	4,249	730
Financial liabilities measured at amortised cost:		
Bank loans and overdrafts	805,210	835,685
Other loans	1,828,518	1,278,518
Finance lease	22,113	29,312
Payments on account	-	77,330
Trade creditors	12,219	78,588
Other creditors	32,606	79,206

The total interest income and interest expense for financial assets and financial liabilities that are not measured at fair value through the income statement was £Nil (2019 - £Nil) and £52,198 (2019 - £57,110) respectively.

#### 25. GOING CONCERN

The charitable company ceased operations during the year. The school has been lossmaking for several years and no further funds to support school would be made available beyond the academic year 2019/20. Negotiations to sell the school had also broken down leaving the Trustees with no option but to announce on 2 March 2020 the closure of the school at the end of the 2019/20 academic year.

At that time it was planned the nursery would continue to trade after the school had closed. This decision was taken prior to the closure of schools and nurseries on 20 March due to the Covid 19 pandemic. As time elapsed, it became clear that the impact of Covid 19 would make the re -opening of a financially viable nursery impossible and the Trustees took the decision to close the nursery at the same time as the school on 3 July 2020.

Consequently, the going concern assumption is not appropriate and the financial statements have been prepared on a realisation basis, which includes where appropriate writing down the company's assets to net realisable value.

**GRACE DIEU MANOR SCHOOL****DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2020**

	2020 £	2019 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	-	30
<b>Other trading activities</b>		
Trading activities	13,117	15,456
<b>Investment income</b>		
Rents received	1,040	3,653
Deposit account interest	<u>1,030</u>	<u>360</u>
	2,070	4,013
<b>Charitable activities</b>		
Fees receivable	1,852,501	2,370,403
Bursaries and other allowances	(155,388)	(204,187)
Other fee income	<u>43,725</u>	<u>87,318</u>
	1,740,838	2,253,534
<b>Other income</b>		
Gain on sale of tangible fixed assets	43,491	-
Government grants	<u>211,043</u>	<u>-</u>
	<u>254,534</u>	<u>-</u>
<b>Total incoming resources</b>	<b>2,010,559</b>	<b>2,273,033</b>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Wages	1,569,180	1,636,964
Social security	-	103,116
Pensions	191,876	157,806
Rates and water	22,749	24,873
Insurance	38,514	40,498
Light and heat	96,329	100,792
Telephone	6,476	7,273
Postage and stationery	22,372	17,526
Advertising	8,817	27,928
Sundries	2,617	17,482
School consumables	94,978	112,981
Food	149,703	205,143
Staff recruitment	15,117	6,034
Repairs and maintenance	114,900	100,148
Carried forward	2,333,628	2,558,564

This page does not form part of the statutory financial statements

**GRACE DIEU MANOR SCHOOL****DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2020**

	2020 £	2019 £
<b>Charitable activities</b>		
Brought forward	2,333,628	2,558,564
Motor expenses	6,739	11,863
Travelling expenses	1,706	354
Legal and professional	241,773	232,657
Auditors' remuneration	11,380	16,252
Staff recruitment	-	3,876
Redundancy costs	259,809	-
Bad debts	58	2,561
Cleaning	28,563	5,561
Computer expenses	4,967	4,865
Subscriptions	10,176	14,516
Cottages- Rent- Grace Dieu Lodge	-	12,100
Depreciation	194,970	141,081
Loss on sale of tangible fixed assets	-	1,897
Impairment losses for tangible fixed assets	-	63,083
	<u>3,093,769</u>	<u>3,069,230</u>
<b>Other</b>		
Interest paid	<u>52,198</u>	<u>57,110</u>
Total resources expended	<u>3,145,967</u>	<u>3,126,340</u>
<b>Net expenditure</b>	<u>(1,135,408)</u>	<u>(853,307)</u>

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