

# ST MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

England & Wales · Charity number 312648

## Details

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**Other names** ST MARTINS SCHOOL

**Status** Registered

**Legal form** Charitable company

**Company number** [00709159](#)

**Registered** 1962-08-08

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

## Contact

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**Address** 40 Moor Park Road  
Northwood  
Middlesex  
HA6 2DJ

**Phone** 01923825740

**Email** [office@stmartins.org.uk](mailto:office@stmartins.org.uk)

**Website** [www.stmartins.org.uk](http://www.stmartins.org.uk)

## Activities

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**Objects:** THE ADVANCEMENT OF EDUCATION, IN PARTICULAR BY THE PROVISION OF ST MARTIN'S SCHOOL NORTHWOOD IN THE COUNTY OF MIDDLESEX AND ALSO BY THE PROVISION FO ANY BOARDING OR DAY SCHOOL OR SCHOOLS IN THE UNITED KINGDOM. THE TRUST SHALL EXIST ONLY FOR PURPOSES WHICH ARE BOTH CHARITABLE AND EDUCATIONAL.

**Activities:** Education of boys from age 3 to age 13

## Classification

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- **How:** Provides Buildings/facilities/open Space
- **What:** Education/training
- **Who:** Children/young People

## Geography

- Hillingdon

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£6,824,878	£6,666,105	£12,834,225	100
2023-08-31	£6,626,759	£6,336,026	£12,675,452	102
2022-08-31	£6,104,464	£5,692,492	£12,384,719	104
2021-08-31	£5,743,589	£5,330,848	£11,972,747	95
2020-08-31	£5,776,141	£5,699,111	£11,560,006	97

## Trustees

Name	Role	Appointed
Abayomi Adesegun Junior Odofin		2022-12-08
Anthony John Dearing		2025-06-24
Bethan Cartmell		2026-04-01
David Desmond Finch		2025-06-24
David Stuart Thompson		2026-04-01
Gareth Martin Iain Thomas		2026-04-01
Joshua Elliot Rosen		2026-04-01
Kishan Ramesh Desai		2022-12-08
Pooja Asher Shah		2026-04-01
Robert Daniel Sykes		2026-04-01
Seema Venay Shah		2025-05-24

## Linked charities

- THE HARVIE PRIZE FOR MATHEMATICS (312648-1)
- THE HARRIS PRIZE FOR HISTORY (312648-2)

**ST MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

England & Wales - Charity number 312648

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# Accounts

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**  
(A company limited by guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2024**

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<b>Trustees</b>	Mr A Harris, Chairman Mr K Desai Mr S Everson (resigned 15 <sup>th</sup> January 2025) Mr N A Hinds Mr K Kothari Mr J Odofin Mrs P Mastin (resigned 1 <sup>st</sup> July 2024) Mrs M Merali Dr Anita Munro (appointed 21 <sup>st</sup> March 2024) Mrs P Patel Mr J Richards Mr D Sabato (appointed 5 <sup>th</sup> December 2024) Mr R Sykes (appointed 5 <sup>th</sup> December 2024) Dr B Williams
<b>School officers</b>	Mr S Dunn (Head Teacher) Mrs A Curran (Bursar)
<b>Company registered number</b>	0709159
<b>Charity registered number</b>	312648
<b>Registered office</b>	40 Moor Park Road Northwood Middlesex HA6 2DJ
<b>Auditor</b>	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
<b>Bankers</b>	National Westminster Bank Plc 72-74 High Street Watford Hertfordshire WD17 2GZ

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

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The members of St Martin's (Northwood) Preparatory School Trust Limited present their annual report for the year ended 31<sup>st</sup> August 2024 under the Charities Act 2011 and the Companies Act 2006, this includes the Director's Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

#### DIRECTOR'S REPORT

##### Constitutions and Objects

St Martin's (Northwood) Charitable Trust Limited is a charitable company limited by guarantee. Its registration number is 312648 and the company registration is 0709159.

The company is governed by its Memorandum and Articles of Association dating from 28 November 1961 which state that its object is the advancement of education. In furtherance thereof, the company operates St Martin's School, a preparatory school.

##### Governance and Management

###### Governing body

The Directors serve as Trustees of the Charity and under the terms of the above articles are also members of the Company. They are elected by the Board of Directors on the basis of nominations received from serving Directors, the Headmaster and others. Governors/Directors are selected on the basis of their skills and suitability. New Governors are inducted into the workings of the Charity including Board policy and procedures, by attending Governors' meetings, reviewing the Governors' handbook, receiving support from experienced Governors and being directed to relevant guidelines and courses.

The tenure of office for a member of the Governing body is for an initial period of 4 years, with a Governor being eligible for re-election for further terms of office every 3 years thereafter. Former parents and former pupils may serve as Governors. Staff are not permitted to serve as Governors.

###### Organisational Management

The Governors are legally responsible for the overall management and oversight of the School. They usually meet as a board three or more times per year, once each term, to determine policy and to monitor the operations of the company. Their role is assisted by the work of the sub-committees who meet each term in advance of the Board meeting. The sub committees are: Governance, Finance & Operations, Teaching & Learning, Estates, Remuneration, Marketing and Corporate Social Responsibility. There are also two school committees which nominated governors attend being Information & Communications Technology and Health & Safety.

The Finance & Operations Committee, as assisted by the School's Bursar and accountants, is responsible for implementing financial strategy and policies of the Board including the preparation of budgets and forecasts. This committee also has oversight of any operational matters not covered by any of the other committees, significantly Human Resources (HR). This Committee meets every term and more often if necessary. Audit and risk management related to the School's Financial and Human Resources risks are dealt with by the Finance & Operations Committee.

The day-to-day management of the School is entrusted to the Headmaster, who, alongside the Bursar, participates in all meetings of the Governing Body and its subsidiary committees. They are supported by the School Leadership Team, which includes four Assistant Heads, each with specific responsibilities: Pre-Prep, Pastoral, Academic, and Organisation & Compliance.

The Board is responsible for approving the overall budget, ensuring that the Finance & Operations Committee

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

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operates within its parameters. Staff pay and remuneration are reviewed annually in accordance with the School's Pay Policy. This process is overseen by the Remuneration Committee, which also makes recommendations to the Board regarding adjustments to the pay and benefits of the Headmaster and Bursar. Final approval for all other pay awards is granted by the Finance & Operations Committee.

#### STRATEGIC REPORT

##### Aims, Objectives and Activities

St Martin's aims to provide boys, aged 3 - 13, with the breadth of education and experience for them to realise their full potential at school in a safe and friendly environment. Our vision is to create well-rounded individuals who are not only intellectually curious but empathetic, resilient, and ready to face the challenges of the world. Through nurturing relationships, academic excellence and co-curricular opportunities we ensure that every boy is ready to lead with confidence, creativity, and a strong sense of purpose. To be better prepared for future life.

Our Five-Year Strategic Plan is built around seven key objectives that will shape and drive our continued growth and success

- 1. Academic Excellence.** We aspire to provide an outstanding academic education at every stage of the learning journey. Our commitment to excellence driving our teaching practices, curriculum development and assessment methods.
- 2. Pastoral Care.** Our award-winning pastoral care ensures that each boy feels supported, understood, and emotionally resilient. We aim to create a nurturing environment where every child can thrive, both in and out of the classroom.
- 3. Identity & Values.** Our school's identity is defined by our core values. We celebrate diversity, empathy, and tolerance, ensuring every boy feels valued. Through characterful education, we instil qualities that will serve our boys well beyond the classroom.
- 4. Vibrant Learning Environment.** We seek to enhance our teaching methods and facilities. Our classrooms will continue to be hubs of creativity, curiosity and collaboration with technology complementing traditional teaching.
- 5. Destination & Future.** Our ultimate goal is to prepare our boys for life beyond school. We envision them as happy, independent, confident, and emotionally intelligent young individuals. They will leave us equipped to make a real difference in their senior schools and beyond.
- 6. Community Engagement.** Our parents, staff and governors form a united front. Together, we share the common goal of helping each child succeed. We value open communication, collaboration and active participation.
- 7. Leadership In The Prep School World.** We strive to lead not only in academic excellence but in shaping the future of prep school education. We are dedicated to innovation, forward thinking practices and continuous to ensure we remain at the forefront of educational development.

These aims are achieved in a number of ways. They underpin the operational ethos of the school and are referenced in strategic and school development planning. In the process of self-evaluation for inspection, these are used as markers for this process. In terms of governance, each of the principles is directly related to the work of a sub-committee of the Full Board.

In support of the Strategic Objectives, St Martin's key values are:

Happiness - The wellbeing of all at our school is a key priority for us. Happy children learn effectively, and good

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**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2024**

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mental health equips the boys for life as they grow older.

**Success** - We want our boys to experience success in a wide range of activities. Academic success is important, but there are so many other opportunities for our boys to enjoy. These build self-confidence and enable pupils to tackle new challenges and experiences.

**Opportunity** - There is so much of our pupils' story that is yet unwritten, and it is our purpose to offer as many opportunities as possible.

**Hard Work** - We value effort in all its forms. The effort that the boys put into all aspects of their time at school makes such a difference to the outcomes that they enjoy. Put simply we believe in working hard and playing hard.

**Each Other** - The school has a strong sense of community and can be seen as a large family. The older members of the family are encouraged to interact with the younger boys and relationships between staff and pupils are warm and respectful. This extends to our parent body who are actively encouraged to be involved in school life.

### **Achievements and performance**

The school prides itself on not only the quality of the education provided, but also its record in examinations to senior schools. The school is well placed to prepare boys for a wide range of schools, but in practice these tend to be local to the area. Traditionally, the focus was always on 13+ transfer with only a small number sitting at 11+ and principally for the maintained grammar schools. This has changed significantly over recent years with the vast majority of boys undertaking these assessments in the January of Year Six. This has meant that a parallel approach for 11+ and 13+ is now required.

The following sets out the 11+ and 13+ offers and scholarships:

<b>AWARDS AT YEAR EIGHT (13+) 2024</b>		<b>AWARDS AT YEAR SIX (11+) 2024</b>
<b>Aldenham School</b>		<b>Aldenham School</b>
1 place offered		3 places offered
<b>Haberdashers' Boys' School</b>		<b>City of London School</b>
4 places offered		1 place offered
1 Music Scholarship		
		<b>Dr Challoner's School</b>
<b>John Lyon School</b>		1 place offered
1 place offered		
1 Academic Scholarship		<b>Haberdashers' Boys' School</b>
		6 places offered
<b>Merchant Taylor's School</b>		1 Academic Scholarship
19 places offered		1 Music Scholarship
5 Academic Scholarships		
1 Drama Scholarship		<b>Hampton School</b>
1 Art Scholarship		1 place offered
1 Sports Scholarship		
		<b>Haileybury School</b>
<b>St Alban's School</b>		1 place offered
8 places offered		

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		<b>John Lyon School</b>
<b>St Margaret's School</b>		6 places offered
5 places offered		
		<b>Merchant Taylor's School</b>
		24 places offered
		2 Academic Scholarships
		<b>Reed's School</b>
		1 place offered
		1 Music Scholarship
		1 Sports Scholarship (Golf)
		<b>Queen Elizabeth's School, Barnet School</b>
		3 places offered
		<b>Westminster School</b>
		3 places offered
		1 Music Scholarship

Throughout the year, our staff body has remained stable, particularly within the Leadership and Management teams. However, we faced several external challenges. Merchant Taylors' School changed its admissions policy to become an exclusive 11-plus school from September 2025. This was followed by the General Election, resulting in the Labour party's appointment. They have imposed VAT on school fees, removed business rates relief, and recently announced an increase in employer's NI contributions, all of which will take effect in the next financial year.

Our two direct competitors have decided to stop at Year Six, but at St Martin's, we are committed to continuing to Year Eight and are focusing our enhanced marketing strategy on this goal.

Despite these challenges, we have continued to invest in our site and facilities. This summer, we completed two major projects at a total cost of nearly £1.4 million net of VAT. The larger project involved linking the Pre-Prep building to the main school, internalizing some previously underutilised space, creating a new Medical Room in the centre of the school, installing new boys' toilets, and upgrading the heating system for both this area and the entire Pre-Prep. The second project was a complete redevelopment of the swimming pool, including replacing internal and external windows and doors, retiling, installing a new pool cover, and adding a new Air Handling Unit. We also continued to invest in IT and technology, deploying digital signage throughout the school. Additionally, we created a new 'Early Years' dining facility in the Autumn Term and upgraded the Main School dining room in the Summer Term with new tables, flooring, and curtain screening for the servery.

The school remains in a healthy state and is well-positioned, both financially and academically, for the significant challenges ahead. The governors continue to review the school's strategy and regularly update scenario planning. Parental satisfaction remains very high, bolstered by the school's continued operation and development despite changes to Senior school entry processes and the Labour government's policies. We must continue to monitor the impact of all external threats, take appropriate actions to control costs, and focus on admissions and pupil retention.

The School underwent a thorough ISI inspection in January 2025 and successfully met all the Independent School Standards. The feedback gathered through staff, parent, and student surveys conducted during the inspection was overwhelmingly positive, reflecting a strong sense of satisfaction and support across the School community.

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

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#### Community, Social and Charitable

In considering the provision of Public Benefit, the Governors have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

During the year, we provided £229,286 (2023: £252,212) in bursaries, which represents 3.42% (2023: 3.87%) of our fee income. This support enabled 21 (2023: 22) boys, who otherwise could not afford it, to continue their education at St Martin's and enjoy its benefits.

Our designated charity for the year was Great Ormond Street Hospital, and thanks to a tremendous fundraising effort, we were able to donate £9,000 to them.

St Martin's also supports local state primary schools by offering access to our sporting facilities, particularly the swimming pool, and providing specialist teaching resources. Our staff outreach coordinator manages partnerships with other schools, and we host workshops and events such as STEAM (Science, Technology, Engineering, Art and Maths) days and author visits that invite participation from both independent and state schools.

#### FINANCIAL REVIEW

##### Results for the year

The full-year surplus of £158,773 (2023: £290,733) fell short of the budgeted £257,050. While cost control remained a key focus and revenues were strong, we also continued to benefit from our investment strategy that leveraged high interest rates. However, we incurred additional costs due to increased bursaries and discounts, as well as a heightened focus on marketing, associated market surveys and studies, and consultancy. These expenses were necessary to explore our strategic options and secure pupil recruitment for the next year. We were also impacted by the increase in employer Teachers Pension contributions from 23.68% to 28.68% effective from April 2024. The surplus represented a 2.37% return on gross fee income (2023: 4.46%).

Whilst income was just under 5% higher than the previous year, costs were over 7% higher creating a lower surplus as the income and expenditure move towards each other. The net value of tangible fixed assets was £9,916,386 (2023: £9,475,413), an increase of £440,973 reflecting the two major projects being underway and the staged payments that had taken place to that point.

The company's cash position stood at £4,711,000 (2023: £3,863,627) at year end which included £1,250,000 of treasury reserve bonds. The school has no borrowings.

**Reserves policy** Unrestricted funds at year end totalled £12,834,225 (2023: £12,675,452) of which fixed assets were £9,962,224 (2023: £9,515,486) leaving free reserves of £2,872,001 (2023: £3,159,966). Reserves adequately cover future spending plans which are highlighted under future plans below. The Governors are determined that reserves are continually re-invested in the School for the benefit of the boys whilst ensuring that the School remains in a strong financial position to meet the market and economic challenges highlighted above.

##### Going concern

The School regularly produces financial information, including budgets, forecasts, and a long-term strategic business plan, all of which are closely monitored by the Governors. These budgets, cash flows, and forecasts are continually reviewed to account for the changing environment.

We are committed to maintaining pupil numbers and controlling costs. Despite the significant support provided to parents during these unprecedented times, our cash reserves remain strong. If pupil numbers were to drop significantly, we might need to restructure the school, but we are currently in a financially strong position.

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

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Additionally, we have several residential properties that could be sold if necessary.

Revised forecasts and cash flows have been prepared based on the latest scenarios, with sensitivity analysis on key assumptions. This cash flow modelling indicates that the School's cash reserves are sufficient to meet the charity's obligations as they come due.

Therefore, the Governors have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties regarding the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements, as outlined in the Statement of Governors' Responsibilities.

#### **FUTURE PLANS**

Despite the current threats, the Governors and Leadership team are keen to continue to develop the school whilst looking at strategies to control costs.

#### **Teachers' Pension Scheme (TPS)**

In September 2024, the school began a phased withdrawal from the TPS, initially with no plans for a complete withdrawal. However, due to the risks posed by changes in admissions at Merchant Taylor's School and the new government policies introducing VAT, loss of business rate relief, and increased National Insurance, the governors have decided to consult with staff about a full withdrawal by September 2025. This decision was influenced by the Labour government's announcement on July 29, 2024, that VAT on school fees would be implemented in January 2025, along with the increased employer National Insurance contributions announced in the Autumn statement.

#### **Strategy Day November 2023**

In November 2023, the Governors and Leadership Team held an offsite strategy day to thoroughly examine how changes in the external political, economic, and market environment could impact the School's financial position. They discussed several potential strategies for the school's future direction, which remain under review.

As some of the school's key risks materialised over the year, the work done during the Strategy Day, particularly the initial Scenario Planning, has been continuously utilised and further developed. This ongoing effort helps the School navigate the challenges it faces.

#### **Marketing Strategy**

After the strategy day, significant consideration was given to the School's marketing efforts to boost pupil recruitment. It was decided to hire a firm of school marketing specialists to conduct market research and assist in developing the marketing strategy.

Based on the market research, the School appointed a marketing company to create and implement the Marketing Strategy. A member of their team now works with us remotely as the Director of Marketing & Admissions. They have also helped enhance our website and worked on Search Engine Optimization (SEO) to attract new prospective parents. As a result, we have seen a notable increase in enquiries and visits to the school, which has led to an increase in in-year admissions.

#### **School Land and Building Developments**

Having recently completed two major building projects and several smaller upgrades to our facilities, we are now reviewing our future plans.

Over the next 1-5 years, our potential plans include:

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

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- Developing indoor facilities for the nursery.
- Creating an improved outdoor play environment for Junior and Middle boys (Years 3 to 6).
- Establishing a new Pre-Prep entrance at the site of the flats at 62 Kewferry Road. This facility will include additional office space, more room for Wrap Around Care, and a new assembly space for the Pre-Prep boys.

#### RISK MANAGEMENT

The Board of Governors is responsible for the oversight of the risks faced by the School. Detailed consideration of risks is delegated to the specific committees relevant to the particular identified risk, managed by the Senior Leadership Team. Risks are identified, assessed and controls established throughout the year. The Board monitors the effectiveness of the system of internal controls and other means, including insurance cover, by which those identified risks can be mitigated. The key controls used by the Charity include:

- formal agendas for all Committee and Board activity;
- detailed terms of reference for all Committees;
- comprehensive strategic planning, budgeting and management accounting;
- formal written policies;
- clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified are being adequately mitigated where necessary. It is recognised that the systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

During the year a number of risks became reality relating to:

- A change in government bringing about a significant change to the status of independent schools, specifically by the introduction of VAT on school fees and the loss of charitable status. Whilst the school hasn't lost charitable status there is a loss of business rate relief.
- The senior schools we feed changing their approach to recruitment and selection of boys into their schools.

The result of these risks materialising threatens our pupil numbers and most significantly our income. We have committed to assist the parents by absorbing a large amount of the VAT in the 2024/25 year in order to support and retain as many families as possible.

The board takes these risks very seriously. It actively reviews and updates its strategy to determine St Martin's direction going forwards. The School has a good cash reserve and a strong balance sheet and, significantly, no debt, so whilst actively looking at alternative strategies to make a material difference to the school in light of these risks, the governors have time to consider options carefully and implement a robust updated strategy.

#### Trustees' responsibilities statement

The members of the Board of Governors (who are also the directors of St Martin's (Northwood) Preparatory School Trust Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2024**

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Company law requires the members of the Board of Governors to prepare financial statements for each financial year. Under company law they 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 charitable company and the group, including the income (and its application) and expenditure of the group for that year. In preparing these financial statements, the members of the Board of Governors are required to:

- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The members of the Board of Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **AUDITORS**

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

A resolution proposing the re-appointment of Crowe U.K. LLP as auditors to the company will be put to the Annual General Meeting.

The Trustees' annual report and the strategic report were approved on 3 April 2025 and signed on behalf of the Board of Trustees by:



Mr A Harris (Chairman)  
Trustee

Date: 3 April 2025

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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#### Opinion

We have audited the financial statements of St. Martin's (Northwood) Preparatory School Trust Limited (the 'charitable company') for the year ended 31 August 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 August 2024 and of 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's 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.

#### Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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

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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 which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

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

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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' directors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 7, 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.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and taxation legislation together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014 and General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and Operations Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing any regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD)  
PREPARATORY SCHOOL TRUST LIMITED**

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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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.



Dipesh Chhatralia  
Senior Statutory Auditor  
For and on behalf of  
**Crowe U.K. LLP**  
Statutory Auditor

London (Statutory Auditor)

Date: 17 April 2025

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ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

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	Note	Unrestricted funds 2024 £	Unrestricted funds 2023 £
<b>Income from:</b>			
Donations and legacies	3	22,466	7,481
Charitable activities	4	6,631,800	6,545,520
Investments	5	170,612	73,758
<b>Total income</b>		<b>6,824,878</b>	<b>6,626,759</b>
<b>Expenditure on:</b>			
Charitable activities	6	6,666,105	6,336,026
<b>Total expenditure</b>		<b>6,666,105</b>	<b>6,336,026</b>
<b>Net movement in funds</b>		<b>158,773</b>	<b>290,733</b>
Total funds brought forward		12,675,452	12,384,719
<b>Total funds carried forward</b>		<b>12,834,225</b>	<b>12,675,452</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 25 form part of these financial statements.

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)  
REGISTERED NUMBER: 0709159

**BALANCE SHEET  
AS AT 31 AUGUST 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	10a	9,334,688	9,458,317
<b>Assets under construction</b>			
Tangible Assets	10b	581,699	17,096
Intangible Assets	10c	45,837	40,073
		<b>9,962,224</b>	<b>9,515,486</b>
<b>Current assets</b>			
Debtors	11	1,901,626	1,982,074
Stock	12	14,838	-
Cash at bank and in hand	16	806,000	1,063,627
Cash Investments	16	3,905,000	2,800,000
		<b>6,627,464</b>	<b>5,845,701</b>
Creditors: amounts falling due within one year	13	(3,111,547)	(2,685,735)
<b>Net current assets</b>		<b>3,515,917</b>	<b>3,159,966</b>
<b>Total assets less current liabilities</b>		<b>13,478,141</b>	<b>12,675,452</b>
Creditors: amounts falling due after more than one year		<b>(643,916)</b>	-
<b>Total net assets</b>		<b>12,834,225</b>	<b>12,675,452</b>
<b>Charity funds</b>			
Unrestricted funds		<b>12,834,225</b>	12,675,452
<b>Total funds</b>		<b>12,834,225</b>	<b>12,675,452</b>

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 on 3 April 2025 and signed on their behalf by:



**Mr A Harris**  
Trustee

Date: 3 April 2025

The notes on pages 17 to 25 form part of these financial statements.

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ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2024

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	Note	2023 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	15	1,515,771	430,112
		<hr/>	<hr/>
<b>Cash flows from investing activities</b>			
Dividends, interests and rents from investments		170,612	73,758
Purchase of tangible fixed assets		(261,275)	(298,501)
Investment in tangible asset under construction		(564,603)	(17,096)
Investment in Intangible Assets under construction		(13,132)	(925)
		<hr/>	<hr/>
<b>Net cash used in investing activities</b>		<b>(668,398)</b>	<b>(242,764)</b>
		<hr/>	<hr/>
<b>Cash flows from financing activities</b>			
Repayments of borrowing		-	-
		<hr/>	<hr/>
<b>Net cash used in financing activities</b>		<b>-</b>	<b>-</b>
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		<b>847,373</b>	<b>(187,348)</b>
Cash and cash equivalents at the beginning of the year		3,863,627	3,676,279
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	16	<b>4,711,000</b>	<b>3,863,627</b>

The notes on pages 17 to 25 form part of these financial statements

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

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#### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 40, Moor Park Road, Northwood, Middlesex, HA6 2DJ.

#### 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) and the Companies Act 2006.

St. Martin's (Northwood) Preparatory School Trust 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.

No provision has been made for corporation tax or deferred tax as the charity is a registered charity and therefore exempt.

##### 2.2 Critical accounting judgements and sources of key estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods. In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

##### 2.3 Going concern

As detailed in the Trustees' Report, the Trustees have reviewed and revised the School's financial forecasting in light of the current economic climate, changes to admission arrangements by local senior schools, fuel and utility pricing and the policies introduced by the new Government and their potential impact. Revised forecasts have been prepared together with cash-flows, based on the potential scenarios, with sensitivity analysis on the key assumptions. The cash flow modelling with sensitivity analysis indicates that the cash reserves of the School are adequate to meet the charity's obligations as they fall due.

Having regard to the above, the current cash position, and the expected cash flow over the next 12-24 months the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities.

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

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#### 2.4 Income

All school income is included in the statement of financial activities when entitlement has passed to it, it is probable that the economic benefits associated with the transaction will flow to the school and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Fees receivable and charges for services and use of premises, less any allowances, scholarships, bursaries granted by the School are accounted for in the term to which it applies. This is classified as unrestricted funds.

Amounts received prior to the balance sheet date for autumn term fees are recorded as fees received in advance, as are amounts received for future periods under the Fees in Advance scheme. The income is recorded gross of the discount related to that period which is charged as finance cost to the same period.

Income from donations or grants is recognised when there is evidence of entitlement to the donation/grant, receipt is probable and its amount can be measured reliably.

#### 2.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT which cannot be recovered, and is classified under headings of the statement of financial activities to which it relates:

Expenditure on education includes all costs incurred by the school in undertaking education that furthers its charitable aims for the benefit of its pupils, including those support costs and costs relating to the governance of the charity apportioned to education.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on education.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to education are allocated directly to education.

#### 2.6 Fixed assets and depreciation

Both Tangible and Intangible fixed assets are initially recognised at cost with a capitalisation threshold of £1,000.

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold buildings	- 2%	reducing balance
Plant	- 10%	straight line
Motor vehicles	- 25%	straight line
Fixtures and fittings	- 20%	straight line
Computers & Office equipment	- 20%	straight line
Sports Uniform and Equipment	- 50%	straight line
Marketing Materials and Website (Intangible)	- 25%	straight line

#### 2.7 Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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

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amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

**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 Stock**

Stock includes including catering stock (both food and drink), marketing gifts and materials, staff fleeces and uniform items for resale.

**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.

**2.11 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.

**2.12 Pensions**

For teachers the School contributes to the Teachers' Pension Scheme at rates set by the scheme actuary and advised to the School by the scheme administrator.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The School is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the School has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

For non-teaching staff the School contributes to a defined contribution pension scheme.

For the Teachers' Pension Scheme and for the defined contribution scheme the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**2.13 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.

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)

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

**3. Income from donations and legacies**

	<b>Unrestricted funds 2024 £</b>	<i>Unrestricted funds 2023 £</i>
Donations and appeal receipts	<b>22,466</b>	<i>7,481</i>

**4. Income from charitable activities**

	<b>Unrestricted funds 2024 £</b>	<i>Unrestricted funds 2023 £</i>
Gross School fees	6,707,735	6,522,026
Less: Bursaries, scholarships and other concessions	(341,099)	(342,297)
	<b>6,366,636</b>	<i>6,179,729</i>
Other educational income	208,185	318,046
Rental income from housing	56,979	47,745
	<b>6,631,800</b>	<i>6,545,520</i>

**5. Investment income**

	<b>Unrestrict ed funds 2024 £</b>	<i>Unrestricted funds 2023 £</i>
Bank interest	<b>170,612</b>	<i>73,758</i>

£124,023 (2023: £40,424) relates to interest received and accrued on Treasury Reserve Deposits.

£ 14,859 (2023: £Nil) relates to interest received and accrued on the new CCLA COIF Investment Fund

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)

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

**6. Analysis of expenditure**

	Staff costs 2024 £	Other costs 2024 £	Total costs 2024 £	Total costs 2023 £
<i>Charitable activities - Education</i>				
Teaching	3,995,485	319,685	<b>4,315,170</b>	4,065,980
Premises	268,706	475,982	<b>744,688</b>	726,280
Welfare	224,455	190,616	<b>415,071</b>	394,883
Support costs	517,085	674,091	<b>1,191,176</b>	1,148,883
<i>Total</i>	<u>5,005,731</u>	<u>1,660,374</u>	<u><b>6,666,105</b></u>	<u>6,336,026</u>

Included within support costs are governance costs totalling £52,194 (2023: £54,547).

**7. Auditor's remuneration**

	2024 £	2023 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	<b>18,750</b>	17,700

**8. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits nor claimed for any expenses (2023 - £NIL).

**9. Staff costs**

	2024 £	2023 £
Wages and salaries	<b>3,797,348</b>	3,477,505
Social security costs	<b>403,113</b>	365,768
Pension costs	<b>772,228</b>	674,839
Other employee benefits	<b>20,259</b>	25,760
	<u><b>4,992,948</b></u>	<u>4,543,872</u>

Key management personnel comprised the senior leadership team. Aggregate employee benefits paid to key management personnel in the year totalled £729,537 (2023: £670,917).

During the year, total redundancy and settlements made were £54,159 (2023: £9,843), of which £0 was outstanding at the year-end.

Total payments to the school's defined contribution scheme for non-teaching staff in the year was £163,979 (2023: £152,838). Amounts payable at year end totalled £19,948 (2023: £18,378).

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

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)

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

	2024	2023
	No.	No.
Teaching (including unqualified teaching and assistants)	74	76
Administration	10	10
Domestic (Catering)	10	10
Estates (includes Cleaning)	6	6
	<u>100</u>	<u>102</u>

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

	2024	2023
	No.	No.
In the band £60,000 - £69,999	8	4
In the band £70,000 - £79,999	4	3
In the band £80,000 - £89,999	-	1
In the band £90,000 - £109,999	1	-
In the band £120,000 - £129,999	-	1
In the band £130,000 - £139,999	1	-

**10a. Tangible Fixed Assets**

	Freehold buildings	Plant	Motor vehicles	Fixture s and fittings	Computer equipment	Sports wear & equipm ent	Total
	£	£	£	£	£	£	£
<b>Cost or Valuation</b>							
At 1 September 2023	12,051,257	425,779	47,770	1,053,074	264,676	3,306	13,845,862
Additions	44,773	50,245	66,000	97,664	2,593	-	261,275
Disposals	-	-	(15,525)	(36,483)	-	-	(52,008)
At 31 August 2023	12,096,030	476,024	98,245	1,114,255	267,269	3,306	14,055,129
<b>Depreciation</b>							
At 1 September 2023	3,246,748	267,222	34,774	694,314	142,834	1,653	4,387,545
Charge for year	175,217	39,308	10,373	118,759	37,006	1,653	382,316
On disposals	-	-	(15,525)	(33,895)	-	-	(49,420)
At 31 August 2024	3,421,965	306,530	29,622	779,178	179,840	3,306	4,720,441
<b>Net Book value</b>							
At 31 August 2024	8,674,065	169,494	68,623	335,077	87,429	-	9,334,688
At 31 August 2023	8,804,509	158,557	12,996	358,760	121,842	1,653	9,458,317

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)

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

**10b Tangible Assets Under Construction**

	<b>2024</b>	<b>2023</b>
	£	£
School Development – Undercroft	395,713	17,096
Swimming Pool Refurbishment	185,986	-
<b>Total Tangible Assets Under Construction</b>	<b>581,699</b>	<b>17,096</b>

**10c Intangible Assets**

	<b>Website &amp; Marketing Materials</b>
	£
<b>Cost or Valuation</b>	
At 1 September 2023	40,073
Additions	13,132
Disposals	-
At 31 August 2024	<b>53,205</b>
<b>Depreciation</b>	
At 1 September 2023	-
Charge for Year	7,367
At 31 August 2024	<b>7,367</b>
<b>Net Book value</b>	
At 31 August 2024	<b>45,837</b>
At 31 August 2023	40,073

**11. Debtors**

	<b>2024</b>	<b>2023</b>
	£	£
Trade debtors	1,717,745	1,770,446
Prepayments and accrued income	183,881	211,628
	<b>1,901,626</b>	<b>1,982,074</b>

The Prepayments and accrued income figure include the Trips prepayments amount of £18,599 (2023: 13,031).

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)

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

		2024	2023
		£	£
<b>12. Stock</b>			
	Stock	14,838	-
<b>13. Creditors: Amounts falling due within one year</b>			
	Bank loans	-	-
	Trade creditors	193,104	121,177
	Other taxation and social security	104,977	94,463
	Other creditors	96,542	80,935
	Fee deposits	317,200	298,450
	Advanced fees	2,348,586	2,051,165
	Accruals	51,138	39,545
		<b>3,111,547</b>	<b>2,685,735</b>
		<b>3,111,547</b>	<b>2,685,735</b>
	The Advanced fees includes an amount relating to lump sums paid to the School as advance payment of future fees in the next academic year 2024/2025 of £420,552 (2023: £0)		
<b>14. Creditors: Amounts falling due after more than one year</b>			
	Fees in Advance Scheme	643,916	-
<b>15. Reconciliation of net movement in funds to net cash flow from operating activities</b>			
	Net income for the period (as per Statement of Financial Activities)	<b>158,773</b>	<b>290,733</b>
	<b>Adjustments for:</b>		
	Depreciation charges	389,684	355,818
	Loss on disposal of assets	2,588	-
	Dividends, interests and rents from investments	(170,612)	(73,758)
	(Increase)/Decrease in debtors	80,448	(253,683)
	Increase/(decrease) in creditors	1,069,728	111,002
	(Increase)/Decrease in stock	(14,838)	-
	<b>Net cash provided by operating activities</b>	<b>1,515,771</b>	<b>430,112</b>
		<b>1,515,771</b>	<b>430,112</b>

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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

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**16. Analysis of cash and cash equivalents**

	2024	2023
	£	£
Cash in hand	806,000	1,063,627
Treasury Reserves	1,250,000	2,800,000
CCLA COIF Investment Fund	2,655,000	-
	<u>4,711,000</u>	<u>3,863,627</u>

**17. Related parties**

During the year family members of key management were employed by the School on arm's length basis and received remuneration and benefits totalling £52,875 (2023; £66,970).

**18. Pension commitments**

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 £612,443 (2023: £522,000) and at the year-end £76,036 (2023 - £61,904) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023. The latest valuation showed total scheme liabilities of £262,000 million and notional assets of £222,200 million, giving a notional past service deficit of £39,800 million.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

**19. Future capital commitments**

At 31 August 2024, the School had future capital commitments of £956,694 (2023: £45,000). Of this £821,817 relates to the major development project due to complete at the end of the October half term incorporating the joining of the Pre-Prep building to the Phoenix block, creation of a new first aid room and new boys' toilets and extending the internal footprint of the building to incorporate external and previously inaccessible areas.

The remaining £134,877 relates to the re-development of the inside swimming pool incorporating a new Air Handling Unit, ducting and lighting, new windows, external and internal doors, electric covers and tiling throughout.

**ST MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

England & Wales - Charity number 312648

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# Accounts

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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

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<b>Trustees</b>	Mr A Harris, Chairman Mrs A Baldwin (Resigned 7 July 2023) Mr K Desai (Appointed 8 December 2022) Mr S Everson  Mr V Hales (Resigned 8 December 2022) Mr N A Hinds Mr K Kothari Mr J Odofin (Appointed 8 December 2022)  Mrs P Mastin Mrs M Merali (Appointed 8 December 2022) Mrs P Patel (Appointed 8 December 2022) Mr J Richards Dr B Williams
<b>School officers</b>	Mr S Dunn (Head Teacher) Mrs A Curran (Bursar)
<b>Company registered number</b>	0709159
<b>Charity registered number</b>	312648
<b>Registered office</b>	40 Moor Park Road Northwood Middlesex HA62DJ
<b>Auditor</b>	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
<b>Bankers</b>	National Westminster Bank Plc 159 High Street Rickmansworth Hertfordshire WD3 1AR

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

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The members of St Martin's (Northwood) Preparatory School Trust Limited present their annual report for the year ended 31<sup>st</sup> August 2023 under the Charities Act 2011 and the Companies Act 2006, this includes the Director's Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

#### DIRECTOR'S REPORT

##### Constitutions and Objects

St Martin's (Northwood) Charitable Trust Limited is a charitable company limited by guarantee. Its registration number is 312648 and the company registration is 0709159.

The company is governed by its Memorandum and Articles of Association dating from 28 November 1961 which state that its object is the advancement of education. In furtherance thereof, the company operates St Martin's School, a preparatory school.

##### Governance and Management

###### Governing body

The Directors serve as Trustees of the Charity and under the terms of the above articles are also members of the Company. They are elected by the Board of Directors on the basis of nominations received from serving Directors, the Headmaster and others. Governors/Directors are selected on the basis of their skills and suitability. New Governors are inducted into the workings of the Charity including Board policy and procedures, by attending Governors' meetings, reviewing the Governors' handbook, receiving support from experienced Governors and being directed to relevant guidelines and courses.

The tenure of office for a member of the Governing body is for an initial period of 4 years, with a Governor being eligible for re-election for further terms of office every 3 years thereafter. Former parents and former pupils may serve as Governors. Staff are not permitted to serve as Governors.

Mr Vernon Hales resigned at the board meeting on 8<sup>th</sup> December 2022 and Mrs Anna Baldwin resigned at the end of the Summer Term on the 7<sup>th</sup> July 2023. Mr Kishan Desai, Mr Junior Odofin, Mrs Mariam Merali and Mrs Preeti Patel were appointed as Governors on the 8<sup>th</sup> December 2022.

###### Organisational Management

The Governors are legally responsible for the overall management and oversight of the School. They usually meet as a board three or more times per year, once each term, to determine policy and to monitor the operations of the company. Their role is assisted by the work of the sub-committees who meet each term in advance of the Board meeting. The sub-committees are: Governance, Finance & Operations, Teaching & Learning, Estates, Remuneration, Marketing and Corporate Social Responsibility. There are also two school committees which nominated governors attend being Information & Communications Technology and Health & Safety.

The Finance & Operations Committee, as assisted by the School's Bursar and accountants, is responsible for implementing financial strategy and policies of the Board including the preparation of budgets and forecasts. This committee also has oversight of any operational matters not covered by any of the other committees, significantly Human Resources (HR). This Committee meets every term and more often if necessary. Audit and risk management related to the School's Financial and Human Resources risks are dealt with by the Finance & Operations Committee.

The day to day running of the School is delegated to the Headmaster, who with the Bursar attends all meetings

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

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of the Governing Body and subsidiary committees. They in turn are supported by the other members of the School leadership team comprising 4 Assistant Heads with responsibilities for Pre-Prep, Pastoral, Academic and Organisation & Compliance respectively. Pay and remuneration of staff is reviewed annually in line with the School's Pay Policy and is overseen by the Remuneration Committee who will also recommend to the Board changes to the pay and remuneration of the Headmaster and Bursar. The Finance & Operations Committee give final approval to all other pay awards.

#### STRATEGIC REPORT

##### Aims, Objectives and Activities

St Martin's aims to provide boys, aged 3 - 13, with the breadth of education and experience for them to realise their full potential at school in a safe and friendly environment, and to be better prepared for future life. To achieve this, the School applies eight key principles as follows:

1. The school to have a happy, friendly atmosphere as well as a fair, secure, disciplined framework for learning.
2. The boys to receive an all-round education to develop the whole person, by the provision of academic, sporting, artistic and musical opportunities.
3. The teaching to be of the highest quality, including the best of traditional and contemporary approaches, to enable the boys to fulfil their potential.
4. Communication between parents, headmaster, staff and boys to be of paramount importance at all stages of school life.
5. While preserving the fundamental Christian ethos of the school in its present multi-cultural mix, to cultivate respect and understanding of other faiths and cultures.
6. The buildings, facilities and resources to be of a high standard, safe and suitable for today's needs.
7. Good relations with the local community to be fostered and, where appropriate, joint projects to be developed and school facilities to be made available.
8. The pastoral care to underpin the moral ethos of the school by promoting the values of honesty, integrity, respect and humility.

These aims are achieved in a number of ways. They underpin the operational ethos of the school and are referenced in strategic and school development planning. In the process of self-evaluation for inspection, these are used as markers for this process. In terms of governance, each of the principles is directly related to the work of a sub-committee of the Full Board.

In support of the Aims and Objectives, St Martin's key values are:

**Happiness** - The wellbeing of all at our school is a key priority for us. Happy children learn effectively and good mental health equips the boys for life as they grow older.

**Success** - We want our boys to experience success in a wide range of activities. Academic success is important, but there are so many other opportunities for our boys to enjoy. These build self-confidence and enable pupils to tackle new challenges and experiences.

**Opportunity** - There is so much of our pupils' story that is yet unwritten, and it is our purpose to offer as many opportunities as possible.

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**Hard Work** - We value effort in all its forms. The effort that the boys put into all aspects of their time at school makes such a difference to the outcomes that they enjoy. Put simply we believe in working hard and playing hard.

**Each Other** - The school has a strong sense of community and can be seen as a large family. The older members of the family are encouraged to interact with the younger boys and relationships between staff and pupils are warm and respectful. This extends to our parent body who are actively encouraged to be involved in school life.

**Achievements and performance**

The school prides itself on not only the quality of the education provided, but also its record in examinations to senior schools. The school is well placed to prepare boys for a wide range of schools, but in practice these tend to be local to the area. Traditionally, the focus was always on 13+ transfer with only a small number sitting at 11+ and principally for the maintained grammar schools. This has changed significantly over recent years with the vast majority of boys undertaking these assessments in the January of Year Six. This has meant that a parallel approach for 11+ and 13+ is now required.

The following sets out the 11+ and 13+ offers and scholarships:

**AWARDS AT YEAR EIGHT (13+)  
2023**

**Merchant Taylor's School**

18 places offered  
2 Academic Scholarships

**Haberdashers' Boys' School**

1 place offered

**John Lyon School**

4 places offered  
2 Academic Scholarship

**St Alban's School**

5 places offered  
1 Academic Scholarship

**St Margaret's School**

2 places offered

**Aldenham School**

1 place offered

**Tonbridge School**

1 place offered  
1 Academic Scholarship  
1 Music Scholarship

**AWARDS AT YEAR SIX (11+) 2023**

**Merchant Taylor's School**

31 places offered  
7 Academic Scholarships (2 Major)

**Haberdashers' Boys' School**

10 places offered  
1 Academic Scholarship

**John Lyon School**

4 places offered

The new Head of Pre-Prep started in September 2022 and the Acting Head of Juniors was made permanent in her post at the same time. During the year there was another internal appointment to Acting Deputy Head of Pre-Prep covering a maternity leave. This post was made permanent in September 2023.

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

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With a good nursery intake pupil numbers were strong and on budget for the school as a whole and bursaries were approximately 3.87% of gross fee income.

Investment in the site and facilities continued with the installation of a new canopy on the main terrace, a new Early Years outside play area and a Climbing Wall, partly funded by the parents association - Friends of St Martins (FOSM), was installed in the Sports Hall. Continued investment in IT and technology continued with all Main School classrooms now having upgraded display equipment. Further investment has been made in the new school website which has just launched in January 2024. In the Autumn Term of 2023/2024 we have invested in the creation of a new 'Early Years' dining facility.

The school remains in a healthy state and is well placed, both financially and academically, for the challenges ahead. The governors continue to review the strategy of the school against the external landscape and have undertaken scenario planning against potential political and economic changes. Parental satisfaction remains very high and has been strengthened by the way the school has continued to operate and develop in the face of changes to the Senior school entry processes and the prospect of changes that a labour government might bring.

#### Community, Social and Charitable

In considering the provision of Public Benefit, the Governors have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

During the year £252,212 (2022: £230,781), representing 3.87% (2022: 3.75%) of fee income, was given as bursaries in support of 22 (2022: 22) boys who would not otherwise have been able to afford to stay, and enjoy the benefits of, St Martin's education.

The School's designated charity was Farms For City Children and, due to a great fundraising effort, we have been able to donate £7,500 to them.

St Martin's support local state primary schools through the use of our sporting facilities and in particular the swimming pool and we also supply some specialist teaching resources to a state primary school. Our staff outreach co-ordinator manages working partnerships with other schools and we have held workshops and similar events to which other independent and state schools are invited.

#### FINANCIAL REVIEW

##### Results for the year

The full year surplus of £290,733 (2022: £411,972) was better than the budget of £257,050. Whilst cost control was important and revenues were strong, we benefitted from a new investment strategy of using treasury bonds to ensure that we could benefit from the higher interest rates in place throughout the year. The surplus represented a 4.46% (2022: 6.71%) return on gross fee income.

Whilst income was just under 4% higher than the previous year, costs were almost 6% higher creating a lower surplus as the income and expenditure move towards each other. The net value of fixed assets was £9,475,413 (2022: £9,515,635), a decrease of £39,297 reflecting a higher rate of depreciation than investment in fixed assets.

The company's cash position stood at £3,863,627 (2022: £3,676,279) at year end which included £2,800,000 of treasury reserve bonds. The school has no borrowings.

**Reserves policy** Unrestricted funds at year end totalled £12,675,452 (2022: £12,384,719) of which fixed assets less bank loans were £9,515,486 (2022: £9,554,783) leaving free reserves of £3,159,966 (2022: £2,829,936). Reserves adequately cover future spending plans which are highlighted under future plans below. The Governors are determined that reserves are continually re-invested in the School for the benefit of the boys

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

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whilst ensuring that the School remains in a strong financial position.

#### **Going concern**

The School produces regular financial information including budgets, forecasts and a longer term strategic business plan, which are closely monitored by the Governors. These budgets, cash flows and forecasts have been reviewed and revised to take into consideration a potential change in government and the threat that might pose to independent schools with the potential of the School to lose its charitable status and the introduction of VAT on school fees. Revised forecasts have been prepared together with cash-flows, based on the potential scenarios, with sensitivity analysis on the key assumptions. The cash flow modelling with sensitivity analysis indicates that the cash reserves of the School are adequate to meet the charity's obligations as they fall due.

Therefore, the Governors have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities.

#### **FUTURE PLANS**

Despite the current threats the Governors and Leadership team are keen to continue to develop the school whilst looking at strategies to control costs.

#### **Teachers' Pension Scheme (TPS)**

The employer contribution rate for the TPS increased from 23.6% to 28.6% from 1 April 2024. Whilst the School has no immediate plans to close the TPS to existing staff a sub-committee of the Governors, the Headmaster and the Bursar have been working with the School's appointed pensions advisors and it is planned that all new starters to the teaching staff will not be able to join TPS but instead will be offered a new APTIS pension scheme. This will make considerable costs savings with any new appointments and any of the current staff who may choose to move across.

#### **Strategy Day November 2023**

The Governors and Leadership Team held an offsite strategy day in November 2023 when they looked in detail at the impact on the financial position of the School that changes in the external political, economic and market environment could have on the School. A number of potential strategies for changes to the shape and future direction of the school were discussed and remain under review.

#### **Marketing Strategy**

Following the strategy day a great deal of consideration was given to marketing of the School in order to drive pupil recruitment and it was decided to appoint a firm of School marketing specialists to undertake some market research and then assist in the development of the marketing strategy.

#### **School Land and Building Developments**

The most significant planned development is a building project to infill the 'undercroft' between the Main School and Pre-Prep buildings. Following a positively received pre-application to Hillingdon Council we are in the process of applying for full planning permission and moving towards a build project through the summer holidays of 2024 and the first half of the Autumn Term 24. This project will incorporate more boys' toilets, new windows to and improvement of the façade of the existing Pre-Prep building and will incorporate a new First Aid Room in the heart of the school close to the sports facilities and to Pre-Prep.

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

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Over the next 1-5 years other potential plans include:

- Development of nursery inside facilities;
- Creation of an improved outdoors play environment for the Junior and Middles boys (years 3 to 6); and
- The creation of a new Pre-Prep entrance to the School in the place of the flats at 62, Kewferry Road. This facility would include more office space, additional space for Wrap Around Care and a new Assembly space for the Pre-Prep boys.

#### RISK MANAGEMENT

The Board of Governors is responsible for the oversight of the risks faced by the School. Detailed consideration of risks is delegated to the specific committees relevant to the particular identified risk, managed by the Senior Leadership Team. Risks are identified, assessed and controls established throughout the year. The Board monitors the effectiveness of the system of internal controls and other means, including insurance cover, by which those identified risks can be mitigated. The key controls used by the Charity include:

- formal agendas for all Committee and Board activity;
- detailed terms of reference for all Committees;
- comprehensive strategic planning, budgeting and management accounting;
- formal written policies;
- clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that the systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

During the year the risks that continued to receive particular attention related to:

- A change in government bringing about a significant change to the status of independent schools, specifically by the introduction of VAT on school fees and the loss of charitable status. The likelihood of this risk has increased over the year and the expectation is that it will happen and relatively quickly.
- The continuing competition for recruiting to the nursery combined with falling birth rates.
- The senior schools we feed changing their approach to recruitment and selection of boys into their schools.

The combination of all three of these risks could have a material impact on our pupil numbers and ability and most significantly our income. Most parents will be stretched to pay an extra 20% on fees so the School will look at ways of mitigating the impact on them whilst securing our own financial position, potentially faced with falling numbers.

The board takes these risks very seriously and has already held one full strategy day and undertaken a thorough review of some detailed scenario planning. In March 2024, Merchant Taylor's School announced their intention to change to an exclusively Year 7 (11+) entry school from September 2025. Whilst this is the realisation of one of our significant risks, the board is actively reviewing and updating its strategy to determine St Martin's direction going forwards. The School has a good cash reserve and a strong balance sheet and, significantly, no debt, so whilst actively looking at alternative strategies to make a material difference to the school in light of these risks, the governors have time to consider options carefully and implement a robust updated strategy.

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**Trustees' responsibilities statement**

The members of the Board of Governors (who are also the directors of St Martin's (Northwood) Preparatory School Trust Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Company law requires the members of the Board of Governors to prepare financial statements for each financial year. Under company law they 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 charitable company and the group, including the income (and its application) and expenditure of the group for that year. In preparing these financial statements, the members of the Board of Governors are required to:

- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The members of the Board of Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

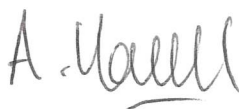
**AUDITORS**

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

A resolution proposing the re-appointment of Crowe U.K. LLP as auditors to the company will be put to the Annual General Meeting.

The Trustees' annual report and the strategic report were approved on 21 March 2024 and signed on behalf of the Board of Trustees by:



Mr A Harris (Chairman)  
Trustee

Date: 21 March 2024

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD)  
PREPARATORY SCHOOL TRUST LIMITED**

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**Opinion**

We have audited the financial statements of St. Martin's (Northwood) Preparatory School Trust Limited (the 'charitable company') for the year ended 31 August 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 August 2023 and of 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustee's 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.

**Other information**

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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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 which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

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

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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' directors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 7, 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.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and taxation legislation together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014 and General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and Operations Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing any regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD)  
PREPARATORY SCHOOL TRUST LIMITED**

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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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.



Dipesh Chhatralia  
Senior Statutory Auditor  
For and on behalf of  
**Crowe U.K. LLP**  
Statutory Auditor

London (Statutory Auditor)

Date: 22 March 2024

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ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

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	Note	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<b>Income from:</b>			
Donations and legacies	3	7,481	2,921
Charitable activities	4	6,545,520	6,094,348
Investments	5	73,758	7,195
<b>Total income</b>		<b>6,626,759</b>	<b>6,104,464</b>
<b>Expenditure on:</b>			
Charitable activities	6	6,336,026	5,692,492
<b>Total expenditure</b>		<b>6,336,026</b>	<b>5,692,492</b>
<b>Net movement in funds</b>		<b>290,733</b>	<b>411,972</b>
Total funds brought forward		12,384,719	11,972,747
<b>Total funds carried forward</b>		<b>12,675,452</b>	<b>12,384,719</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 24 form part of these financial statements.

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

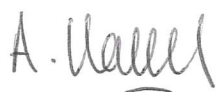
**(A company limited by guarantee)  
REGISTERED NUMBER: 0709159**

**BALANCE SHEET  
AS AT 31 AUGUST 2023**

	<b>Note</b>	<b>2023 £</b>	<b>2022 £</b>
<b>Fixed assets</b>			
Tangible assets	10a	<b>9,458,317</b>	9,515,635
<b>Assets under construction</b>			
Tangible Assets	10b	<b>17,096</b>	
Intangible Assets	10c	<b>40,073</b>	39,148
		<hr/> <b>9,515,486</b>	<hr/> <b>9,554,783</b>
<b>Current assets</b>			
Debtors	11	<b>1,982,074</b>	1,728,390
Cash at bank and in hand		<b>1,063,627</b>	3,676,279
Treasury Reserves ( less than one year)		<b>2,800,000</b>	-
		<hr/> <b>5,845,701</b>	<hr/> <b>5,404,669</b>
Creditors: amounts falling due within one year	12	<b>(2,685,735)</b>	(2,574,733)
<b>Net current assets</b>		<hr/> <b>3,159,966</b>	<hr/> <b>2,829,936</b>
<b>Total assets less current liabilities</b>		<hr/> <b>12,675,452</b>	<hr/> <b>12,384,719</b>
Creditors: amounts falling due after more than one year		-	-
<b>Total net assets</b>		<hr/> <b><u>12,675,452</u></b>	<hr/> <b><u>12,384,719</u></b>
<b>Charity funds</b>			
Unrestricted funds		<b>12,675,452</b>	12,384,719
<b>Total funds</b>		<hr/> <b><u>12,675,452</u></b>	<hr/> <b><u>12,384,719</u></b>

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 on 21 March 2024 and signed on their behalf by:



**Mr A Harris**  
Trustee

Date: 21 March 2024

The notes on pages 16 to 24 form part of these financial statements.

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED****(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	13	430,112	633,789
<b>Cash flows from investing activities</b>			
Dividends, interests and rents from investments		73,758	7,195
Purchase of tangible fixed assets		(298,501)	(205,724)
Investment in tangible asset under construction		(17,096)	
Investment in Intangible Assets under construction		(925)	(39,148)
<b>Net cash used in investing activities</b>		<b>(242,764)</b>	<b>(237,677)</b>
<b>Cash flows from financing activities</b>			
Repayments of borrowing		-	(636,844)
<b>Net cash used in financing activities</b>		<b>-</b>	<b>(636,844)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>187,348</b>	<b>(240,732)</b>
Cash and cash equivalents at the beginning of the year		3,676,279	3,917,011
<b>Cash and cash equivalents at the end of the year</b>	14	<b>3,863,627</b>	<b>3,676,279</b>

The notes on pages 16 to 24 form part of these financial statements

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 40, Moor Park Road, Northwood, Middlesex, HA6 2DJ.

#### 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) and the Companies Act 2006.

St. Martin's (Northwood) Preparatory School Trust 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.

No provision has been made for corporation tax or deferred tax as the charity is a registered charity and therefore exempt.

##### 2.2 Critical accounting judgements and sources of key estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods. In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

##### 2.3 Going concern

As detailed in the Trustees' Report, the Trustees have reviewed and revised the School's financial forecasting in light of the current economic climate, fuel and utility pricing and the threat of a new Government and its potential impact. Revised forecasts have been prepared together with cash-flows, based on the potential scenarios, with sensitivity analysis on the key assumptions. The cash flow modelling with sensitivity analysis indicates that the cash reserves of the School are adequate to meet the charity's obligations as they fall due.

Having regard to the above, the current cash position, and the expected cash flow over the next 12-24 months the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities.

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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

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**2.4 Income**

All school income is included in the statement of financial activities when entitlement has passed to it, it is probable that the economic benefits associated with the transaction will flow to the school and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Fees receivable and charges for services and use of premises, less any allowances, scholarships, bursaries granted by the School are accounted for in the term to which it applies. This is classified as unrestricted funds.

Income from donations or grants is recognised when there is evidence of entitlement to the donation/grant, receipt is probable and its amount can be measured reliably.

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

**2.5 Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT which cannot be recovered, and is classified under headings of the statement of financial activities to which it relates:

Expenditure on education includes all costs incurred by the school in undertaking education that furthers its charitable aims for the benefit of its pupils, including those support costs and costs relating to the governance of the charity apportioned to education.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on education.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to education are allocated directly to education.

**2.6 Fixed assets and depreciation**

Both Tangible and Intangible fixed assets are initially recognised at cost with a capitalisation threshold of £1,000.

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold buildings	- 2%	reducing balance
Plant	- 10%	straight line
Motor vehicles	- 25%	straight line
Fixtures and fittings	- 20%	straight line
Computers & Office equipment	- 20%	straight line
Sports Uniform and Equipment	- 50%	straight line
Marketing Materials and Website (Intangible)	- 25%	straight line

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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

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**2.7 Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

**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 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.

**2.10 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.

**2.11 Pensions**

For teachers the School contributes to the Teachers' Pension Scheme at rates set by the scheme actuary and advised to the School by the scheme administrator. The School is unable to identify its share of the Scheme Funds and therefore the Scheme has been accounted for as a defined contribution scheme. For non-teaching staff the School contributes to defined contribution pension schemes.

For the Teachers' Pension Scheme and for defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**2.12 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.

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ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

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3. Income from donations and legacies

	Unrestricted funds 2023 £	<i>Unrestricted funds 2022 £</i>
Donations and appeal receipts	<u>7,481</u>	<u>2,921</u>

4. Income from charitable activities

	Unrestricted funds 2023 £	<i>Unrestricted funds 2022 £</i>
Gross School fees	6,522,026	6,137,898
Less: Bursaries, scholarships and other concessions	(342,297)	(268,911)
	<u>6,179,729</u>	<u>5,868,987</u>
Other educational income	318,046	183,109
Rental income from housing	47,745	41,562
Furlough income	-	690
	<u>6,545,520</u>	<u>6,094,348</u>

5. Investment income

	Unrestrict ed funds 2023 £	<i>Unrestricted funds 2022 £</i>
Bank interest	<u>73,758</u>	<u>7,195</u>

£40,424 (2022: £0) relates to interest received and accrued on Treasury Reserve Deposits.

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)

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

**6. Analysis of expenditure**

	Staff costs 2023 £	Other costs 2023 £	Total costs 2023 £	Total costs 2022 £
<i>Charitable activities - Education</i>				
Teaching	3,625,153	440,827	<b>4,065,980</b>	3,620,216
Premises	244,126	482,154	<b>726,280</b>	621,678
Welfare	204,228	190,655	<b>394,883</b>	337,897
Support costs	511,673	637,210	<b>1,148,883</b>	1,112,701
<i>Total</i>	<u>4,585,180</u>	<u>1,750,846</u>	<u><b>6,336,026</b></u>	<u>5,692,492</u>

Included within support costs are governance costs totalling £54,547 (2022: £18,782).

**7. Auditor's remuneration**

	2023 £	2022 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	<b>17,700</b>	15,000

**8. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits nor claimed for any expenses (2022 - £NIL).

**9. Staff costs**

	2023 £	2022 £
Wages and salaries	<b>3,477,505</b>	3,301,598
Social security costs	<b>365,768</b>	340,202
Pension costs	<b>674,839</b>	647,951
Other employee benefits	<b>25,760</b>	19,238
	<u><b>4,543,872</b></u>	<u>4,308,989</u>

Key management personnel comprised the senior leadership team. Aggregate employee benefits paid to key management personnel in the year totalled £670,917 (2022: £584,772).

There was a redundancy fully paid in the year totalling £9,843 (2022: £32,100).

Total payments to the school's defined contribution scheme for non-teaching staff in the year was £152,838 (2022: £151,956). Amounts payable at year end totalled £18,378 (2022: £17,757).

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

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)

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

	2023	2022
	No.	No.
Teaching (including unqualified teaching and assistants)	76	72
Administration	10	10
Domestic (Catering)	10	9
Estates (includes Cleaning)	6	13
	<b>102</b>	<b>104</b>

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

	2023	2022
	No.	No.
In the band £60,000 - £69,999	4	2
In the band £70,000 - £79,999	3	1
In the band £80,000 - £89,999	1	1
In the band £110,000 - £119,999	-	1
In the band £120,000 - £129,999	1	-

During the year there were no settlement agreements (2022: £35,100)

**10a. Tangible Fixed Assets**

	Freehold buildings	Plant	Motor vehicles	Fixtures and fittings	Computer equipment	Sports wear & equipm ent	Total
	£	£	£	£	£	£	£
<b>Cost or Valuation</b>							
At 1 September 2022	12,051,257	395,994	54,237	902,452	293,109	3,306	13,700,355
Additions	-	36,202	-	214,676	47,623	-	298,501
Disposals	-	(6,417)	(6,467)	(64,054)	(76,056)	-	(152,994)
At 31 August 2023	12,051,257	425,779	47,770	1,053,074	264,676	3,306	13,845,862
<b>Depreciation</b>							
At 1 September 2022	3,068,283	238,494	36,367	659,397	182,179	-	4,184,720
Charge for year	178,465	35,145	4,874	98,971	36,711	1,653	355,819
On disposals	-	(6,417)	(6,467)	(64,054)	(76,056)	-	(152,994)
At 31 August 2023	3,246,748	267,222	34,774	694,314	142,834	1,653	4,387,545
<b>Net Book value</b>							
At 31 August 2023	8,804,509	158,557	12,996	358,760	121,842	1,653	9,458,317
At 31 August 2022	8,982,974	157,500	17,870	243,055	110,930	3,306	9,515,635

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)

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

**10 Tangible Assets Under Construction**

	2023 £	2022 £
School Development – PP to Main School Underpass and Rebuild of 62 Kewferry Road	17,096	-
Total Tangible Assets Under Construction	17,096	-

**10c Intangible Assets**

	2023 £	2022 £
Assets Under Construction		
Website & Marketing	40,073	39,148
Total Assets	40,073	39,148

**11. Debtors**

	2023 £	2022 £
Trade debtors	1,770,446	1,568,950
Prepayments and accrued income	211,628	159,440
	1,982,074	1,728,390

The Prepayments and accrued income figure include the Trips prepayments amount of £13,031 (2022: 14,534).

**12. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Bank loans	-	-
Trade creditors	121,177	103,877
Other taxation and social security	94,463	80,326
Other creditors	80,935	77,182
Fee deposits	298,450	296,500
Advanced fees	2,051,165	1,954,211
Accruals	39,545	62,637
	2,685,735	2,574,733

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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

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<b>13. Reconciliation of net movement in funds to net cash flow from operating activities</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net income for the period (as per Statement of Financial Activities)	<b><u>290,733</u></b>	<b><u>411,972</u></b>
<b>Adjustments for:</b>		
Depreciation charges	<b>355,818</b>	332,705
Dividends, interests and rents from investments	<b>(73,758)</b>	(7,195)
(Increase)/Decrease in debtors	<b>(253,683)</b>	(191,482)
Increase/(decrease) in creditors	<b>111,002</b>	87,789
<b>Net cash provided by operating activities</b>	<b><u>430,112</u></b>	<b><u>633,789</u></b>

<b>14. Analysis of cash and cash equivalents</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Cash in hand	<b>1,063,627</b>	3,676,279
Treasury Reserves	<b>2,800,000</b>	-
	<b><u>3,863,627</u></b>	<b><u>3,676,279</u></b>

**15. Related parties**

During the year family members of key management were employed by the School on arm's length basis and received remuneration and benefits totalling £66,970 (2022; £54,837)

**16. Pension commitments**

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 £522,000 (2022: £495,995) and at the year-end £61,904 (2022 - £58,265) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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

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The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

**17. Future capital commitments**

At 31 August 2023, the School had a future capital commitment of £45,000 (2022: £60,707). This relates to the purchase of a lease extension on the property at 10, Langton Grove.

**ST MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

England & Wales - Charity number 312648

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# Accounts

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Registered number: 0709159  
Charity number: 312648

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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<b>Trustees</b>	Mr A Harris, Chairman Mrs A Baldwin Mr K Desai (Appointed 8 December 2022) Mr S Everson Mr J Fowler (Resigned 8 July 2022) Mr V Hales (Resigned 8 December 2022) Mr N A Hinds Mr K Kothari Mr J Odofoin (Appointed 8 December 2022) Mrs C Marks (Resigned 8 July 2022) Mrs P Mastin Mrs M Merali (Appointed 8 December 2022) Mrs P Patel (Appointed 8 December 2022) Mr J Richards Dr B Williams
<b>School officers</b>	Mr S Dunn (Head teacher) Mrs A Curran (Bursar)
<b>Company registered number</b>	0709159
<b>Charity registered number</b>	312648
<b>Registered office</b>	40 Moor Park Road Northwood Middlesex HA62DJ
<b>Auditor</b>	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
<b>Bankers</b>	National Westminster Bank Plc 159 High Street Rickmansworth Hertfordshire WD3 1AR

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

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The members of St Martin's (Northwood) Preparatory School Trust Limited present their annual report for the year ended 31<sup>st</sup> August 2022 under the Charities Act 2011 and the Companies Act 2006, this includes the Director's Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

#### **DIRECTOR'S REPORT**

##### **Constitutions and Objects**

St Martin's (Northwood) Charitable Trust Limited is a charitable company limited by guarantee. Its registration number is 312648 and the company registration is 0709159.

The company is governed by its Memorandum and Articles of Association dating from 28 November 1961 which state that its object is the advancement of education. In furtherance thereof, the company operates St Martin's School, a preparatory school.

##### **Governance and Management**

###### **Governing body**

The Directors serve as Trustees of the Charity and under the terms of the above articles are also members of the Company. They are elected by the Board of Directors on the basis of nominations received from serving Directors, the Headmaster and others. Governors/Directors are selected on the basis of their skills and suitability. New Governors are inducted into the workings of the Charity including Board policy and procedures, by attending Governors' meetings, reviewing the Governors' handbook, receiving support from experienced Governors and being directed to relevant guidelines and courses.

The tenure of office for a member of the Governing body is for an initial period of 4 years, with a Governor being eligible for re-election for further terms of office every 3 years thereafter. Former parents and former pupils may serve as Governors. Staff are not permitted to serve as Governors.

Mrs Christine Marks and Mr James Fowler resigned as Governors effective at the end of the summer term on the 8<sup>th</sup> July and Mr Vernon Hales resigned at the board meeting on 8<sup>th</sup> December 2022. Mr Kishan Desai, Mr Junior Odofin, Mrs Mariam Merali and Mrs Preeti Patel were appointed as Governors on the 8<sup>th</sup> December 2022.

###### **Organisational Management**

The Governors are legally responsible for the overall management and oversight of the School. They usually meet as a board three or more times per year, once each term, to determine policy and to monitor the operations of the company. Their role is assisted by the work of the sub-committees who meet each term in advance of the Board meeting. The sub-committees are: Governance, Finance & Operations, Teaching & Learning, Estates, Remuneration, Marketing and Corporate Social Responsibility. There are also two school committees which nominated governors attend being Information & Communications Technology and Health & Safety.

The Finance & Operations Committee, as assisted by the School's Bursar and accountants, is responsible for implementing financial strategy and policies of the Board including the preparation of budgets and forecasts. This committee also has oversight of any operational matters not covered by any of the other committees, significantly Human Resources (HR). This Committee meets every term and more often if necessary. Audit and risk management related to the School's Financial and Human Resources risks are dealt with by the Finance & Operations Committee.

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

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The day to day running of the School is delegated to the Headmaster, who with the Bursar attends all meetings of the Governing Body and subsidiary committees. They in turn are supported by the other members of the School leadership team comprising 4 Assistant Heads with responsibilities for Pre-Prep, Pastoral, Academic and Organisation & Compliance respectively. Pay and remuneration of staff is reviewed annually in line with the School's Pay Policy and is overseen by the Remuneration Committee who will also recommend to the Board changes to the pay and remuneration of the Headmaster and Bursar. The Finance & Operations Committee give final approval to all other pay awards.

#### STRATEGIC REPORT

##### Aims, Objectives and Activities

St Martin's aims to provide boys, aged 3 - 13, with the breadth of education and experience for them to realise their full potential at school in a safe and friendly environment, and to be well prepared for future life. To achieve this, the School applies eight key principles as follows:

1. The school to have a happy, friendly atmosphere as well as a fair, secure, disciplined framework for learning.
2. The boys to receive an all-round education to develop the whole person, by the provision of academic, sporting, artistic and musical opportunities.
3. The teaching to be of the highest quality, including the best of traditional and contemporary approaches, to enable the boys to fulfil their potential.
4. Communication between parents, headmaster, staff and boys to be of paramount importance at all stages of school life.
5. While preserving the fundamental Christian ethos of the school in its present multi-cultural mix, to cultivate respect and understanding of other faiths and cultures.
6. The buildings, facilities and resources to be of a high standard, safe and suitable for today's needs.
7. Good relations with the local community to be fostered and, where appropriate, joint projects to be developed and school facilities to be made available.
8. The pastoral care to underpin the moral ethos of the school by promoting the values of honesty, integrity, respect and humility.

These aims are achieved in a number of ways. They underpin the operational ethos of the school and are referenced in strategic and school development planning. In the process of self-evaluation for inspection, these are used as markers for this process. In terms of governance, each of the principles is directly related to the work of a sub-committee of the Full Board.

##### Achievements and performance

The school prides itself on not only the quality of the education provided, but also its record in examinations to senior schools. The school is well placed to prepare boys for a wide range of schools, but in practice these tend to be local to the area. Traditionally, the focus was always on 13+ transfer with only a small number sitting at 11+ and principally for the maintained grammar schools. This has changed significantly over the last 3 years with the vast majority of boys undertaking these assessments in the January of Year Six. This has meant that a parallel approach for 11+ and 13+ is now required.

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TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022

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The following sets out the 11+ and 13+ offers and scholarships:

**AWARDS AT YEAR EIGHT (13+)  
2022**

**Merchant Taylor's School**

11 places offered  
2 Academic Scholarships

**Haberdashers' Boys' School**

2 places offered  
1 Academic Scholarship

**John Lyon School**

6 places offered  
1 Music Scholarship

**St Alban's School**

5 places offered  
1 Academic Scholarship

**Aldenham School**

4 places offered  
3 Academic Scholarships

**Harrow School**

1 place offered

**AWARDS AT YEAR SIX (11+) 2022**

**Merchant Taylor's School**

27 places offered  
3 Academic Scholarships

**Haberdashers' Boys' School**

10 places offered  
1 Music Scholarship

**John Lyon School**

6 places offered

**St Alban's School**

3 places offered

In March the school had a full ISI Focused Compliance and Educational Quality Inspection and was found to be fully compliant and excellent in both areas of Educational Quality:

- The achievement of the pupils, including their academic development, and
- The personal development of the pupils.

As the Assistant Head and Head of Prep-Prep left at the end of December 2021 and her replacement didn't start until September 2022, there were two joint Acting Heads of Pre-Prep in place for two terms. The Head of the Junior Department (Years 3 and 4) left at Easter and a member of the junior staff was appointed to Acting Head of Juniors for the Summer term.

Pupil numbers continued to be slightly below but close to budgeted levels and bursaries were approximately 3.75% of gross fee income. The school continues to help some families that were impacted by Covid.

Investment in the site and facilities continued with the installation of new outside cricket nets, further classroom

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

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upgrades and significant investment in IT in the classrooms with a further 2 sets of i-pads for pupils. All teachers' PCs were upgraded and new screens installed in a number of locations throughout the school in line with the IT strategy. The Learning Support classrooms have been revamped with a new one being created from the old juniors staff office and a new staff work room created in the old flat in main school. There was also significant investment in the school's property portfolio with complete refurbishment to both our Ashurst Close and Mezen Close houses in advance of new staff tenants moving in in September 2022. The 5 year electrical inspection also took place during the year.

Ongoing investment has been made in the new school website which is due to launch in the summer of 2023.

The school remains in a healthy state and is well placed, both financially and academically, for the challenges ahead. Parental satisfaction remains very high and has been strengthened by the way the school has continued to operate and develop since the pandemic. The benefits of increased technological capability continue to be key in moving forward and we will be seeking to capitalise on the decreased reliance on physical media and increased independence of the boys in their own learning.

#### **School centenary**

It was the school's centenary in September 2022 and we started a whole year of celebrations in July 2022 with a Centenary Ball on school grounds. A marquee was hired and this was also used for the Presentation Day and both events were a great celebration of bringing the whole St Martin's community together again on site and in person.

#### **Community, Social and Charitable**

In considering the provision of Public Benefit, the Governors have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

During the year £230,781 (2021: 278,455), representing 3.75% (2021: 4.63%) of fee income, was given as bursaries in support of 22 (2021: 30) boys who would not otherwise have been able to afford to stay, and enjoy the benefits of, St Martin's education. The 2021 numbers include emergency bursaries given as a result of the pandemic.

The School's designated charity was Dementia UK and, due to a great fundraising effort, we have been able to donate £10,000 to them.

St Martin's have resumed the support of local state primary schools through the use of our sporting facilities and in particular the swimming pool and our staff outreach co-ordinator has resumed the liaison and development of working partnerships with other schools.

#### **FINANCIAL REVIEW**

##### **Results for the year**

The full year surplus of £411,972 (2021: £412,741) was better than the budget of £254,897. Despite pupil numbers being slightly lower than budget, we continue to carefully control all our costs. The surplus represented a 6.71% (2021: 6.87%) return on gross fee income.

Both income and costs were just over 6-7% higher than the previous year resulting in a very similar surplus as the previous year. The net value of fixed assets was £9,515,635 (2021: £9,642,616), a decrease of £126,981 reflecting a higher rate of depreciation than investment in fixed assets.

The company's cash position stood at £3,676,279 (2021: £3,917,011) at year end.

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

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The balance on all borrowings at the end of the period was £ Nil (2021: £636,844). The School paid off the bank loan in September 2021 following agreement with the Governors.

#### Reserves policy

Unrestricted funds at year end totalled £12,384,719 (2021: £11,972,747) of which fixed assets less bank loans were £9,554,783 (2021: £9,005,772) leaving free reserves of £2,829,936 (2021: £2,966,975). Reserves adequately cover future spending plans which are highlighted under future plans below. The Governors are determined that reserves are continually re-invested in the School for the benefit of the boys whilst ensuring that the School remains in a strong financial position.

#### Going concern

The School produces regular financial information including budgets, forecasts and a longer term strategic business plan, which are closely monitored by the Governors. These budgets, cash flows and forecasts have been reviewed and revised to take into consideration the current economic climate, utility and fuel costs and their potential impact. A likely change in government and the threat that might pose to independent schools is also now under consideration with the potential of the School to lose its charitable status and the introduction of VAT on school fees. Revised forecasts have been prepared together with cash-flows, based on the potential scenarios, with sensitivity analysis on the key assumptions. The cash flow modelling with sensitivity analysis indicates that the cash reserves of the School are adequate to meet the charity's obligations as they fall due.

Therefore, the Governors have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities.

#### FUTURE PLANS

The Governors and Leadership team are in the process of formulating a new Strategic Plan. A number of sub sections of the plan are being developed within the school in preparation for an Overall School Strategic plan to be developed with the Governing body. A strategy day scheduled for March 2020 took place in October 2021 and the Strategic Plan will be further developed alongside the marketing and branding work.

Over the next 1-5 years our potential plans include:

- Ongoing implementation of the IT strategy to include upgrade of classroom display equipment and provide dedicated devices (iPads) for year 5-8 and additional sets of classroom devices for the younger age groups;
- Enhancement of the outside environment and entrance for Kindergarten and Pre-Prep;
- Window replacement in the Pre-Prep building and improving connectivity between the Pre-Prep building and the Main School;
- Development of nursery inside facilities;
- Enhancement of junior school section (years 3 & 4);
- Provision of an additional set of boys' toilets;
- Creation of more outdoor learning spaces; and
- Upgrade of sports facilities –new MUGA, climbing wall and gymnasium equipment.

#### Risk management

The Board of Governors is responsible for the oversight of the risks faced by the School. Detailed consideration of risks is delegated to the specific committees relevant to the particular identified risk, managed by the Senior Leadership Team. Risks are identified, assessed and controls established throughout the year. The Board monitors the effectiveness of the system of internal controls and other means, including insurance cover, by

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

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which those identified risks can be mitigated. The key controls used by the Charity include:

- formal agendas for all Committee and Board activity;
- detailed terms of reference for all Committees;
- comprehensive strategic planning, budgeting and management accounting;
- formal written policies;
- clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that the systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

During the year the risks that continued to receive particular attention related to:

- External or internal factors leading to low morale resulting in poor educational standards, high stress levels and absence/sick leave. This has particular relevance to the legacy impact of the pandemic and the stresses that are consequent to that. These have been mitigated by the appointment of key pastoral staff, a strengthening of the school's HR function with improved links to occupational health services
- Macro-economic risk of the impact an uncontrollable national event will have on the school - such as the pandemic. This is mitigated by robust measures in place to keep the school running remotely if needed. Strong reserves are retained to ensure stability financially if income drastically reduces.

Both of the above risks have reduced in significance as the pandemic has eased and the senior leadership team and the governors are increasingly focusing on the following emerging risks:

- A change in government bringing about a significant change to the status of independent schools, specifically by the introduction of VAT on school fees and the loss of charitable status. We will continue to monitor this, model the potential impact and ensure that we focus on demonstrating our charitable benefit.
- Changes in the perception of 11+ and 13+ entry routes to our key destination schools and the threat of other schools being perceived as 'all through' schools may impact our pupil numbers. Our new marketing campaign and communication with existing and prospective parents are directly focused on mitigating this risk.

#### **Trustees' responsibilities statement**

The members of the Board of Governors (who are also the directors of St Martin's (Northwood) Preparatory School Trust Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Company law requires the members of the Board of Governors to prepare financial statements for each financial year. Under company law they 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 charitable company and the group, including the income (and its application) and expenditure of the group for that year. In preparing these financial statements, the members of the Board of Governors are required to:

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**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

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- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The members of the Board of Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITORS**

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

A resolution proposing the re-appointment of Crowe U.K. LLP as auditors to the company will be put to the Annual General Meeting.

The Trustees' annual report and the strategic report were approved on 23 March 2023 and signed on behalf of the Board of Trustees by:



Mr A Harris (Chairman)  
Trustee

Date: 23 March 2023

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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#### Opinion

We have audited the financial statements of St. Martin's (Northwood) Preparatory School Trust Limited (the 'charitable company') for the year ended 31 August 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 August 2022 and of 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's 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.

#### Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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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 which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

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

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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' directors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 7, 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.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and taxation legislation together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014 and General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and Operations Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing any regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD)  
PREPARATORY SCHOOL TRUST LIMITED**

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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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.



Andrew Thomas  
Senior Statutory Auditor  
For and on behalf of  
**Crowe U.K. LLP**  
Statutory Auditor

London (Statutory Auditor)

Date: 28 March 2023

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ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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

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	Note	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<b>Income from:</b>			
Donations and legacies	3	2,921	12,099
Charitable activities	4	6,094,348	5,726,293
Investments	5	7,195	5,197
<b>Total income</b>		<b>6,104,464</b>	<b>5,743,589</b>
<b>Expenditure on:</b>			
Charitable activities	6	5,692,492	5,330,848
<b>Total expenditure</b>		<b>5,692,492</b>	<b>5,330,848</b>
<b>Net movement in funds</b>		<b>411,972</b>	<b>412,741</b>
Total funds brought forward		11,972,747	11,560,006
<b>Total funds carried forward</b>		<b>12,384,719</b>	<b>11,972,747</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 24 form part of these financial statements.

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)  
REGISTERED NUMBER: 0709159

**BALANCE SHEET  
AS AT 31 AUGUST 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	10a	9,515,635	9,642,616
<b>Assets under construction</b>			
Intangible Assets	10b	39,148	-
		9,554,783	9,642,616
<b>Current assets</b>			
Debtors	11	1,713,855	1,522,373
Cash at bank and in hand		3,676,279	3,917,011
		5,390,134	5,439,384
Creditors: amounts falling due within one year	12	(2,560,198)	(3,109,253)
<b>Net current assets</b>		2,829,936	2,330,131
<b>Total assets less current liabilities</b>		12,384,719	11,972,747
Creditors: amounts falling due after more than one year		-	-
<b>Total net assets</b>		12,384,719	11,972,747
<b>Charity funds</b>			
Unrestricted funds		12,384,719	11,972,747
<b>Total funds</b>		12,384,719	11,972,747

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 on 23 March 2023 and signed on their behalf by:

A. Harris

**Mr A Harris**  
Trustee

Date: 23 March 2023

The notes on pages 16 to 24 form part of these financial statements.

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ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2022

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	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	14	633,789	744,286
<b>Cash flows from investing activities</b>			
Dividends, interests and rents from investments		7,195	5,197
Purchase of tangible fixed assets		(205,724)	(565,794)
Investment in Intangible Assets under construction		(39,148)	-
<b>Net cash used in investing activities</b>		(237,677)	(560,597)
<b>Cash flows from financing activities</b>			
Repayments of borrowing		(636,844)	(154,211)
<b>Net cash used in financing activities</b>		(636,844)	(154,211)
<b>Change in cash and cash equivalents in the year</b>		(240,732)	29,478
Cash and cash equivalents at the beginning of the year		3,917,011	3,887,533
<b>Cash and cash equivalents at the end of the year</b>	15	<u>3,676,279</u>	<u>3,917,011</u>

The notes on pages 16 to 24 form part of these financial statements

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 40, Moor Park Road, Northwood, Middlesex, HA6 2DJ.

#### 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) and the Companies Act 2006.

St. Martin's (Northwood) Preparatory School Trust 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.

No provision has been made for corporation tax or deferred tax as the charity is a registered charity and therefore exempt.

##### 2.2 Critical accounting judgements and sources of key estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods. In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

##### 2.3 Going concern

As detailed in the Trustees' Report, the Trustees have reviewed and revised the School's financial forecasting in light of the current economic climate, fuel and utility pricing and the threat of a new Government and its potential impact. Revised forecasts have been prepared together with cash-flows, based on the potential scenarios, with sensitivity analysis on the key assumptions. The cash flow modelling with sensitivity analysis indicates that the cash reserves of the School are adequate to meet the charity's obligations as they fall due.

Having regard to the above, the current cash position, and the expected cash flow over the next 12-24 months the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities.

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

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#### 2.4 Income

All school income is included in the statement of financial activities when entitlement has passed to it, it is probable that the economic benefits associated with the transaction will flow to the school and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Fees receivable and charges for services and use of premises, less any allowances, scholarships, bursaries granted by the School are accounted for in the term to which it applies. This is classified as unrestricted funds.

Income from donations or grants is recognised when there is evidence of entitlement to the donation/grant, receipt is probable and its amount can be measured reliably.

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

#### 2.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT which cannot be recovered, and is classified under headings of the statement of financial activities to which it relates:

Expenditure on education includes all costs incurred by the school in undertaking education that furthers its charitable aims for the benefit of its pupils, including those support costs and costs relating to the governance of the charity apportioned to education.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on education.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to education are allocated directly to education.

#### 2.6 Fixed assets and depreciation

Both Tangible and Intangible fixed assets are initially recognised at cost.

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold buildings	- 2%	reducing balance
Plant	- 10%	straight line
Motor vehicles	- 25%	straight line
Fixtures and fittings	- 20%	straight line
Computers & Office equipment	- 20%	straight line
Sports Uniform and Equipment	- 50%	straight line
Marketing Materials and Website (Intangible)	- 25%	straight line

#### 2.7 Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount

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ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

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being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

**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 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.

**2.10 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.

**2.11 Pensions**

For teachers the School contributes to the Teachers' Pension Scheme at rates set by the scheme actuary and advised to the School by the scheme administrator. The School is unable to identify its share of the Scheme Funds and therefore the Scheme has been accounted for as a defined contribution scheme. For non-teaching staff the School contributes to defined contribution pension schemes.

For the Teachers' Pension Scheme and for defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**2.12 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.

**3. Income from donations and legacies**

	<b>Unrestricted funds 2022 £</b>	<i>Unrestricted funds 2021 £</i>
Donations and appeal receipts	<u><b>2,921</b></u>	<u>12,099</u>

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)

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

**4. Income from charitable activities**

	<b>Unrestricted funds 2022 £</b>	<i>Unrestricted funds 2021 £</i>
Gross School fees	<b>6,137,898</b>	6,003,974
Less: Bursaries, scholarships and other concessions	<b>(268,911)</b>	(467,121)
	<b>5,868,987</b>	5,536,853
Other educational income	<b>183,109</b>	68,349
Rental income from housing	<b>41,562</b>	63,386
Furlough income	<b>690</b>	57,705
	<b>6,094,348</b>	5,726,293

Other educational income includes educational trip income of £125,256 which is not comparable to prior year which was impacted by COVID.

**5. Investment income**

	<b>Unrestrict ed funds 2022 £</b>	<i>Unrestricted funds 2021 £</i>
Bank interest	<b>7,195</b>	5,197

**6. Analysis of expenditure**

	Staff costs 2022 £	Other costs 2022 £	Total costs 2022 £	<i>Total costs 2021 £</i>
<i>Charitable activities - Education</i>				
Teaching	3,350,290	269,926	<b>3,620,216</b>	3,353,990
Premises	284,343	337,335	<b>621,678</b>	589,619
Welfare	185,675	152,222	<b>337,897</b>	346,911
Support costs	488,681	624,020	<b>1,112,701</b>	1,040,328
<i>Total</i>	<b>4,308,989</b>	1,383,503	<b>5,692,492</b>	5,330,848

Included within support costs are governance costs totalling £18,782 (2021: £31,182).

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)

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

**7. Auditor's remuneration**

	2022	2021
	£	£
Fees payable to the Company's auditor for the audit of the Company's annual accounts	15,000	15,550

**8. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits nor claimed for any expenses (2021 - £NIL).

**9. Staff costs**

	2022	2021
	£	£
Wages and salaries	3,301,598	3,185,633
Social security costs	340,202	319,556
Pension costs	647,951	630,631
Other employee benefits	19,238	10,978
	<b>4,308,989</b>	<b>4,146,798</b>

Key management personnel comprised the senior leadership team. Aggregate employee benefits paid to key management personnel in the year totalled £584,772 (2021: £699,075).

There was a settlement agreement fully paid in the year totalling £35,100 (2021: £Nil).

Total payments to the school's defined contribution scheme for non-teaching staff in the year was £151,956 (2021: £158,220). Amounts payable at year end totalled £17,757 (2021: £470).

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

	2022	2021
	No.	No.
Teaching (including unqualified teaching and assistants)	72	69
Administration	10	10
Domestic (Catering)	9	10
Estates (includes Cleaning)	13	6
	<b>104</b>	<b>95</b>

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)

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

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

	2022 No.	2021 No.
In the band £60,000 - £69,999	2	4
In the band £70,000 - £79,999	1	1
In the band £80,000 - £89,999	1	1
In the band £110,000 - £119,999	1	-
In the band £120,000 - £129,999	-	1

**10a. Tangible Fixed Assets**

	Freehold buildings	Plant	Motor vehicles	Fixtures and fittings	Computer equipment	Sports wear & equipm ent	Total
	£	£	£	£	£	£	£
<b>Cost or Valuation</b>							
At 1 September 2021	12,051,257	359,395	34,742	809,216	240,021	-	13,494,631
Additions	-	36,599	19,495	93,236	53,088	3,306	205,724
Disposals	-	-	-	-	-	-	-
At 31 August 2022	12,051,257	395,994	54,237	902,452	293,109	3,306	13,700,355
<b>Depreciation</b>							
At 1 September 2021	2,886,202	206,956	34,742	582,869	141,246	-	3,852,015
Charge for year	182,081	31,538	1,625	76,528	40,933	-	332,705
On disposals	-	-	-	-	-	-	-
At 31 August 2022	3,068,283	238,494	36,367	659,397	182,179	-	4,184,720
<b>Net Book value</b>							
At 31 August 2022	8,982,974	157,500	17,870	243,055	110,930	3,306	9,515,635
At 31 August 2021	9,165,055	152,439	-	226,347	98,775	-	9,642,616

**10b Intangible Assets**

Assets Under Construction	2022 £	2021 £
Website & Marketing	39,148	-
Total Assets	39,148	-

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)

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

<b>11. Debtors</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	1,568,949	1,423,086
Prepayments and accrued income	144,906	99,287
	<u>1,713,855</u>	<u>1,522,373</u>
<b>12. Creditors: Amounts falling due within one year</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank loans	-	636,844
Trade creditors	103,876	135,298
Other taxation and social security	80,326	80,422
Other creditors	62,648	65,239
Fee deposits	296,500	284,250
Advanced fees	1,954,211	1,860,048
Accruals	62,637	47,152
	<u>2,560,198</u>	<u>3,109,253</u>
<b>13. Financial instruments</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Financial assets</b>		
Financial assets measured at amortised cost (a)	<u>5,390,135</u>	<u>5,439,384</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost (b)	<u>2,546,747</u>	<u>2,472,410</u>
(a) Financial assets include cash, trade and fee debtors, other debtors and accrued income.		
(b) Financial liabilities include deposits, fees in advance, trade creditors and other creditors.		
<b>14. Reconciliation of net movement in funds to net cash flow from operating activities</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net income for the period (as per Statement of Financial Activities)	<u>411,972</u>	<u>412,741</u>
<b>Adjustments for:</b>		
Depreciation charges	332,705	323,332
Dividends, interests and rents from investments	(7,195)	(5,197)
(Increase)/Decrease in debtors	(191,482)	30,936
Increase/(decrease) in creditors	87,789	(17,526)
	<u>633,789</u>	<u>744,286</u>

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)

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

**15. Analysis of cash and cash equivalents**

	2022	2021
	£	£
Cash in hand	<u>3,676,279</u>	<u>3,917,011</u>

**16. Analysis of changes in net debt**

	At 1 September 2021	Cash flows	At 31 August 2022
	£	£	£
Cash at bank and in hand	3,917,011	(240,732)	3,676,279
Debt due within 1 year	(636,844)	636,844	-
Debt due after 1 year	-	0-	-
	<u>3,280,167</u>	<u>396,112</u>	<u>3,676,279</u>

**17. Related parties**

During the year family members of key management were employed by the school on arm's length basis and received remuneration and benefits totalling £54,837 (2021; £23,975)

**18. Pension commitments**

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 £495,995 (2021: £472,411) and at the year-end £58,265 (2021 - £55,970) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

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

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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

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On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched in June 2021 on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

**19. Future capital commitments**

At 31 August 2022, the School had a future capital commitment of £60,707 (2021: £NIL). This relates to the installation of a new terrace canopy.

**ST MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

England & Wales - Charity number 312648

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# Accounts

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Registered number: 0709159  
Charity number: 312648

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**  
(A company limited by guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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<b>Trustees</b>	Mr A Harris, Chairman Mrs A Baldwin Mr S Everson Mr J Fowler Mr V Hales Mr N A Hinds Mr K Kothari Mrs C Marks Mrs P Mastin Mr J Richards Dr B Williams (Appointed 1 September 2020)
<b>School officers</b>	Mr S Dunn (Head teacher) Mrs A Curran (Bursar)
<b>Company registered number</b>	0709159
<b>Charity registered number</b>	312648
<b>Registered office</b>	40 Moor Park Road Northwood Middlesex HA62DJ
<b>Auditor</b>	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
<b>Bankers</b>	National Westminster Bank Plc 159 High Street Rickmansworth Hertfordshire WD31AR

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

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The members of St Martin's (Northwood) Preparatory School Trust Limited present their annual report for the year ended 31<sup>st</sup> August 2021 under the Charities Act 2011 and the Companies Act 2006, this including the Director's Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

#### DIRECTOR'S REPORT

##### Constitutions and Objects

St Martin's (Northwood) Charitable Trust Limited is a charitable company limited by guarantee. Its registration number is 312648 and the company registration is 0709159.

The company is governed by its Memorandum and Articles of Association dating from 28 November 1961 which state that its object is the advancement of education. In furtherance thereof, the company operates St Martin's School, a preparatory school.

##### Governance and Management

###### Governing body

The directors serve as trustees of the Charity and under the terms of the above articles are also members of the Company. They are elected by the Board of directors on the basis of nominations received from serving directors, the headmaster and others. Governors/Directors are selected on the basis of their skills and suitability. New Governors are inducted into the workings of the Charity including Board policy and procedures, by attending Governors' meetings, reviewing the Governors' handbook, receiving support from experienced governors and being directed to relevant guidelines and courses.

The tenure of office for a member of the Governing body is for an initial period of 4 years, with a Governor being eligible for re-election for further terms of office every 3 years thereafter. Current and former parents and former pupils may serve as Governors. Staff are not permitted to serve as Governors.

Dr Bhanu Williams was appointed to the Governing body and as a trustee with effect from 1<sup>st</sup> September 2020.

###### Organisational Management

The Governors are legally responsible for the overall management and oversight of the School. They usually meet as a board three or more times per year, once each term, to determine policy and to monitor the operations of the company. Their role is assisted by the work of the sub-committees who meet each term in advance of the Board meeting. The sub-committees are: Governance, Finance & Operations, Teaching & Learning, Estates, Remuneration, Marketing and Corporate Social Responsibility. There are also two school committees which nominated governors attend being Information & Communications Technology and Health & Safety.

The Finance & Operations Committee, as assisted by the School's Bursar and accountants, is responsible for implementing financial strategy and policies of the Board including the preparation of budgets and forecasts. This committee also has oversight of any operational matters not covered by any of the other committees, significantly Human Resources (HR). This Committee meets every term and more often if necessary. Audit and risk management related to the School's Financial and Human Resources risks are dealt with by the Finance & Operations Committee.

The day to day running of the School is delegated to the Headmaster, who with the Bursar attends all meetings of the Governing Body and subsidiary committees. They in turn are supported by the other members of the School leadership team.

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

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#### STRATEGIC REPORT

##### Aims, Objectives and Activities

St Martin's aims to provide boys, aged 3 - 13, with the breadth of education and experience for them to realise their full potential at school in a safe and friendly environment, and to be well prepared for future life. To achieve this, the School applies eight key principles as follows:

1. The school to have a happy, friendly atmosphere as well as a fair, secure, disciplined framework for learning.
2. The boys to receive an all-round education to develop the whole person, by the provision of academic, sporting, artistic and musical opportunities.
3. The teaching to be of the highest quality, including the best of traditional and contemporary approaches, to enable the boys to fulfil their potential.
4. Communication between parents, headmaster, staff and boys to be of paramount importance at all stages of school life.
5. While preserving the fundamental Christian ethos of the school in its present multi-cultural mix, to cultivate respect and understanding of other faiths and cultures.
6. The buildings, facilities and resources to be of a high standard, safe and suitable for today's needs.
7. Good relations with the local community to be fostered and, where appropriate, joint projects to be developed and school facilities to be made available.
8. The pastoral care to underpin the moral ethos of the school by promoting the values of honesty, integrity, respect and humility.

These aims are achieved in a number of ways. They underpin the operational ethos of the school and are referenced in strategic and school development planning. In the process of self-evaluation for inspection, these are used as markers for this process. In terms of governance, each of the principles is directly related to the work of a sub-committee of the Full Board.

##### Achievements and performance

The school prides itself on not only the quality of the education provided, but also its record in examinations to senior schools. The school is well placed to prepare boys for a wide range of schools, but in practice these tend to be local to the area. Traditionally, the focus was always on 13+ transfer with only a small number sitting at 11+ and principally for the maintained grammar schools. This has changed significantly over the last 2 years with the vast majority of boys undertaking these assessments in the January of Year Six. This has meant that a parallel approach for 11+ and 13+ is now required.

The following sets out the 11+ and 13+ offers and scholarships:

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ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021

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**AWARDS AT YEAR EIGHT(13+) 2021**

**Merchant Taylors' School**

19 places offered

4 Academic Scholarships

1 DT Scholarship

**The Haberdashers' Aske's Boys' School**

8 places offered

3 Academic Scholarships

**John Lyon School**

18 places offered

8 Academic Scholarships

**Aldenham School**

4 places offered

3 Academic Scholarships

1 Sport Scholarship

**St. Alban's School**

5 places offered

3 Academic Scholarships

**Berkhamsted School**

3 places offered

**Harrow School**

1 Place offered

**Magdalen College School**

1 Place offered

1 Academic Scholarship

**AWARDS AT YEAR SIX(11+) 2021**

**Merchant Taylors' School (13+ 2023)**

23 places offered

1 Major Academic Scholarships

2 Minor Scholarships

**The Haberdashers' Aske's School Boys' School**

8 places offered

1 Academic Scholarship

**John Lyon School**

3 places offered

**Aldenham School**

3 places offered

**St. Alban's School**

2 places offered

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

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In Autumn 2020, following the retirement of the deputy headmaster, a new Leadership team was formed comprising the Headmaster, the Bursar, and 4 Assistant Heads with responsibilities for Pre-Prep, Pastoral, Academic and Organisation & Compliance respectively. The school, under the guidance of the newly formed Leadership team, continued to successfully navigate through the pandemic and responded to further lockdowns. The use of technology, both for remote teaching and in sharing data and information, continued to excel and despite the potentially negative impact on the boys' social and well being, the curriculum continued to be well covered and progress maintained. The provision of additional bursaries continued and fee discounts were provided for the lockdown. The change in pupil numbers was negligible and pupil numbers continue to be at or close to budgeted levels

Investment in the site continued with the Year 4 classrooms and one of the English classrooms being fully refurbished and new technology put in throughout the English department. The kitchen servery was upgraded, the sports hall boilers were replaced and the nursery/Pre-Prep outside play area had new AstroTurf laid. The School also purchased a 2/3 bed house located in Mezen Close for staff accommodation use, that opportunely came on the market. More sets of ipads were purchased for various sections of the school in line with the IT strategy.

Site development planning remains a consideration and a new Multi Use Games Area is being planned to coincide with the school's centenary.

Significant investment has been made in a marketing strategy and a re-branding exercise that will launch in tandem with the new school website in the Summer of 2021

Despite ongoing challenges, the school remains in a healthy state and is well placed both financially and academically for the challenges ahead. Parental satisfaction remains very high and has been strengthened by the way the school has continued to handle the pandemic. The benefits of increased technological capability will be key in moving forward and we will be seeking to capitalise on the decreased reliance on physical media and increased independence of the boys in their own learning.

#### **Community, Social and Charitable**

In considering the provision of Public Benefit, the Governors have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

During the year £185,651 (2020: 138,316), representing 3.09 % (2020:2.03%) of fee income, was given as bursaries in support of 16 (2020: 12) boys who would not otherwise have been able to afford the benefits of St Martin's Education. An additional £92,804 was given as emergency bursaries due to the impact of lockdown on the current St Martin's parents supporting a further 14 (2020: 20) boys.

The School's designated charity continued to be T11 North at University College Hospital, London. It is a children's cancer ward which also provides support to the families of the children in the ward's care. Despite the ongoing restrictions of the pandemic we still managed to raise just over £9,000 for them.

St Martin's will resume the support of local state primary schools through the use of our sporting facilities and a member of staff will resume the liaison and development of working partnerships with other schools.

#### **FINANCIAL REVIEW**

##### **Results for the year**

The full year surplus of £412,741 (2020: £77,030) was better than the conservative budget of £78,338. We were able to recover from the pandemic in an efficient manner, despite experiencing a small decline in our pupil numbers. Whilst offering a discount for the Spring term lockdown, our overheads were tightly controlled and the extension of the furlough scheme gave us some further support resulting in a good surplus. The surplus

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

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represented a 6.87% (2020: 1.28%) return on gross fee income.

We continue to make improvements in financial control and management of cash and are now deploying technology more effectively enabling us to reduce stationery, photocopying and other such materials. The School remained close to full capacity during the period and principal fee income prior to discounts was £33,555 less than the previous year. Costs were £368,263 less than the previous year. The net value of fixed assets was £9,642,616 (2020: £9,400,154), an increase of £242,462. The increase mainly related to the purchase of a house in Mezen Close.

The company's cash position continues to improve and stood at £3,917,011 (2020: £3,887,533) at year end.

The balance on all borrowings at the end of the period was £636,844 (2020: £791,055), a reduction £154,211. The School paid off the bank loan in September 2021 following agreement with the Governors.

#### **Reserves policy**

Unrestricted funds at year end totalled £11,972,747 (2020: £11,560,006) of which fixed assets less bank loans totalled £9,005,772 (2020: £8,609,099) leaving free reserves of £2,966,975 (2020: £2,950,907). Reserves adequately cover future spending plans which are highlighted under future plans below. The Governors are determined that reserves are continually re-invested in the School for the benefit of the boys whilst ensuring that the School remains in a strong financial position.

#### **Going concern**

The School produces regular financial information including budgets, forecasts and a longer term strategic business plan, which are closely monitored by the Governors. These budgets, cash flows and forecasts have been reviewed and revised in light of the ongoing impact post the Covid-19 pandemic, to take into consideration the current economic climate and its potential impact. A number of scenarios were produced which considered the wider potential impact from Covid-19 on the School's key operations, cash position, sources of income and planned expenditure. Revised forecasts have been prepared together with cash-flows, based on the most likely expected outcome from these scenarios, with sensitivity analysis on the key assumptions. The cash flow modelling with sensitivity analysis indicates that the cash reserves of the School are adequate to meet the charity's obligations as they fall due.

Therefore the Governors have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities.

#### **FUTURE PLANS**

The Governors and Leadership team are in the process of formulating a new Strategic Plan. A number of sub sections of the plan are being developed within the school in preparation for an Overall School Strategic plan to be developed with the Governing body. A strategy day scheduled for March 2020 took place in October 2021 and the Strategic plan will be further developed alongside the marketing and branding work.

Over the next 1-5 years our potential plans include

- Ongoing implementation of the IT strategy to include upgrade of classroom display equipment and provide dedicated devices (ipads) for year 5-8 and additional sets of classroom devices for the younger age groups
- Enhancement of the outside environment and entrance for Kindergarten and Pre-Prep
- Window replacement in the Pre-Prep building and improving connectivity between the Pre-Prep building and the Main School

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

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- Development of nursery inside facilities
- Enhancement of junior school section (years 3 & 4)
- Provision of an additional set of boys' toilets
- Creation of more outdoor learning spaces
- Upgrade of sports facilities – new cricket nets, new MUGA, climbing wall and gymnasium equipment

#### **Risk management**

The Board of Governors is responsible for the oversight of the risks faced by the School. Detailed consideration of risks is delegated to the specific committees relevant to the particular identified risk, managed by the Senior Leadership Team. Risks are identified, assessed and controls established throughout the year. The Board monitors the effectiveness of the system of internal controls and other means, including insurance cover, by which those identified risks can be mitigated. The key controls used by the Charity include:

- formal agendas for all Committee and Board activity;
- detailed terms of reference for all Committees;
- comprehensive strategic planning, budgeting and management accounting;
- formal written policies;
- clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that the systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The risks that continue to receive particular attention relate to:

- External or internal factors leading to low morale risk resulting in poor educational standards, high stress levels and absence/sick leave. This has particular relevance to the pandemic and the stresses that are consequent to that. These have been mitigated by the appointment of key pastoral staff, a strengthening of the school's HR function with improved links to occupational health services
- Macro-economic risk of the impact an uncontrollable national event will have on the school - such as Pandemic. This is mitigated by robust measures in place to keep the school running remotely if needed. Strong reserves are retained to ensure stability financially if income drastically reduces.

Both of these risks currently score above 15 (out of a maximum of 25) on the scale which classifies them as high risk.

#### **Trustees' responsibilities statement**

The members of the Board of Governors (who are also the directors of St Martin's (Northwood) Preparatory School Trust Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Company law requires the members of the Board of Governors to prepare financial statements for each financial year. Under company law they 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 charitable company and the group, including the income (and its application) and expenditure of the group for that year. In preparing these financial statements, the members of the Board of Governors are required to:

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

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**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

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- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The members of the Board of Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

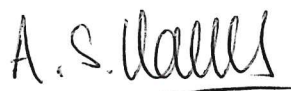
**AUDITORS**

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

A resolution proposing the re-appointment of Crowe U.K. LLP as auditors to the company will be put to the Annual General Meeting.

The Trustees' annual report and the strategic report were approved on 24 March 2022 and signed on behalf of the Board of Trustees by:



Mr A Harris (Chairman)  
Trustee

Date: 24 MARCH 2022

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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#### Opinion

We have audited the financial statements of St. Martin's (Northwood) Preparatory School Trust Limited (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the 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 August 2021 and of 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's 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.

#### Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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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 which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

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

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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' directors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 7, 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.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and taxation legislation together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014 and General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and Operations Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing any regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD)  
PREPARATORY SCHOOL TRUST LIMITED**

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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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.



Andrew Thomas  
Senior Statutory Auditor  
For and on behalf of  
**Crowe U.K. LLP**  
Statutory Auditor

London (Statutory Auditor)

Date: 12 April 2022

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ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE  
ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2021

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	Note	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<b>Income from:</b>			
Donations and legacies	3	12,099	36,478
Charitable activities	4	5,726,293	5,713,253
Investments	5	5,197	26,410
<b>Total income</b>		<b>5,743,589</b>	<b>5,776,141</b>
<b>Expenditure on:</b>			
Charitable activities	6	5,330,848	5,699,111
<b>Total expenditure</b>		<b>5,330,848</b>	<b>5,699,111</b>
<b>Net movement in funds</b>		<b>412,741</b>	<b>77,030</b>
Total funds brought forward		11,560,006	11,482,976
<b>Total funds carried forward</b>		<b>11,972,747</b>	<b>11,560,006</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 24 form part of these financial statements.

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

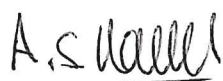
(A company limited by guarantee)  
REGISTERED NUMBER: 0709159

**BALANCE SHEET  
AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	10	9,642,616	9,400,154
		<u>9,642,616</u>	<u>9,400,154</u>
<b>Current assets</b>			
Debtors	11	1,522,373	1,553,309
Cash at bank and in hand		3,917,011	3,887,533
		<u>5,439,384</u>	<u>5,440,842</u>
Creditors: amounts falling due within one year	12	<u>(3,109,253)</u>	<u>(2,643,640)</u>
<b>Net current assets</b>		<b>2,330,131</b>	<b>2,797,202</b>
<b>Total assets less current liabilities</b>		<b>11,972,747</b>	<b>12,197,356</b>
Creditors: amounts falling due after more than one year	13	-	(637,350)
<b>Total net assets</b>		<b><u>11,972,747</u></b>	<b><u>11,560,006</u></b>
<b>Charity funds</b>			
Unrestricted funds		11,972,747	11,560,006
<b>Total funds</b>		<b><u>11,972,747</u></b>	<b><u>11,560,006</u></b>

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 on 24 March 2022 and signed on their behalf by:



**Mr A Harris**  
Trustee

Date: 24 MARCH 2022

The notes on pages 16 to 24 form part of these financial statements.

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ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2021

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	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	15	744,286	399,966
<b>Cash flows from investing activities</b>			
Dividends, interests and rents from investments		5,197	26,410
Purchase of tangible fixed assets		(565,794)	(187,338)
<b>Net cash used in investing activities</b>		(560,597)	(160,928)
<b>Cash flows from financing activities</b>			
Repayments of borrowing		(154,211)	(179,964)
<b>Net cash used in financing activities</b>		(154,211)	(179,964)
<b>Change in cash and cash equivalents in the year</b>		29,478	59,074
Cash and cash equivalents at the beginning of the year		3,887,533	3,828,459
<b>Cash and cash equivalents at the end of the year</b>	16	<u>3,917,011</u>	<u>3,887,533</u>

The notes on pages 16 to 24 form part of these financial statements

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

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#### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 40, Moor Park Road, Northwood, Middlesex, HA6 2DJ.

#### 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) and the Companies Act 2006.

St. Martin's (Northwood) Preparatory School Trust 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.

No provision has been made for corporation tax or deferred tax as the charity is a registered charity and therefore exempt.

##### 2.2 Critical accounting judgements and sources of key estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods. In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

##### 2.3 Going concern

As detailed in the Report of the Governors, the Governors have reviewed and revised the School's financial forecasting in light of the Covid-19 pandemic, to take into consideration the current economic climate and its potential impact. A number of scenarios were produced which considered the wider potential impact from Covid-19 on the School's key operations, cash position, sources of income and planned expenditure. Revised forecasts have been prepared together with cash-flows, based on the most likely expected outcome from these scenarios, with sensitivity analysis on the key assumptions. The cash flow modelling with sensitivity analysis indicates that the cash reserves of the School are adequate to meet the charity's obligations as they fall due.

Having regard to the above, the current cash position, and the expected cash flow over the next 12-24 months the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities.

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

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#### 2.4 Income

All school income is included in the statement of financial activities when entitlement has passed to it, it is probable that the economic benefits associated with the transaction will flow to the school and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Fees receivable and charges for services and use of premises, less any allowances, scholarships, bursaries granted by the School are accounted for in the term to which it applies. This is classified as unrestricted funds.

Income from donations or grants is recognised when there is evidence of entitlement to the donation/grant, receipt is probable and its amount can be measured reliably.

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

Government grants are recognised on the performance model, when the School has complied with any conditions attaching to the grant and the grant will be received. The grant in connection to the job retention scheme has been recognised in the period to which the underlying furloughed staff costs relate to. Included in grants and donations is an amount of £57,705 in respect of the Coronavirus Job Retention Scheme.

#### 2.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT which cannot be recovered, and is classified under headings of the statement of financial activities to which it relates:

Expenditure on education includes all costs incurred by the school in undertaking education that furthers its charitable aims for the benefit of its pupils, including those support costs and costs relating to the governance of the charity apportioned to education.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on education.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to education are allocated directly to education.

#### 2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost.

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold buildings	- 2%	reducing balance
Plant	- 10%	straight line
Motor vehicles	- 25%	straight line
Fixtures and fittings	- 20%	straight line
Computers & Office equipment	- 20%	straight line

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ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

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**2.7 Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

**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 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.

**2.10 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.

**2.11 Pensions**

For teachers the School contributes to the Teachers' Pension Scheme at rates set by the scheme actuary and advised to the School by the scheme administrator. The School is unable to identify its share of the Scheme Funds and therefore the Scheme has been accounted for as a defined contribution scheme. For non-teaching staff the School contributes to defined contribution pension schemes.

For the Teachers' Pension Scheme and for defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**2.12 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.

**3. Income from donations and legacies**

	<b>Unrestricted funds 2021 £</b>	<i>Unrestricted funds 2020 £</i>
Donations and appeal receipts	<u><b>12,099</b></u>	<u><i>36,478</i></u>

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)

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

**4. Income from charitable activities**

	<b>Unrestricted funds 2021 £</b>	<i>Unrestricted funds 2020 £</i>
Gross School fees	6,003,974	6,037,529
Less: Bursaries, scholarships and other concessions	(467,121)	(638,167)
	<b>5,536,853</b>	5,399,362
Other educational income	68,349	61,794
Rental income from housing	63,386	62,873
Furlough income	57,705	189,224
	<b>5,726,293</b>	5,713,253

Included in bursaries, scholarships and other concessions is £179,750 relating to discounts provided to all parents in the Summer term relating to the Spring Term closure of the school due to Covid-19.

**5. Investment income**

	<b>Unrestricted funds 2021 £</b>	<i>Unrestricted funds 2020 £</i>
Bank interest	<b>5,197</b>	<i>26,410</i>

**6. Analysis of expenditure**

	Staff costs 2021 £	Other costs 2021 £	<b>Total costs 2021 £</b>	<i>Total costs 2020 £</i>
<i>Charitable activities - Education</i>				
Teaching	3,235,762	118,228	<b>3,353,990</b>	3,777,365
Premises	234,900	354,719	<b>589,619</b>	599,329
Welfare	217,576	129,335	<b>346,911</b>	327,231
Support costs	458,560	581,768	<b>1,040,328</b>	995,186
<i>Total</i>	<b>4,146,798</b>	1,184,050	<b>5,330,848</b>	<i>5,699,111</i>

Included within support costs are governance costs totalling £31,182 (2020: £51,182).

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

(A company limited by guarantee)

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

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**7. Auditor's remuneration**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Fees payable to the Company's auditor for the audit of the Company's annual accounts	<b>15,550</b>	15,250

**8. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits nor claimed for any expenses (2020 - £NIL).

**9. Staff costs**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>3,185,633</b>	3,426,156
Social security costs	<b>319,556</b>	344,977
Pension costs	<b>630,631</b>	677,651
Other employee benefits	<b>10,978</b>	9,049
	<b><u>4,146,798</u></b>	<b><u>4,457,833</u></b>

Key management personnel comprised the senior leadership team. Aggregate employee benefits paid to key management personnel in the year totalled £699,075 (2020: £556,037).

Total payments to the school's defined contribution scheme for non-teaching staff in the year was £158,220 (2020: £161,458). Amounts payable at year end totalled £470 (2020: £22,875).

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

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
Teaching (including unqualified teaching and assistants)	<b>69</b>	71
Administration	<b>10</b>	11
Domestic (Catering)	<b>10</b>	10
Estates (includes Cleaning)	<b>6</b>	5
	<b><u>95</u></b>	<b><u>97</u></b>

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

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

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

	2021 No.	2020 No.
In the band £60,000 - £69,999	4	1
In the band £70,000 - £79,999	1	2
In the band £80,000 - £89,999	1	1
In the band £110,000 - £119,999	-	1
In the band £120,000 - £129,999	1	-

**10. Tangible fixed assets**

	Freehold buildings £	Plant £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>						
At 1 September 2020	11,584,395	317,395	34,742	797,865	194,440	12,928,837
Additions	466,862	42,000	-	11,351	45,581	565,794
Disposals	-	-	-	-	-	-
At 31 August 2021	12,051,257	359,395	34,742	809,216	240,021	13,494,631
<b>Depreciation</b>						
At 1 September 2020	2,706,717	178,037	34,742	500,846	108,341	3,528,683
Charge for the year	179,485	28,919	-	82,023	32,905	323,332
On disposals	-	-	-	-	-	-
Transfers between classes	-	-	-	-	-	-
At 31 August 2021	2,886,202	206,956	34,742	582,869	141,246	3,852,015
<b>Net book value</b>						
At 31 August 2021	9,165,055	152,439	-	226,347	98,775	9,642,616
At 31 August 2020	8,877,678	139,358	-	297,019	86,099	9,400,154

**11. Debtors**

	2021 £	2020 £
Trade debtors	1,423,086	1,495,603
Prepayments and accrued income	99,287	57,706
	<u>1,522,373</u>	<u>1,553,309</u>

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ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

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12. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Bank loans	636,844	153,705
Trade creditors	135,298	118,215
Other taxation and social security	80,422	87,144
Other creditors	65,239	85,064
Fee deposits	284,250	272,000
Advanced fees	1,860,048	1,809,571
Accruals	47,152	117,941
	<u>3,109,253</u>	<u>2,643,640</u>

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

	2021	2020
	£	£
Bank loans	<u>-</u>	<u>637,350</u>

A decision was reached by the Governors in the summer of 2021 that the Company should pay off the bank loan in full in September 2021, at the rollover date, so the entire bank loan is shown as due within one year of £636,844 (2020: £153,705) and amounts due within 2-5 years is £Nil (2020: £637,350).

The bank loan is secured by a fixed charge over some of the company's freehold properties.

14. Financial instruments

	2021	2020
	£	£
<b>Financial assets</b>		
Financial assets measured at amortised cost (a)	<u>5,439,384</u>	<u>5,440,842</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost (b)	<u>2,279,596</u>	<u>2,199,786</u>

(a) Financial assets include cash, trade and fee debtors, other debtors and accrued income.

(b) Financial liabilities include deposits, fees in advance, trade creditors and other creditors.

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

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

<b>15. Reconciliation of net movement in funds to net cash flow from operating activities</b>	<b>2021</b>	<b>2020</b>
	£	£
Net income for the period (as per Statement of Financial Activities)	<u><b>412,741</b></u>	<u><b>77,030</b></u>
<b>Adjustments for:</b>		
Depreciation charges	<b>323,332</b>	329,649
Dividends, interests and rents from investments	<b>(5,197)</b>	(26,410)
Loss on the disposal of fixed assets	-	22,691
Decrease in debtors	<b>30,936</b>	(50,380)
Increase in creditors	<b>(17,526)</b>	47,386
Accrued (income)/expenses	-	-
<b>Net cash provided by operating activities</b>	<u><b>744,286</b></u>	<u><b>399,966</b></u>

<b>16. Analysis of cash and cash equivalents</b>	<b>2021</b>	<b>2020</b>
	£	£
Cash in hand	<u><b>3,917,011</b></u>	<u><b>3,887,533</b></u>

<b>17. Analysis of changes in net debt</b>	<b>At 1 September</b>	<b>Cash flows</b>	<b>At 31 August</b>
	<b>2020</b>		<b>2021</b>
	£	£	£
Cash at bank and in hand	<b>3,887,533</b>	<b>29,478</b>	<b>3,917,011</b>
Debt due within 1 year	<b>(153,705)</b>	<b>(483,139)</b>	<b>(636,844)</b>
Debt due after 1 year	<b>(637,350)</b>	<b>637,350</b>	<b>0</b>
	<u><b>3,096,478</b></u>	<u><b>183,689</b></u>	<u><b>3,280,167</b></u>

**18. Related parties**

During the year family members of key management were employed by the school on arm's length basis and received remuneration totalling £23,975. (2020; £4,732)

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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

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**19. Pension commitments**

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 £472,411 (2020: £516,193) and at the year-end £55,970 (2020 - £62,188) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

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

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

**ST MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

England & Wales - Charity number 312648

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# Accounts

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Registered number: 0709159  
Charity number: 312648

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**  
(A company limited by guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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<b>Trustees</b>	Mr A Harris, Chairman Mrs A Baldwin Mr S Everson Mr J Fowler Mr V Hales Mr N A Hinds Mr M Jordan Mr K Kothari Mrs C Marks Mrs P Mastin Mr J Richards Mr C Scott Dr B Williams Dr R Yaqoob	(Resigned 20 <sup>th</sup> April 2020)           (Resigned 20 <sup>th</sup> April 2020) (Appointed 1 September 2020) (Resigned 31 <sup>st</sup> August 2020)
<b>School officers</b>	Mr S Dunn Mrs A Curran	(Head teacher) (Bursar)
<b>Company registered number</b>		
<b>Charity registered number</b>	312648	
<b>Registered office</b>	40 Moor Park Road Northwood Middlesex HA62DJ	
<b>Auditor</b>	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW	
<b>Bankers</b>	National Westminster Bank Plc 159 High Street Rickmansworth Hertfordshire WD31AR	

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

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The members of St Martin's (Northwood) Preparatory School Trust Limited present their annual report for the year ended 31<sup>st</sup> August 2020 under the Charities Act 2011 and the Companies Act 2006, this including the Director's Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

#### **DIRECTOR'S REPORT**

##### **Constitutions and Objects**

St Martin's (Northwood) Charitable Trust Limited is a charitable company limited by guarantee. Its registration number is 312648 and the company registration is 0709159.

The company is governed by its Memorandum and Articles of Association dating from 28 November 1961 which state that its object is the advancement of education. In furtherance thereof, the company operates St Martin's School, a preparatory School.

##### **Governance and Management**

###### **Governing body**

The directors serve as trustees of the Charity and under the terms of the above articles are also members of the company. They are elected by the Board of directors on the basis of nominations received from serving directors, the headmaster and others. Governors/Directors are selected on the basis of their skills and suitability. New Governors are inducted into the workings of the Charity including Board policy and procedures, by attending Governors' meetings, reviewing the Governors' handbook, receiving support from experienced governors and being directed to relevant guidelines and courses.

The tenure of office for a member of the Governing body is for an initial period of 4 years, with a Governor being eligible for re-election for further terms of office every 3 years thereafter. Current and former parents and former pupils may serve as Governors. Staff are not permitted to serve as Governors.

Mr Mark Jordan and Mr Chris Scott resigned in April and Mrs Rabia Yaqoob resigned at the end of the Summer Term. Dr Bhanu Williams was appointed to the Governing body and as a trustee with effect from 1<sup>st</sup> September 2021.

###### **Organisational Management**

The Governors are legally responsible for the overall management and oversight of the School. They usually meet as a board three or more times per year, once each term, to determine policy and to monitor the operations of the company. Their role is assisted by the work of the sub-committees who meet each term in advance of the Board meeting. The sub-committees are: Governance, Finance & Operations, Teaching & Learning, Estates, Remuneration, Marketing and Corporate Social Responsibility. There are also two school committees which nominated governors attend being Information and Communications Technology and Health & Safety.

The Finance & Operations Committee, as assisted by the School's Bursar and accountants, is responsible for implementing financial strategy and policies of the Board including the preparation of budgets and forecasts. This committee also has oversight of any operational matters not covered by any of the other committees, significantly Human Resources (HR). This Committee meets every term and more often if necessary. Audit and risk management related to the School's Financial and Human Resources risks are dealt with by the Finance & Operations Committee.

The day to day running of the School is delegated to the Headmaster, who with the Bursar attend all meetings

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

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of the Governing Body and subsidiary committees. They in turn are supported by the other members of the School leadership team.

Mr Simon Dunn took up the position of Headmaster on the 1<sup>st</sup> September 2019 so this was his first year in post.

#### STRATEGIC REPORT

##### Aims, Objectives and Activities

St Martin's aims to provide boys, aged 3 - 13, with the breadth of education and experience for them to realise their full potential at school in a safe and friendly environment, and to be well prepared for future life. To achieve this, the School applies eight key principles as follows:

1. The school to have a happy, friendly atmosphere as well as a fair, secure, disciplined framework for learning.
2. The boys to receive an all-round education to develop the whole person, by the provision of academic, sporting, artistic and musical opportunities.
3. The teaching to be of the highest quality, including the best of traditional and contemporary approaches, to enable the boys to fulfil their potential.
4. Communication between parents, headmaster, staff and boys to be of paramount importance at all stages of school life.
5. While preserving the fundamental Christian ethos of the school in its present multi-cultural mix, to cultivate respect and understanding of other faiths and cultures.
6. The buildings, facilities and resources to be of a high standard, safe and suitable for today's needs.
7. Good relations with the local community to be fostered and, where appropriate, joint projects to be developed and school facilities to be made available.
8. The pastoral care to underpin the moral ethos of the school by promoting the values of honesty, integrity, respect and humility.

These aims are achieved in a number of ways. They underpin the operational ethos of the school and are referenced in strategic and school development planning. In the process of self-evaluation for inspection, these are used as markers for this process. In terms of Governance, each of the principles is directly related to the work of a sub-committee of the Full Board.

##### Achievements and performance

The school prides itself on not only the quality of the education provided, but also its record in examinations to senior schools. The school is well placed to prepare boys for a wide range of schools, but in practice these tend to be local to the area. This was the first year that the impact of changes to the Merchant Taylors' admissions system were felt. Traditionally, the focus was always on 13+ transfer with only a small number sitting at 11+ and principally for the maintained grammar schools. This has changed significantly with the vast majority of boys undertaking these assessments in the January of Year Six. This has meant that, for the next two years, a parallel approach for 11+ and 13+ is required and this resulted in some understandable nervousness within the parent body. In reality, the process was largely smooth, and the school enjoyed continued success to the schools that it feeds. The traditional metric of 13+ passes were exceeded from what was a record year and 28 scholarships were gained from 34 boys. All boys gained places at the schools of their choice. At 11+ the boys were extremely successful, but this has meant a greater number of leavers in Year Six as a direct result of these changes. Another consequence of the changes has been the increased academic pressure in Years Five

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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

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and Six ensuring that the boys are well prepared.

The new Headmaster, having being tasked with overseeing these changes, set about reviewing all aspects of the school's operation in order to establish a strategic direction of travel for the coming years. This priority was somewhat superseded by the closure of all schools on March 23<sup>rd</sup> due to the COVID-19 pandemic, necessitating an immediate move to remote teaching. An enforced acceleration in technology related skills in the staff, student and parent body found us in a secure pattern of learning in the Summer Term. Despite the national outcry in the media relating to the negative effect of such measures on the pace and content of children's learning, the curriculum continued to be well covered and the losses related more to social and wellbeing issues. Noticeable also was the effect of the cessation of all the enrichment activities that take place on a daily basis. In common with many schools in this sector, considerable energies were expended in mitigating the financial aspects of lockdown and managing the expectations of and demands on the parent body, including through the provision of additional bursaries and fee discounts.

The opportunity was taken to advance some work on the school site: a new ICT facility was established, and two classrooms fully refurbished to form a Humanities suite. An ambitious site development plan is being considered which, in tandem with the school's centenary, is anticipated to see significant investment in the school's facilities especially the classroom and administrative facilities in the original 1924 building. A new marketing strategy is being formulated with greater digital interaction with potential and existing parents.

Despite the challenges of this year, the school emerged in a healthy and somewhat leaner state and is well placed both financially and academically for the challenges ahead. Parental satisfaction remains very high and has been strengthened by the way the school has handled the crisis. The benefits of increased technological capability will be key in moving forward and we will be seeking to capitalise on the decreased reliance on physical media and increased independence of the boys in their own learning.

#### **Community, Social and Charitable**

In considering the provision of Public Benefit, the Governors have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

During the year £138,316 (2019: 111,871), representing 2.03 % (2019:1.90%) of fee income, was given as bursaries in support of 12 (2019: 10) boys who would not otherwise have been able to afford the benefits of St Martin's Education. An additional £64,305 was given as emergency bursaries in the Summer term due to the impact of lockdown on the current St Martin's parents supporting a further 20 boys.

The School's designated charity for this year was T11 North at University College Hospital, London. It is a children's cancer ward which also provides support to the families of the children in the ward's care. Due to the pandemic our charity fundraising was restricted but we still managed to raise over £2,000 for them and have decide to continue to raise funds for them through the next financial/academic year. We also held a Macmillan coffee morning raising £740 and made donations to the Poppy Appeal and to Holy Trinity Church where we held our carol service.

St Martin's continues to support local state primary schools through the use of our sporting facilities. A member of staff continues to liaise and develop a working partnership with a Watford academy, so that both schools can benefit from the relationship. The pandemic means that the opportunities have been limited this year.

#### **FINANCIAL REVIEW**

##### **Results for the year**

The full year surplus of £77,030 (2019: £391,199) was substantially worse than budget as a result of COVID-19 and the related summer term fee reduction and emergency bursaries. The surplus represented a 1.28% (2019: 6.63%) return on fee income.

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

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The first 2 terms had a combined surplus of £270,398 with a 6.62% return on fee income but in the summer term the loss was £193,368. When the lockdown was enforced we made use of the furlough scheme in order to maximise the savings we could achieve whilst the school was closed to all but Key Worker children. A decision was then made to mitigate the financial pressures on parents and offer fee discounts that not only reflected the cost savings we were able to achieve but also to utilise the in year surplus. We also set aside some of the savings to support those most significantly impacted in the form of emergency bursaries and targeted a break even for the full year. The additional savings we managed to make over the prolonged lockdown and the extension of the furlough scheme resulted in the small surplus being achieved.

Continued improvements in financial control and management of cash were the main contributors to the strong surplus in the pre-Covid part of the year. The School remained at full capacity during the period and principle fee income prior to discounts was £13,788 more than the previous year. Costs were £110,361 more than the previous year but £113,980 under budget without taking into account the Coronavirus Job Retention grant. The main increase in costs related to an increase in Teachers' Pensions contributions from September 2019. The net value of fixed assets was £9,400,154 (2019: £9,565,156), a decrease of £165,002. The decrease is related partly to reclassification of assets between asset classes and resultant changes to accumulated depreciation.

The company's cash position continued to improve and stood at £3,887,533 (2019: £3,828,459) at year end.

The balance on all borrowings at the end of the period was £791,055 (2019: £937,314), a reduction £146,259 and continues to reduce in line with expectations. The School continues to benefit from the current low interest rates on its loan arrangements and Governors' forecasts have been prudent in the current climate.

#### **Reserves policy**

Unrestricted funds at year end totalled £11,560,006 of which fixed assets less bank loans totalled £8,609,099 leaving free reserves of £2,950,907. Reserves adequately cover future spending plans which are highlighted under future plans below. The Governors are determined that reserves are continually re-invested in the School for the benefit of the boys whilst ensuring that the School remains in a strong financial position.

#### **Going concern**

The School produces regular financial information including budgets, forecasts and a longer term strategic business plan, which are closely monitored by the Governors. These budgets, cash flows and forecasts have been reviewed and revised in light of the Covid-19 pandemic, to take into consideration the current economic climate and its potential impact. A number of scenarios were produced which considered the wider potential impact from Covid-19 on the School's key operations, cash position, sources of income and planned expenditure. Revised forecasts have been prepared together with cash-flows, based on the most likely expected outcome from these scenarios, with sensitivity analysis on the key assumptions. The cash flow modelling with sensitivity analysis indicates that the cash reserves of the School are adequate to meet the charity's obligations as they fall due.

Therefore the Governors have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities.

#### **FUTURE PLANS**

The Governors and Leadership team are in the process of formulating a new Strategic Plan. A number of sub sections of the plan are being developed within the school in preparation for an Overall School Strategic plan to be developed with the Governing body. A strategy day scheduled for March 2020 was cancelled and will be

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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

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rescheduled as soon as the COVID restrictions allow.

Over the next 1-5 years our potential plans include

- Implementation of a new IT strategy to include upgrade of classroom display equipment and provide dedicated devices (ipads) for year 5-8 and additional sets of classroom devices for the younger age groups.
- Enhancement of the outside environment and entrance for Kindergarten and Pre-Prep
- Development of nursery inside facilities
- Enhancement of junior school section (years 3 & 4)
- Provision of an additional set of boys' toilets
- Creation of more outdoor learning spaces
- Upgrade of sports facilities – new cricket nets, climbing wall and gymnasium equipment

#### **Risk management**

The Board of Governors is responsible for the oversight of the risks faced by the School. Detailed consideration of risks is delegated to the specific committees relevant to the particular identified risk, managed by the Senior Leadership Team. Risks are identified, assessed and controls established throughout the year. The Board monitors the effectiveness of the system of internal controls and other means, including insurance cover, by which those identified risks can be mitigated. The key controls used by the Charity include:

- formal agendas for all Committee and Board activity;
- detailed terms of reference for all Committees;
- comprehensive strategic planning, budgeting and management accounting;
- formal written policies;
- clear authorisation and approval levels, and
- vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that the systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The risks that are receiving particular attention relate to:

- External or internal factors leading to low morale risk resulting in poor educational standards, high stress levels and absence/sick leave. This has particular relevance to the pandemic and the stresses that are consequent to that. These have been mitigated by the appointment of key pastoral staff, a strengthening of the school's HR function with improved links to occupational health services
- Macro-economic risk of the impact an uncontrollable national event will have on the school - such as Pandemic. This is mitigated by, robust measures in place to keep the school running remotely if needed. Strong reserves are retained to ensure stability financially if income drastically reduces.

Both of these risks currently score above 15 (out of a maximum of 25) on the scale which classifies them as high risk.

#### **Trustees' responsibilities statement**

The members of the Board of Governors (who are also the directors of St Martin's (Northwood) Preparatory School Trust Limited for the purposes of company law) are responsible for preparing the Annual Report and the

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

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

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financial statements in accordance with applicable law and FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Company law requires the members of the Board of Governors to prepare financial statements for each financial year. Under company law they 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 charitable company and the group, including the income (and its application) and expenditure of the group for that year. In preparing these financial statements, the members of the Board of Governors are required to:

- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The members of the Board of Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **AUDITORS**

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Crowe U.K. LLP were appointed as auditors in the year. A resolution proposing the re-appointment of Crowe U.K. LLP as auditors to the company will be put to the Annual General Meeting.

The Trustees' annual report and the strategic report were approved on 25 March 2021 and signed on behalf of the Board of Trustees by:



Mr A Harris (Chairman)  
Trustee

Date: 25<sup>th</sup> March 2021

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD)  
PREPARATORY SCHOOL TRUST LIMITED (CONTINUED)**

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**Opinion**

We have audited the financial statements of St. Martin's (Northwood) Preparatory School Trust Limited (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the 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 August 2020 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

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

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

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED (CONTINUED)

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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.

#### **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.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD)  
PREPARATORY SCHOOL TRUST LIMITED (CONTINUED)**

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**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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Thomas  
Senior Statutory Auditor  
For and on behalf of  
**Crowe U.K. LLP**  
Statutory Auditor  
London (Statutory Auditor)

Date: 30 April 2021

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ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

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

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	Note	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<b>Income from:</b>			
Donations and legacies	3	36,478	5,845
Charitable activities	4	5,713,253	5,964,396
Investments	5	26,410	9,738
<b>Total income</b>		<b>5,776,141</b>	<b>5,979,979</b>
<b>Expenditure on:</b>			
Charitable activities	6	5,699,111	5,588,780
<b>Total expenditure</b>		<b>5,699,111</b>	<b>5,588,780</b>
<b>Net movement in funds</b>		<b>77,030</b>	<b>391,199</b>
Total funds brought forward		11,482,976	11,091,777
<b>Total funds carried forward</b>		<b>11,560,006</b>	<b>11,482,976</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 14 to 22 form part of these financial statements.

**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**


(A company limited by guarantee)  
REGISTERED NUMBER: 0709159

**BALANCE SHEET  
AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	10	9,400,154	9,565,156
		<u>9,400,154</u>	<u>9,565,156</u>
<b>Current assets</b>			
Debtors	11	1,553,309	1,502,929
Cash at bank and in hand		3,887,533	3,828,459
		<u>5,440,842</u>	<u>5,331,388</u>
Creditors: amounts falling due within one year	12	(2,643,640)	(2,596,254)
<b>Net current assets</b>		<u>2,797,202</u>	<u>2,735,134</u>
<b>Total assets less current liabilities</b>		<u>12,197,356</u>	<u>12,300,290</u>
Creditors: amounts falling due after more than one year	13	(637,350)	(817,314)
<b>Total net assets</b>		<u>11,560,006</u>	<u>11,482,976</u>
<b>Charity funds</b>			
Unrestricted funds		11,560,006	11,482,976
<b>Total funds</b>		<u>11,560,006</u>	<u>11,482,976</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 on 25 March 2021 and signed on their behalf by:



**Mr A Harris**  
Trustee

Date:

The notes on pages 14 to 22 form part of these financial statements.

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ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2020

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	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	15	399,966	728,873
		<hr/>	<hr/>
<b>Cash flows from investing activities</b>			
Dividends, interests and rents from investments		26,410	9,738
Purchase of tangible fixed assets		(187,338)	(423,917)
<b>Net cash used in investing activities</b>		<hr/> (160,928) <hr/>	<hr/> (414,179) <hr/>
<b>Cash flows from financing activities</b>			
Repayments of borrowing		(179,964)	(139,251)
<b>Net cash used in financing activities</b>		<hr/> (179,964) <hr/>	<hr/> (139,251) <hr/>
<b>Change in cash and cash equivalents in the year</b>		59,074	175,443
Cash and cash equivalents at the beginning of the year		3,828,459	3,653,016
<b>Cash and cash equivalents at the end of the year</b>	16	<hr/> <u>3,887,533</u> <hr/>	<hr/> <u>3,828,459</u> <hr/>

The notes on pages 14 to 22 form part of these financial statements

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

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#### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 40, Moor Park Road, Northwood, Middlesex, HA6 2DJ.

#### 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) and the Companies Act 2006.

St. Martin's (Northwood) Preparatory School Trust 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.

No provision has been made for corporation tax or deferred tax as the charity is a registered charity and therefore exempt.

##### 2.2 Critical accounting judgements and sources of key estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods. In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

##### 2.3 Going concern

As detailed in the Report of the Governors, the Governors have reviewed and revised the School's financial forecasting in light of the Covid-19 pandemic, to take into consideration the current economic climate and its potential impact. A number of scenarios were produced which considered the wider potential impact from Covid-19 on the School's key operations, cash position, sources of income and planned expenditure. Revised forecasts have been prepared together with cash-flows, based on the most likely expected outcome from these scenarios, with sensitivity analysis on the key assumptions. The cash flow modelling with sensitivity analysis indicates that the cash reserves of the School are adequate to meet the charity's obligations as they fall due.

Having regard to the above, the current cash position, and the expected cash flow over the next 12-24 months the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities.

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## ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

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

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#### 2.4 Income

All school income is included in the statement of financial activities when entitlement has passed to it, it is probable that the economic benefits associated with the transaction will flow to the school and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Fees receivable and charges for services and use of premises, less any allowances, scholarships, bursaries granted by the School are accounted for in the term to which it applies. This is classified as unrestricted funds.

Income from donations or grants is recognised when there is evidence of entitlement to the donation/grant, receipt is probable and its amount can be measured reliably.

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

Government grants are recognised on the performance model, when the School has complied with any conditions attaching to the grant and the grant will be received. The grant in connection to the job retention scheme has been recognised in the period to which the underlying furloughed staff costs relate to. Included in grants and donations is an amount of £189,224 in respect of the Coronavirus Job Retention Scheme.

#### 2.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT which cannot be recovered, and is classified under headings of the statement of financial activities to which it relates:

Expenditure on education includes all costs incurred by the school in undertaking education that furthers its charitable aims for the benefit of its pupils, including those support costs and costs relating to the governance of the charity apportioned to education.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on education.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to education are allocated directly to education.

#### 2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost.

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold buildings	- 2%	reducing balance
Plant	- 10%	straight line
Motor vehicles	- 25%	straight line
Fixtures and fittings	- 20%	straight line
Computers & Office equipment	- 20%	straight line

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**ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED**

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

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**2.7 Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

**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 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.

**2.10 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.

**2.11 Pensions**

For teachers the School contributes to the Teachers' Pension Scheme at rates set by the scheme actuary and advised to the School by the scheme administrator. The School is unable to identify its share of the Scheme Funds and therefore the Scheme has been accounted for as a defined contribution scheme. For non-teaching staff the School contributes to defined contribution pension schemes.

For the Teachers' Pension Scheme and for defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**2.12 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.

**3. Income from donations and legacies**

	<b>Unrestricted funds 2020 £</b>	<i>Unrestricted funds 2019 £</i>
Donations and appeal receipts	<u><b>36,478</b></u>	<u>5,845</u>

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**4. Income from charitable activities**

	<b>Unrestricted funds 2020 £</b>	<i>Unrestricted funds 2019 £</i>
Gross School fees	<b>6,037,529</b>	6,023,741
Less: Bursaries, scholarships and other concessions	<b>(638,167)</b>	(127,826)
	<b>5,399,362</b>	5,895,915
Other educational income	<b>61,794</b>	6,934
Rental income from housing	<b>62,873</b>	61,547
Furlough income	<b>189,224</b>	-
	<b>5,713,253</b>	5,964,396

Includes in bursaries, scholarships and other concessions is £422,903 relating to discounts provided to all parents in the summer term due to the impact of Covid-19.

**5. Investment income**

	<b>Unrestricted funds 2020 £</b>	<i>Unrestricted funds 2019 £</i>
Bank interest	<b>26,410</b>	9,738

**6. Analysis of expenditure**

	Staff costs 2020 £	Other costs 2020 £	<b>Total costs 2020 £</b>	<i>Total costs 2019 £</i>
<i>Charitable activities - Education</i>				
Teaching	3,616,781	160,584	<b>3,777,365</b>	3,676,046
Premises	214,185	385,144	<b>599,329</b>	603,843
Welfare	216,517	110,714	<b>327,231</b>	308,660
Support costs	410,350	584,836	<b>995,186</b>	1,000,221
<b>Total</b>	<b>4,457,833</b>	1,241,278	<b>5,699,111</b>	5,588,770

Included within support costs are governance costs totalling £51,182 (2019: £76,389).

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7. Auditor's remuneration

	2020	2019
	£	£
Fees payable to the Company's auditor for the audit of the Company's annual accounts	15,250	9,600
Fees payable to the Company's auditor in respect of: All non-audit services not included above	-	7,230

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits nor claimed for any expenses (2019 - £NIL).

9. Staff costs

	2020	2019
	£	£
Wages and salaries	3,426,156	3,310,828
Social security costs	344,977	347,131
Pension costs	677,651	523,203
Other employee benefits	9,049	20,087
	<u>4,457,833</u>	<u>4,201,249</u>

Key management personnel comprised the senior leadership team. Aggregate employee benefits paid to key management personnel in the year totalled £556,037 (2019: £573,709).

During the year there were settlement agreements of £65,787 (2019: £Nil) which are included within creditors at year end.

Total payments to the school's defined contribution scheme for non-teaching staff in the year was £161,458 (2019: £160,097). Amounts payable at year end totalled £22,875 (2019: £Nil).

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

	2020	2019
	No.	No.
Teaching (including unqualified teaching and assistants)	71	76
Administration	11	9
Domestic	10	10
Grounds	5	4
	<u>97</u>	<u>99</u>

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

	2020 No.	2019 No.
In the band £60,000 - £69,999	1	2
In the band £70,000 - £79,999	2	-
In the band £80,000 - £89,999	1	1
In the band £110,000 - £119,999	1	-
In the band £130,000 - £139,999	-	1

**10. Tangible fixed assets**

	Freehold buildings £	Plant £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>						
At 1 September 2019	11,570,412	243,483	12,750	1,462,505	-	13,289,150
Additions	-	6,196	-	156,263	24,879	187,338
Disposals	(6,583)	-	-	(541,068)	-	(547,651)
Transfers between classes	20,566	67,716	21,992	(279,835)	169,561	-
<b>At 31 August 2020</b>	<b>11,584,395</b>	<b>317,395</b>	<b>34,742</b>	<b>797,865</b>	<b>194,440</b>	<b>12,928,837</b>
<b>Depreciation</b>						
At 1 September 2019	2,526,361	110,240	7,519	1,079,875	-	3,723,995
Charge for the year	180,356	26,232	836	57,746	31,069	296,239
On disposals	-	-	-	(541,069)	-	(541,069)
Transfers between classes	-	41,565	26,387	(95,706)	77,272	49,518
<b>At 31 August 2020</b>	<b>2,706,717</b>	<b>178,037</b>	<b>34,742</b>	<b>500,846</b>	<b>108,341</b>	<b>3,528,683</b>
<b>Net book value</b>						
At 31 August 2020	<b>8,877,678</b>	<b>139,358</b>	<b>-</b>	<b>297,019</b>	<b>86,099</b>	<b>9,400,154</b>
At 31 August 2019	9,044,052	133,243	5,231	382,630	-	9,565,156

**11. Debtors**

	2020 £	2019 £
Trade debtors	1,495,603	1,447,434
Prepayments and accrued income	57,706	55,495
	<b>1,553,309</b>	<b>1,502,929</b>

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12. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Bank loans	153,705	120,000
Trade creditors	118,215	88,575
Other taxation and social security	87,144	88,347
Other creditors	85,064	55,295
Fee deposits	272,000	280,750
Advanced fees	1,809,571	1,901,355
Accruals	117,941	61,932
	<u>2,643,640</u>	<u>2,596,254</u>

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

	2020	2019
	£	£
Bank loans	<u>637,350</u>	<u>817,314</u>

Bank loans comprised amounts due within one year of £153,705 (2019: £120,000) and amounts due within 2-5 years of £637,350 (2019: £817,314). The loan is due to be repaid in full by 10 January 2025.

The bank loan is secured by a fixed charge over some of the company's freehold properties.

14. Financial instruments

	2020	2019
	£	£
<b>Financial assets</b>		
Financial assets measured at amortised cost (a)	<u>3,887,533</u>	<u>3,828,459</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost (b)	<u>1,927,786</u>	<u>2,325,975</u>

(a) Financial assets include cash, trade and fee debtors, other debtors and accrued income.

(b) Financial liabilities include deposits, fees in advance, trade creditors and other creditors.

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<b>15. Reconciliation of net movement in funds to net cash flow from operating activities</b>		<b>2020</b>	<b>2019</b>
		£	£
Net income for the period (as per Statement of Financial Activities)		<u><b>77,030</b></u>	<u><b>391,199</b></u>
<b>Adjustments for:</b>			
Depreciation charges		<b>329,649</b>	330,355
Dividends, interests and rents from investments		<b>(26,410)</b>	(9,738)
Loss on the disposal of fixed assets		<b>22,691</b>	-
Increase in debtors		<b>(50,380)</b>	(1,487,846)
Increase in creditors		<b>47,386</b>	1,569,434
Accrued (income)/expenses		-	(64,531)
<b>Net cash provided by operating activities</b>		<u><b>399,966</b></u>	<u><b>728,873</b></u>
<b>16. Analysis of cash and cash equivalents</b>		<b>2020</b>	<b>2019</b>
		£	£
Cash in hand		<u><b>3,887,533</b></u>	<u><b>3,828,459</b></u>
<b>17. Analysis of changes in net debt</b>			
	<b>At 1 September</b>	<b>Cash flows</b>	<b>At 31 August</b>
	<b>2019</b>		<b>2020</b>
	£	£	£
Cash at bank and in hand	<b>3,828,459</b>	<b>59,074</b>	<b>3,887,533</b>
Debt due within 1 year	<b>(120,000)</b>	<b>(33,705)</b>	<b>(153,705)</b>
Debt due after 1 year	<b>(817,314)</b>	<b>179,964</b>	<b>(637,350)</b>
	<u><b>2,891,145</b></u>	<u><b>205,333</b></u>	<u><b>3,096,478</b></u>

**18. Related parties**

During the year the company of a family member of key management supplied furniture and installation services totalling £200 (2019: £13,047). At year end £Nil (2019: £770) was included within creditors.

During the year family members of key management were employed by the school and received remuneration totalling £4,732.

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**19. Pension commitments**

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 £516,193 (2019: £363,106) and at the year-end £62,188 (2019 - £Nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020. As a result of the consultation, the government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

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

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

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