

Charity Registration No. 526609

Company Registration No. 00539636 (England and Wales)

C.P.S. (PRESTON) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

C.P.S. (PRESTON) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Registered Charity Name	C.P.S. (Preston) Limited
Operating Name	St Pius X Preparatory School
Trustees	Mr T Bashall Mr M Hurst Mrs A Fingleton Mrs G Golhar Dr R Luthra
Trustees who are Directors	Mr T Bashall Mr M Hurst
Secretary	Mr T Bashall
Charity number	526609
Company number	00539636
Registered office	200 Garstang Road Fulwood Preston Lancashire United Kingdom PR2 8RD
Auditor	Azets Audit Services Floor 1 Capital House 8 Pittman Court Pittman Way Fulwood Preston PR2 9ZG
Bankers	The Royal Bank of Scotland Plc 97 Fishergate Preston Lancashire PR1 2DP

C.P.S. (PRESTON) LIMITED

CONTENTS

	Page
Trustees report	1 - 8
Statement of trustees responsibilities	9
Independent auditor's report	10 - 12
Statement of financial activities	13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16 - 27

C.P.S. (PRESTON) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report and the audited financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Reference and administration details of the Charity, its Trustees and Advisors

The Legal and Administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (issued in 2015).

Structure, governance and management

The charity is a charitable company limited by guarantee and a registered charity governed by its memorandum and articles of association dated 23 October 1954, as amended by special resolutions passed 28 April 1955, 11 December 1971 and 28 April 2020.

Trustees and directors

The directors of the charitable company are also trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. As set out in the Articles of Association, the number of directors is limited to three and these are elected by the members of the charity attending the Annual General Meeting. The directors retire by rotation (and being eligible may be re-elected) at the Annual General Meeting.

All trustees give their time freely and no remuneration or expenses were paid in the year. No trustee or person connected with a trustee received any benefit from means tested awards.

The trustees who served during the year and since the year end are as follows:

Trustees who are also directors:

Mr T Balshall

Mr M Hurst

Trustees:

Mrs A Fingleton

Mrs A Morris

Mrs G Golhar

Dr R Luthra

Resigned 17 December 2021

C.P.S. (PRESTON) LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

Details of method of recruitment

The Board of Trustees always seeks to appoint new members of the Board with skill sets appropriate for the needs of the School.

Prospective trustees are invited to become members of the Board of Trustees. The prospective trustees who almost always will be selected from past parents. The prospective trustees are interviewed by the Chairman or other existing members of the Board to explain the responsibilities and commitment required of the trustees.

In the new financial year, the Board has invited nominations from parents and members of staff to appoint new governors. Again, these people will be interviewed and their responsibilities explained in detail.

Training will be provided to prospective trustees if they never had previous experience of such an appointment.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisation and Policies

Policies are determined, from time to time, by the governing body of the school, with regard to the Christian, moral, educational, cultural, sporting and social activities of the school.

Like all educational establishments the school has certain defined policies which are required by its Inspectors and Regulators. Policies are drawn up within the school and then approved by the Head and submitted to the Board of Governors, which will approve those policies. Since there are many policies, the approval process is often passed down to the Committees, where the Chair of the Committees will approve the policy to then be ratified at the full Board meeting.

The school is organised and administered by a governing body consisting of the Board of Governors, comprising all the trustees. The Board of Governors meets three times a year. The trustees who are not directors are appointed by the Board. The Board of governors may approach individuals to act as trustees when vacancies arise or when it is considered that the Board requires additional expertise in a particular area. Candidates are interviewed before being appointed. Policies are in place for the induction and training of trustees through the provision of various documents and mentoring.

There are also committees responsible for finance, education and staff, grounds and property, and business operations, managed by smaller groups of governors reporting to the board at the termly meetings. The school was managed and administered by the Head teacher, and staff on a day to day basis, who are responsible to the governing body.

Investment policy

Under the memorandum and articles of association the charity has the power to make any investments which the trustees see fit.

Related parties

There were no transactions with any related party other than the payment of key management personnel and trustee indemnity insurance.

C.P.S. (PRESTON) LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities

The objects of the charity are set out in paragraph 3 of the Memorandum of Association of the Company, the principal objective being referred to as follows:

"The carrying on of a school in the county of Lancashire, and the doing of all such other things as are incidental or conducive to the attainment of the above object."

In setting its objectives and planning its activities the Governors have given careful consideration to the Charity Commissions general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee charging.

St Pius X Preparatory School was founded in 1955 by a group of Catholic Preston businessmen. It is owned by CPS (Preston) Limited, and is a non-profit making charitable trust administered by a board of governors. The school is a member of the Independent Association of Preparatory Schools and is recognised by the Department of Education and Employment. It is co-educational and has a Catholic foundation, but welcomes children of all denominations and faiths.

St Pius X has a tradition of academic excellence and is committed to nurturing and enhancing each child's academic and social development. It is committed to safeguarding and promoting the welfare of its pupils. The charity aims to maintain its high standard of caring and academic success by continuing the current level of quality teaching and commitment by its staff.

The school provides a full nursery/primary/preparatory education for children between the ages of 2 and 11 years and welcomes children from all backgrounds. It operates three departments: EYFS, Key Stage 1 and Key Stage 2. The total number of children (excluding nursery) on the roll in June 2021 was 89 (2020: 92).

The school is academically successful, achieving a high pass rate to the area's leading state grammar schools and independent schools with many pupils gaining top scholarships. The leaving cohort gained places to the senior schools of their choice. The school registers for Key Stage 1 and Key Stage 2 Government SATs testing.

The school has a high sporting profile, covering a good number and wide range of sports for all children. Sport is played competitively and at club level. The school also operates a number of clubs linked to arts, music, drama STEM and Leadership etc.

Our ethos

CPS (Preston) Limited is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. Our fees are set at a level to ensure the financial viability of the School and at a level that is consistent with our aim of providing a first class education to boys and girls.

Our school welcomes pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that our school will be able to educate and develop the pupil to the best of their potential. Entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential pupils can benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of employees or pupils who are or become disabled.

Our school is committed to safeguarding and promoting the welfare of our pupils and expects all staff and volunteers to share this commitment.

C.P.S. (PRESTON) LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

Achievements and performance

The Board of Governors would like to publicly acknowledge the dedicated contribution and professionalism of the schools teaching staff and significant contribution made by all of the ancillary staff without whom the school would not have achieved the year's success.

Academics

- The academic year 2020/21 showed ongoing and further success for our Year 6 pupils with outstanding results to Grammar Schools and Independent Senior Schools.
- 5 Grammar School places were achieved by our pupils
- 8 pupils, also passed the entrance exams to senior independent schools, and accepted those places.
- SATs exams were cancelled Nationally, in line with Covid-19 impacts on External Examinations.
- Since January 2021 the school has further overhauled, extended and enriched the timetabled curriculum throughout the EYFS, Key Stage 1 and Key Stage 2 areas.

Performing & Creative Arts

- Many children play different musical instruments and we have a School Choir and an orchestral instrumental ensemble. All children currently access at least 70 minutes of music-related curriculum per week.
- All Children leave St Pius evidencing a wide ranging musical awareness.
- The school held a Christmas Carol Service at school, following the C-19 restrictions: it was not open to the public but was enjoyed for its musical excellence.
- All children participate in public performances throughout the year, from our youngest pupil in the EYFS to school leavers at the end of Key Stage 2. Virtual opportunities have maintained this enrichment.
- Drama, dance and poetry recitation has been added to our aesthetics programme during the year for all pupils. Performances with invited audiences from the neighbourhood ran in the Autumn Term and virtually thereafter. Productions exhibit amalgamation of creative and performing arts skills, giving opportunities to all pupils throughout the school. Since September 2020 the school has introduced a specific curriculum lesson of Speech & Drama to enhance this provision.
- Speech and Drama is a curriculum subject. This has been a huge success and our school is registered as an examination centre for New Era Academy Drama and Music Exams for our children. The school freely provides the facility for our children and when required, local children from other schools, to take their ballet and musical theatre Royal Ballet exams at our school. (This has been restricted since Covid-19).

Sport & Outdoor Education

- Our aim is to be all inclusive and offer optimum sporting opportunity to all children, along with health and fitness at all levels. Outdoor Education and Forest School have been successfully introduced.
- The school has hosted football and netball matches and tournaments for independent and state school children. The school makes the facility for the children to go on 2 day tours to play against independent and state schools.
- The School has introduced Fitness and Wellbeing to lead on best practice in Mental & Physical Health.
- Younger and older children participate in organised festivals and tournaments across the region, enabling a healthy awareness of competitive skills.
- The school is currently investigating the opportunity to apply for 'Sports-mark' status, to live alongside our recently attained SMSC Gold Award.

Community Access

- The school sees itself as part of the wider community – this is reflected in the provision of a heart defibrillator attached to our property for the use of by the general public.
- Our children frequently use the local area for investigative purposes as part of their studies – including urban and natural environments. We are frequently seen in the Community visiting and singing carols for the nearby community of nuns and providing service and entertainment for the elderly in the area (continued virtually since March 2020).

C.P.S. (PRESTON) LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

Charity

- The school provides food for the Ingol (Preston) food bank (Share IT) twice a year as part of our Lenten Charity and Cafod Harvest Charity.
- The school finances a school in Nepal under the Pahar Trust. The children hold a Christmas charity day and initiate their own stalls and fund raising ideas to try to achieve their targets for the school: previously a new roof, new furniture, writing resources, staff provision etc.
- The school children choose their own annual charity to support – this becomes an anchored spotlight for specific fundraising where delegates from each class propose an aid-organisation. After a rigorous elective process, the majority vote chosen for the year 2020/2021 was the NSPCC.
- The school continues develop each and every child's individual awareness of authentic Gospel values. These principles, woven together by loving God and neighbour, enables our charitable giving to become part of our DNA – calling us to work towards the common good.

Additional

- The school offers an annual 3-day retreat for its Year 6 pupils at Ampleforth College, where the pupils spend time team building, taking part in outdoor activities and meditation (postponed due to COVID-19 in Spring).
- The school also takes its Y4 pupils on a 2-day residential adventure trip using community facilities of a nearby school at Patterdale Hall in the Lake District (postponed due to COVID-19 in Spring).
- Children are also invited by the school to participate in two separate residential sport tours – football and netball – to experience different venues in and around the York area.
- The Curriculum has recently been enhanced by the introduction of '4 Pillars of Learning': Outdoor Education, Forest School, Mindfulness, Sign Language all support the strong Academic credentials.
- From January 2020 the school appointed a new Headmaster and a review of finance, operations and management has provided strategic direction and structure for marketing, growth and development.

Financial review

The school has had a weaker year from a financial perspective compared to last years. A reduction in government support along with a fall in pupil numbers has resulted in a deficit of £107,131 compared to £51,879 in the previous year.

The school has been experiencing a fall in pupil numbers in recent years but this has now slowed, with retention improving. The governors are very mindful of the fall in pupil numbers overall and expenditure is being reduced to compensate for this. The governors are currently undertaking steps to address both of these issues.

The governors are pleased to report that the school now has a more realistic leadership structure in place. There is clearly now a school with two unified departments, with both departments (EYFS and Main School I-VI) being led by very well-experienced managers.

This has allowed departmental budgets to be centralised providing better control.

It takes time for a new Head to settle into the running of the school and to work on the development plans and therefore, the governors are looking towards a two-year period to consolidate this position and increase school numbers.

The governors' development plan is to re-establish a two form entry. This will, over a five-year period, return the numbers in the school to where they should be to provide a stable and successful school.

C.P.S. (PRESTON) LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

The school's fee collection policy has again proved to be satisfactory, however, the school ended the year with negative cash funds of £47,702 due to the deficits. The school has secured a bank overdraft of £200,000 which is in place until January 2023, now reviewed annually, and we will be able to operate within this.

Our Parents Association have been dormant during the Pandemic but in the coming year we anticipate a reformation and a return to generous donations of the past.

Impact of COVID-19

Since February/March 2020 the world has been impacted by the COVID-19 pandemic. St Pius X has responded in line with government guidelines and has made our community COVID-19 aware. We continue to modify our health and safety policy in accordance with public health guidance to ensure the safety of staff and pupils is of the highest standard.

During the time the school was forced to close from the end of March 2020, we have continued to provide an education to pupils by implementing Firefly. Through Firefly we have been able to provide a 1st class online education to our pupils.

School fees have continued to be received in full, and discounts have been offered where appropriate. We have restructured our fees with effect from September 2020 to make it more affordable from Early Years to Year 6. The long-term impact of COVID-19 on future pupil numbers remains unknown but we consider our self well placed to attract new pupils in the future. The Fees will be reviewed by Governors in the Spring term 2022.

We have continued to reduce costs where possible which has been assisted by the governments Job Retention Scheme and have obtained additional financial support of £50,000 through the Coronavirus Business Interruption Loan Scheme. We consider the overall financial impact to be manageable and we don't envisage that it will have any negative impact on the school's future plans.

Family Discounts Policy

To underline the value placed on continuity for families, the Trustees offer discounts where parents have more than one child in the school. Discounts are also offered to members of staff whose children wish to come to the school.

Bursary, Access & Public benefit

It is important to us that access to the education we offer is not restricted to those who can afford our fees. We believe our pupils benefit from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experiences which helps our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

The Trustees approved a bursary scheme (community award) which was introduced in September 2009. The award is advertised each Spring in the local press, schools and churches and continues to benefit families who would not otherwise be able to afford the fees and therefore access the education offered by St. Pius X.

The trustees have paid due regard to the guidance of the Charity Commission on Public Benefit in deciding what activities the charity should undertake. The trustees are aware of their responsibilities in this respect. The bursary scheme, referred to above, is intended to provide Public Benefit. The trustees intend to provide appropriate services and facilities to comply with the "Public Benefit" requirements.

Details on amounts awarded through the bursary scheme can be found in note 3 to the accounts.

C.P.S. (PRESTON) LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

Family Discounts Policy

To underline the value placed on continuity for families, the Trustees offer discounts where parents have more than one child in the school.

The Governors have resolved that from September 2016 onwards, they are pleased to offer discounts to members of staff whose children wish to come to the school. Governors see this as a very positive move to both retain and attract new teaching staff and at the same time extend the benefit to families who might otherwise not provide private education to their children.

Bursary, Access & Public benefit

It is important to us that access to the education we offer is not restricted to those who can afford our fees. We believe our pupils benefit from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experiences which helps our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

The Trustees approved a bursary scheme (community award) which was introduced in September 2009. The award is advertised each Spring in the local press, schools and churches and continues to benefit families who would not otherwise be able to afford the fees and therefore access the education offered by St. Pius X.

The trustees have paid due regard to the guidance of the Charity Commission on Public Benefit in deciding what activities the charity should undertake. The trustees are aware of their responsibilities in this respect. The bursary scheme, referred to above, is intended to provide Public Benefit. The trustees intend to provide appropriate services and facilities to comply with the "Public Benefit" requirements.

Details on amounts awarded through the bursary scheme can be found in note 3 to the accounts.

Reserves policy

The governors regularly review the finances, budgets and spend against budget together with a monthly cash flow analysis as part of the effective stewardship of the School.

As shown on the Balance Sheet the free reserves are currently in deficit of £269,985. This is as a result of operating at a deficit in recent years. Plans have been put in place to manage expenditure for the forthcoming year. Whilst the reserves are not of the level we seek to maintain, the trustees consider with continued support from the bank and forecasts being achieved, the reserves will be adequate in the short term. The trustees are however fully aware that the level of free reserves, together with the reduction in pupil numbers, makes for a challenging environment.

The governors recognise that the level of reserves has reduced in recent years and arrangements are in place with our bank to bridge any short term deficits in cash flow.

C.P.S. (PRESTON) LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

Risk Management

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The main risk faced by the school are the uncertainties of the future school numbers since this is the major funding source.

The trustees are aware of this risk and monitor this on a regular basis in line with school numbers and produce forecasts in order to determine the extent of risks in respect of future years. The economic climate currently has certainly affected parents' ability to choose private school education and the school has received a more than usual number of requests for financial assistance under the school's bursary/community fund provision. This is not an open chequebook for parents but occasionally there are some significantly deserving cases where the school is able to help with the provision of school fees.

Trustees are constantly looking at ways of promoting the school, in particular the school's track record on entrance success to senior schools which has been remarkably good over recent years.

The school has enjoyed good liquidity of recent years though with the anticipated fall off of pupil numbers, the trustees have sought to mitigate the cashflow risk by seeking bank support as a short term solution.

The Trustees have put in place policies concerning Health and Safety and in particular the risk to children's safety both on site and from external sources.

The school operates on a "secure perimeter" which protects children for the whole time they are at school.

Auditor

The auditor, Azets Audit Services, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees report was approved by the Board of Trustees.

Signed on behalf of the trustees

Mr M Hurst
Trustee

Dated: 31 May 2022

C.P.S. (PRESTON) LIMITED

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees, who are also the directors of C.P.S. (Preston) Limited for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

C.P.S. (PRESTON) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF C.P.S. (PRESTON) LIMITED

Opinion

We have audited the financial statements of C.P.S. (Preston) Limited (the 'charity') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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.

Material uncertainty related to going concern

We draw attention to Note 1.2 in the financial statements, which indicates that the company incurred a net deficit of £107,131 during the year ended 31 August 2021. As stated in Note 1.2, the underlying reasons for the deficit are being addressed, but these conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

We have nothing to report in this regard.

C.P.S. (PRESTON) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF C.P.S. (PRESTON) LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees report, which includes the directors' 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 directors' report included within the trustees report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in 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 accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 charity'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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

C.P.S. (PRESTON) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF C.P.S. (PRESTON) LIMITED

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 design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Julie Flintoff BA(Hons) FCA (Senior Statutory Auditor)

**For and on behalf of
Azets Audit Services
Statutory Auditor
Preston**

Date: 31 May 2022

C.P.S. (PRESTON) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	2	7,360	-	7,360	625	-	625
Charitable activities	3	871,510	61,748	933,258	925,395	68,613	994,008
Other trading activities	4	13,568	-	13,568	8,906	-	8,906
Investments	5	1	-	1	12	-	12
Other income	6	8,298	-	8,298	46,899	-	46,899
Total income		900,737	61,748	962,485	981,837	68,613	1,050,450
<u>Expenditure on:</u>							
Charitable activities	7	1,006,258	61,748	1,068,006	1,033,716	68,613	1,102,329
Other	11	1,610	-	1,610	-	-	-
Total resources expended		1,007,868	61,748	1,069,616	1,033,716	68,613	1,102,329
Net expenditure for the year/ Net movement in funds		(107,131)	-	(107,131)	(51,879)	-	(51,879)
Fund balances at 1 September 2020		1,166,180	-	1,166,180	1,218,059	-	1,218,059
Fund balances at 31 August 2021		1,059,049	-	1,059,049	1,166,180	-	1,166,180

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

C.P.S. (PRESTON) LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		1,329,034		1,410,832
Current assets					
Debtors	13	68,732		60,168	
Cash at bank and in hand		339		284	
		69,071		60,452	
Creditors: amounts falling due within one year	15	(297,688)		(253,851)	
Net current liabilities			(228,617)		(193,399)
Total assets less current liabilities			1,100,417		1,217,433
Creditors: amounts falling due after more than one year	16		(41,368)		(51,253)
Net assets			1,059,049		1,166,180
Income funds					
<u>Unrestricted funds</u>					
Designated funds	19	712,647		782,424	
General unrestricted funds		(269,985)		(244,653)	
Revaluation reserve		616,387		628,409	
			1,059,049		1,166,180
			1,059,049		1,166,180

The financial statements were approved by the Trustees on 31 May 2022

Mr M Hurst
Trustee

Company Registration No. 00539636

C.P.S. (PRESTON) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	25		33,503		40,845
Investing activities					
Purchase of tangible fixed assets		(6,061)		(33,823)	
Proceeds on disposal of tangible fixed assets		190		-	
Interest received		1		13	
Net cash used in investing activities			(5,870)		(33,810)
Financing activities					
Bank loan		(1,775)		50,000	
Net cash (used in)/generated from financing activities			(1,775)		50,000
Net increase in cash and cash equivalents			25,858		57,035
Cash and cash equivalents at beginning of year			(73,221)		(130,256)
Cash and cash equivalents at end of year			(47,363)		(73,221)
Relating to:					
Cash at bank and in hand			339		284
Bank overdrafts included in creditors payable within one year			(47,702)		(73,505)

C.P.S. (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

C.P.S. (Preston) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is St. Pius X School, 200 Garstang Road, Fulwood, Preston, Lancashire, PR2 8RD, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

As described in the Trustees Report, the School has had a difficult financial year, resulting in a net deficit of £107,131 (2020: £51,879). Steps are being taken to address this issue. The School has net current liabilities of £228,617 (2020: £253,851).

The trustees have prepared annual forecasts covering to 31 August 2025. At the time of approving the financial statements, the forecasts to 31 August 2023 demonstrate that the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, subject to the continued support of the bank in the form of an overdraft. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

C.P.S. (PRESTON) LIMITED

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

1 Accounting policies

(Continued)

1.4 Incoming resources

Income from charitable activities comprises school fees, net of community awards, and related receipts, accounted for in the period in which the service is provided. Fees for education to be provided in the next academic year are carried forward as deferred income in the balance sheet.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised in the period in which they are received.

Voluntary income including, gifts and donations received for the general purposes of the charity are included in unrestricted funds when received. Where these comprise of donated fixed assets, they are included at market value.

Investment income is recognised on a receivable basis.

1.5 Expenditure

Expenditure is accounted for on an accruals basis, including VAT which cannot be recovered.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, external audit, and all the costs of complying with constitutional and statutory requirements, such as costs of Governors meetings and of preparing statutory accounts and satisfying public accountability.

Support costs and governance costs have been allocated to charitable activities as there is only one main activity undertaken by the Charity.

1.6 Tangible fixed assets

Tangible fixed assets are included in the balance sheet at cost or at market value at the date of the gift (if assets gifted), except for freehold property which is included at market value as at 27 February 1990 together with any additions at cost since the valuation date. Assets with a value of less than £500 are not capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	10% Straight Line
Office & maintenance equipment	15 - 33% Straight Line
Motor vehicles	25% Straight Line

Freehold land is not depreciated.

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

C.P.S. (PRESTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.8 Cash at bank

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

1.9 Financial instruments

The charity only has financial assets (debtors, cash and bank balances) and financial liabilities (creditors and accruals) 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.

1.10 Employee benefits

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

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

1.11 Pension costs

The charity contributes to the Teachers' Pension Scheme (the "TPS") Scheme for the teaching staff.

The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the school. Therefore in accordance with FRS 102, the scheme is accounted for as a defined contribution scheme (see note 20).

The Charity also contributes to a defined contribution scheme for certain non-teaching staff. Contributions to both schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

1.12 Leases

Rentals payable are charged to the Statement of Financial Activities as incurred over the term of the lease.

1.13 Irrecoverable VAT

The charity is not registered for Value Added Tax and accordingly expenditure is shown including irrecoverable Value Added Tax where appropriate.

1.14 Taxation

The school is a registered charity and as such is entitled to tax exemptions on all its income and gains, properly applied for its charitable purposes.

C.P.S. (PRESTON) LIMITED

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

2 Donations and legacies

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Donations and gifts		
Parent society	6,360	625
Donations	1,000	-
	<u>7,360</u>	<u>625</u>

3 Charitable activities

	2021 £	2020 £
Gross fees	976,681	1,037,118
Less: Community awards	(43,423)	(43,110)
	<u>933,258</u>	<u>994,008</u>
Analysis by fund		
Unrestricted funds	871,510	925,395
Restricted funds	61,748	68,613
	<u>933,258</u>	<u>994,008</u>

4 Other trading activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Uniform sales	1,171	180
Hire of facilities	2,770	77
Other income	9,627	8,649
	<u>13,568</u>	<u>8,906</u>

C.P.S. (PRESTON) LIMITED

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

5 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	1	12

6 Other income

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Net gain on disposal of tangible fixed assets	190	-
Job Retention Scheme	8,108	46,899
	8,298	46,899

7 Charitable activities

	2021 £	2020 £
Teaching, books and school meals	537,047	586,442
Non-teaching staff costs	229,908	221,795
School overheads and maintenance	193,467	191,132
Bad debts	812	(1,984)
Depreciation	87,859	92,231
Audit and accountancy services	18,913	12,713
	1,068,006	1,102,329
Analysis by fund		
Unrestricted funds	1,006,258	1,033,716
Restricted funds	61,748	68,613
	1,068,006	1,102,329

C.P.S. (PRESTON) LIMITED

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

8 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2021 £	2020 £
Audit services	9,850	10,068
Accountancy services	2,863	10,236
	<u>12,713</u>	<u>20,304</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Teachers and assistants	23	26
Administration	2	3
Domestic	6	7
	<u>31</u>	<u>36</u>

Employment costs

	2021 £	2020 £
Wages and salaries	628,729	620,278
Social security costs	51,331	47,175
Other pension costs	27,866	58,850
	<u></u>	<u></u>

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

	2021 Number	2020 Number
£60,000 to £70,000	<u>1</u>	<u>1</u>

C.P.S. (PRESTON) LIMITED

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

11 Other

	2021	2020
	£	£
School uniform costs	1,610	-

12 Tangible fixed assets

	Freehold land and buildings	Office & maintenance equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 September 2020	2,496,627	263,163	42,341	2,802,131
Additions	956	5,105	-	6,061
Disposals	-	-	(13,507)	(13,507)
At 31 August 2021	2,497,583	268,268	28,834	2,794,685
Depreciation and impairment				
At 1 September 2020	1,114,532	234,426	42,341	1,391,299
Depreciation charged in the year	70,810	17,049	-	87,859
Eliminated in respect of disposals	-	-	(13,507)	(13,507)
At 31 August 2021	1,185,342	251,475	28,834	1,465,651
Carrying amount				
At 31 August 2021	1,312,241	16,793	-	1,329,034
At 31 August 2020	1,382,095	28,737	-	1,410,832

In respect of the freehold property stated at valuation, the comparable historical cost and depreciation values are as follows:

	2021	2020
	£	£
Cost	1,496,491	1,495,535
Accumulated depreciation	(800,637)	(741,850)
Carrying value	695,854	753,685

The bank holds a legal charge over the freehold land and buildings, although there is no loan or mortgage outstanding to the bank. The freehold property was revalued at market value on 27 February 1990 by Hurst Dean Ainsworth Kevill, Chartered Surveyors. The valuation of £1,250,000 included £400,000 relating to land, which is not depreciated. The charity elected to use the valuation as deemed cost on transition to FRS102. Additions since the date of valuation have been included at cost.

C.P.S. (PRESTON) LIMITED

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

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
School fees	29,549	34,090
Other debtors	119	119
Prepayments	39,064	25,959
	<u>68,732</u>	<u>60,168</u>

14 Loans and overdrafts

	2021 £	2020 £
Debenture loans	2,705	2,705
Bank overdrafts	47,702	73,505
Bank loans	48,225	50,000
	<u>98,632</u>	<u>126,210</u>
Payable within one year	57,264	75,075
Payable after one year	41,368	51,135
	<u></u>	<u></u>
Amounts included above which fall due after five years:		
Payable by instalments	-	8,722
	<u></u>	<u></u>

The RBS bank loan is guaranteed by the UK Government under the Bounce Back Loan Scheme.

The bank holds a freehold 1st legal charge over the land and buildings known as 200 Garstang Road to secure the overdraft.

Debenture loans represent mortgage debentures that provide for interest to be charged at 4%. For some years no payment of interest has been made, and it is the practice to make payment of interest only when a request for payment is received from a debenture holder. No provision has been made for any outstanding liability at 31 August 2021.

C.P.S. (PRESTON) LIMITED

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

15 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans and overdrafts	14	57,264	75,075
Other taxation and social security		17,327	14,592
Deferred income	17	19,990	36,604
Trade creditors		32,021	85,250
Other creditors		149,759	14,752
Accruals and deferred income		21,327	27,578
		<u>297,688</u>	<u>253,851</u>

16 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	14	38,663	48,430
Other borrowings		2,705	2,705
Other creditors		-	118
		<u>41,368</u>	<u>51,253</u>

17 Deferred income

	2021 £	2020 £
Arising from school fees invoiced in advance	<u>19,990</u>	<u>36,604</u>

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of charitable activities held on trust for specific purposes:

	Movement in funds			
	Balance at 1 September 2020	Incoming resources	Resources expended	Balance at 31 August 2021
	£	£	£	£
EHCP Funding	<u>-</u>	<u>61,748</u>	<u>(61,748)</u>	<u>-</u>

EHCP Funding (Education, Health and Care Plan) is restricted funding to be spent on specific children to meet their special educational needs.

C.P.S. (PRESTON) LIMITED

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

19 Designated funds

	Balance at 1 September 2020 as restated £	Resources expended £	Transfers £	Balance at 31 August 2021 £
Property Asset Fund	782,424	(87,859)	18,082	712,647
	<u>782,424</u>	<u>(87,859)</u>	<u>18,082</u>	<u>712,647</u>

The 'Property Asset Fund' is the value of the unrestricted funds already spent on tangible fixed assets of the charity.

The resources expended of £87,859 represents the depreciation charge in the current year.

The transfer of £18,082 from free reserves is in respect of £6,061 spent on fixed assets in the current year and £12,022 which represents an amount equal to the excess depreciation charge on revalued assets over the historical cost depreciation charge. This amount is transferred annually from the revaluation reserve to designated funds.

The revaluation reserve arises from the valuation of the freehold property in 1990.

The value of 'Property Asset Fund' of £712,647 together with the revaluation reserve of £616,387 represent the total value of the fixed assets of the charity - £1,329,034 (note 11).

20 Analysis of net assets between funds

	General Fund 2021 £	Revaluation reserve 2021 £	Total 2021 £	General Fund 2020 £	Revaluation reserve 2020 £	Total 2020 £
Fund balances at 31 August 2021 are represented by:						
Tangible assets	712,647	616,387	1,329,034	782,423	628,409	1,410,832
Current assets/ (liabilities)	(228,617)	-	(228,617)	(193,399)	-	(193,399)
Long term liabilities	(41,368)	-	(41,368)	(51,253)	-	(51,253)
	<u>442,662</u>	<u>616,387</u>	<u>1,059,049</u>	<u>537,771</u>	<u>628,409</u>	<u>1,166,180</u>

C.P.S. (PRESTON) LIMITED

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

21 Pensions

Up until September 2020, the School participated in the Teachers' Pension Scheme (TPS) for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2,841 (2020: £48,596) and at the year-end £Nil (2020: £13,116) was accrued in respect of contributions to this scheme. The pension charge also includes £(5,821) (2020: £Nil) in respect of contributions due for previous years.

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 Charity also runs schemes for certain teaching and non-teaching staff, which are defined contributions scheme managed by NEST, St James Place and Aviva. The cost for the year represents the Charity's contributions to those scheme of £30,846 (2020: £10,253).

22 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	5,054	5,054
Between two and five years	11,473	16,528
	<hr/>	<hr/>
	16,527	21,582
	<hr/>	<hr/>

C.P.S. (PRESTON) LIMITED

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

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	76,642	74,278

During the year insurance premiums of £4,478 (2020: £2,100) were paid by the school in respect of indemnity insurance for the Governors.

24 Company limited by guarantee

The charity is a company limited by guarantee and has no share capital. The liability of members in the event of a winding up is limited to £1 per member.

25 Cash generated from operations

	2021 £	2020 £
Deficit for the year	(107,131)	(51,879)
Adjustments for:		
Investment income recognised in statement of financial activities	(1)	(12)
Gain on disposal of tangible fixed assets	(190)	-
Depreciation and impairment of tangible fixed assets	87,859	92,231
Movements in working capital:		
(Increase) in debtors	(8,564)	(19,247)
Increase in creditors	78,144	57,450
(Decrease) in deferred income	(16,614)	(37,698)
Cash generated from operations	33,503	40,845

26 Analysis of changes in net (debt)/funds

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	284	55	339
Bank overdrafts	(73,505)	25,803	(47,702)
	(73,221)	25,858	(47,363)
Loans falling due within one year	(1,570)	(7,992)	(9,562)
Loans falling due after more than one year	(51,135)	9,767	(41,368)
	(125,926)	27,633	(98,293)