

# THE NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED

England & Wales · Charity number 528152

## Details

---

Status	Registered
Legal form	Charitable company
Company number	<a href="#">00668983</a>
Registered	1964-09-22
Register	<a href="#">View on the Charity Commission register</a>

## Contact

---

Address	Newcastle Preparatory School 6 Eslington Road Newcastle Upon Tyne NE2 4RH
Phone	01912811769
Email	<a href="mailto:office@newcastleprep.co.uk">office@newcastleprep.co.uk</a>
Website	<a href="http://www.newcastleprepschool.org.uk">www.newcastleprepschool.org.uk</a>

## Activities

---

**Objects:** A SCHOOL OR SCHOOLS FOR THE EDUCATION OF CHILDREN

**Activities:** The provision of education for boys and girls age 3 to 11

## Classification

---

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

## Geography

---

- Newcastle Upon Tyne City

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£3,541,345	£3,339,929	£3,215,283	48
2024-08-31	£3,744,004	£3,392,029	£3,013,867	48
2023-08-31	£3,507,958	£3,188,333	£2,661,892	46
2022-08-31	£3,037,323	£2,931,911	£2,342,267	44
2021-08-31	£2,661,918	£2,598,687	£2,236,855	42
2020-08-31	£2,715,385	£2,660,923	£2,173,624	45

## Trustees

Name	Role	Appointed
Andrew James Pearson		2020-03-16
Anna Louise Scott		2024-07-04
Claire Louise Winskell		2018-10-24
Dr Rahul Bajekal		2018-10-24
Georgina Helen Lilian Lester		2024-07-04
Jasbir Bal		2022-03-21
Paul Harry Hewitson		2018-10-24
Susan Blair		2018-04-12

**THE NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED**

England & Wales - Charity number 528152

---

# Accounts

---

**Charity registration number 528152 (England and Wales)**

**Company registration number 00668983**

**NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2025**

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## LEGAL AND ADMINISTRATIVE INFORMATION

---

**Trustees And Governors**

A L Scott  
G H L Lester  
R R Bajekal  
S Blair  
J Bal  
A Pearson  
P Hewitson  
C L Winskell

**Secretary**

Susan Easton

**Charity number**

528152

**Company number**

00668983

**Registered office**

6 Eslington Road  
Jesmond  
Newcastle upon Tyne  
Tyne & Wear  
NE2 4RH

**Auditor**

Azets Audit Services  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

**Bankers**

Barclays PLC  
7 Market Street  
Newcastle upon Tyne  
NE1 6JN

**Solicitors**

Sintons  
The Cube  
Barrack Road  
Newcastle Upon Tyne  
Tyne And Wear  
United Kingdom  
NE4 6DB

---

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## CONTENTS

---

	<b>Page</b>
Trustees' report	1 - 5
Statement of Trustees' responsibilities	6
Independent auditor's report	7 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 26

---

# **NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

### ***FOR THE YEAR ENDED 31 AUGUST 2025***

---

The Trustees and Governors present their annual report and financial statements for the year ended 31 August 2025.

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, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

#### **Objectives and activities**

The company was set up under a Trust Deed to establish a school or schools for the education of children.

The income and property of the company, whensoever derived, shall be applied solely towards the promotion of the objects of the company as set forth in the Memorandum of Association.

The Trustees and Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

#### **Public Benefit**

##### Bursaries and Hardship Awards

During the year, 10 pupils received a bursary award ranging from 50% to 100%. The value of means-tested bursaries and hardship awards (excluding other discounts) was £100,680. This allowed children to access educational provision they otherwise would not have been able to or allowed for educational consistency and continuity when financial circumstances changed within the family.

##### Partnerships and Collaboration

The school have furthered links with organisations and schools in the locality. This has involved hosting events, such as an Orchestra Explorers scheme of work and free concert, robotics days and chess. These events included pupils from a range of local schools in Newcastle, North Tyneside and Northumberland.

##### Community Services

NPS is keen to support and engage with the wider community. The Northumbria Junior Chess Association held competitions on the School's premises and a member of staff acted in a capacity as Trustee during the year giving his time and expertise on a voluntary basis.

The School supported the Jesmond Festival by providing an exhibition of children's work. participating in events at Jesmond library and providing prizes for various competitions throughout the year.

Children have visited the local care home, Fleming Court, to share songs and reading with the residents. Children from the choir also visited the retirement apartments at Jesmond Pegasus Assembly to share a short concert and communal singing.

Members of staff volunteer in a variety of roles, including as a governor at a local special school and a cook at the People's Kitchen.

The School has formed an association with North Tyneside Steam Railway Association and regularly lends and donates items of equipment.

The school offers placements for student teachers and work experience placements for pupils from local schools.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2025**

---

A community champion is appointed from current staff to raise the profile of community partnerships. Links are being formed with local nurseries and a survey has been circulated to local primary schools to provide outreach of interest in the forthcoming year.

### Charitable Giving

As a result of charity fundraising events within the school, a total of £5,953 was donated to charity.

The trustees confirm that they have complied with the requirements of Section 17 of the Charities Act 2011 to have due regards to the public benefit guidance published by the Charities Commission for England and Wales.

### Funding Disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

### Risk Management

The trustees are responsible for keeping accounting records and safeguarding the assets of the charity. The programme for re-assessing the major risks to which the charity is exposed is continuing, in particular those relating to the operations and finances of the charity and the trustees are satisfied that systems are being put in place to mitigate the exposure to the major risks.

### **Strategic report**

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees and Governors to present a strategic report.

### **Achievements and performance**

#### Leadership and Management

The leadership and management of the school has remained stable over the year, with subject lead and school development co-ordinators contributing to the planning and implementation of new targets.

All staff are involved in the school development planning and subject leads create subject-specific action plans. The monitoring and evaluation of teaching and learning is also managed by the subject leads with oversight from senior leaders.

#### Resources and Opportunities

Investment was made into the following resources and opportunities to enhance the educational experience of children in the school:

- A new series of themed weeks was introduced to offer more cross-curricular topics, open exploration and community events.
- Celebration of the 140th anniversary of the school, including increased opportunities for community and alumni engagement.
- Staff took part in a sequence of NACE CPD, embedding good practice and contributing to action research projects.
- Further health and wellbeing services for pupils and families were introduced.
- Nursery participated in the EEF trial of NELI, an early literacy programme.
- Children in Year 3 were offered half a term of free instrument lessons.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

---

#### Building and Facilities Development

The nature of our historic site means that regular repairs and renovations are necessary to ensure that we provide a modern, inspiring and purposeful environment for children to learn. The following developments took place:

- Repairs to more of the sash windows to allow better airflow in classrooms.
- Redevelopment of the front gardens to provide more space to play in at the front and side of the school building.
- Renovation of the senior cloakroom into a more open and organised space.

#### Community

In addition to the public benefit community actions listed above, the following improvements were implemented:

- A regularly reviewed calendar of social events for parents and families to increase a sense of community, including community cinema, local walk, coffee mornings and a summer picnic.
- Gallery event at Jesmond Library, showcasing children's work produced with a local artist.
- Whole school history exhibition and musical showcase events.
- Looked at issues of sustainability and the environment relating to the school including working with a whole school Eco Committee to implement initiatives and communicate with the governing board.
- EYFS formed remote links with two schools in India, Pine Hall in Saharanpur and DWPS Ajmer in Rajasthan.

#### **Financial review**

The financial position for the year shows a surplus of £201,416 (2024 - £351,975). The Trustees and Governors consider the financial position of the charity to be sound.

#### *Going concern*

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

#### *Reserves policy*

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent to two to three months' salary costs, which would equate to holding approximately £500,000 in free reserves. The trustees continue to keep funding under review to ensure that, in the absence of free reserves, sufficient funding is available to cover the School's working capital requirements.

At the year end, free reserves were £2,385,142 (2024: £2,167,389) an increase of £217,753 in the year.

The trustees' long term policy is to continue to build up reserves by means of annual operating surpluses when available, in order to develop financial resilience and fund investment in the assets of the school.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2025**

---

### *Investment policy*

The Charity funds are controlled by the Trustees, who invest with a view to maximising annual investment income while maintaining capital growth in line with market trends, within the confines of our risk appetite. At present, the school does not hold any stocks and shares and manages any surplus funds via a higher rate interest account linked to the current bank account. The attached financial statements show the current state of finances which the trustees consider to be satisfactory.

### *Market value of land and buildings*

The School freehold properties were last revalued on 31st August 1988 and the valuation incorporated in the financial statements. The trustees are of the opinion that the current market value of the School freehold properties is not less than the carrying value and took advantage of the transitional provisions of FRS15 to leave property at its 1988 valuation. No further changes were made since the adoption of FRS102.

### **Plans for future periods**

#### Aims and key objectives for future periods

Our school, located in the popular residential area of Jesmond, is full of children who love learning, have a strong sense of self and feel inspired to make a difference.

The school aims to provide an **inspiring** environment in which pupils feel secure and can grow in confidence, self-esteem and experience **success**. Furthermore, it aims to create a friendly, caring community, established on mutual **respect**, where every individual is valued and **included**; to encourage pupils to confidently **explore** a broad curriculum, relish a **challenge** and, working in partnership with families, reach their full potential in all aspects of life.

Specific objectives for future development include:

- Continue celebration and recognition of the school's 140th anniversary.
- Review assessment and moderation tool use across the school.
- Completion of nursery playground door project to allow for increased continuous provision and free flow.
- Increasing the outreach programme of events in response to the survey shared with state primary partnership schools.
- Development of outdoor play spaces.

### **Structure, governance and management**

The Charity is a company limited by guarantee and its governing document is its Memorandum and Articles of Association dated 31st August 1960, last amended by special resolution dated 13th March 2006.

The governing body of the company is a board of trustees which meets on a regular basis throughout the year to decide overall financial and policy matters.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2025**

---

A L Scott  
G H L Lester  
R R Bajekal  
S Blair  
J Bal  
A Pearson  
P Hewitson  
C L Winskill

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

Most members are already familiar with the practical work and objectives of the charity bringing their own relevant and unique skills.

Members are actively encouraged to, and do, attend the regular trustee meeting to ensure they are always up to date with the latest activities of the trust. Members are also encouraged to and do attend relevant seminars and training.

The Board, who give their time freely and no Trustees received remuneration in the year, have considered, who are Key Management Personnel (KMP) of the charitable company, as noted in the Related Party Transactions note. Together with the Board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis.

The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The Trustees' benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with budget and forecast information, ensuring that the charitable company can afford any proposed increases. The Board then agree any uplift to remuneration.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

### **Disclosure of information to auditor**

Each of the Trustees and Governors 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, including the strategic report, was approved by the Board of Trustees And Governors.

Signed by:  
  
.....503387DF040C464.....

S Blair

**Trustee**

18 March 2026

Date: .....

# **NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 AUGUST 2025***

---

The Trustees and Governors, who are also the directors of Newcastle Preparatory School Trust Limited (The) 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 and Governors 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 and Governors 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 and Governors 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.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

---

#### Opinion

We have audited the financial statements of Newcastle Preparatory School Trust Limited (The) (the 'Charity') for the year ended 31 August 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *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.

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity'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 and Governors 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 and Governors 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.

#### 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 for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

# **NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)**

---

#### **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 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 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 and Governors**

As explained more fully in the statement of Trustees' responsibilities, the Trustees and Governors, 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 and Governors 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 and Governors 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 and Governors 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.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

---

#### **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.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; Independent Schools Inspectorate; employment laws; and compliance with the UK Companies Act and Charities Act.

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 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.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

---

Signed by:  
  
7CC53DB1D56C4F2...

**Graham Fitzgerald BA FCA DChA (Senior Statutory Auditor)**  
**For and on behalf of Azets Audit Services, Statutory Auditor**  
**Chartered Accountants**

Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

18 March 2026  
Date: .....

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 AUGUST 2025**

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
<b>Income from:</b>							
Charitable activities	3	3,459,778	27,510	3,487,288	3,776,192	(88,681)	3,687,511
Other trading activities	4	400	-	400	530	-	530
Investments	5	53,657	-	53,657	55,963	-	55,963
<b>Total income</b>		<b>3,513,835</b>	<b>27,510</b>	<b>3,541,345</b>	<b>3,832,685</b>	<b>(88,681)</b>	<b>3,744,004</b>
<b>Expenditure on:</b>							
Charitable activities	6	3,339,929	-	3,339,929	3,392,029	-	3,392,029
<b>Total expenditure</b>		<b>3,339,929</b>	<b>-</b>	<b>3,339,929</b>	<b>3,392,029</b>	<b>-</b>	<b>3,392,029</b>
<b>Net income and movement in funds</b>		<b>173,906</b>	<b>27,510</b>	<b>201,416</b>	<b>440,656</b>	<b>(88,681)</b>	<b>351,975</b>
<b>Reconciliation of funds:</b>							
Fund balances at 1 September 2024		3,008,915	4,952	3,013,867	2,568,259	93,633	2,661,892
<b>Fund balances at 31 August 2025</b>		<b>3,182,821</b>	<b>32,462</b>	<b>3,215,283</b>	<b>3,008,915</b>	<b>4,952</b>	<b>3,013,867</b>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

**NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)****BALANCE SHEET****AS AT 31 AUGUST 2025**

	Notes	2025		2024	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		830,141		846,478
<b>Current assets</b>					
Debtors	13	855,529		783,247	
Cash at bank and in hand		2,925,569		2,856,777	
			3,781,098		3,640,024
<b>Creditors: amounts falling due within one year</b>	14	(1,395,956)		(1,472,635)	
<b>Net current assets</b>			2,385,142		2,167,389
<b>Total assets less current liabilities</b>			3,215,283		3,013,867
<b>The funds of the Charity</b>					
Restricted income funds	17		32,462		4,952
Unrestricted funds	18		3,182,821		3,008,915
			3,215,283		3,013,867

The notes on pages 14 to 26 form part of these financial statements.

18 March 2026

The financial statements were approved by the Trustees and Governors on .....

Signed by:  
  
 .....E03287DFDADCA8A.....

S Blair  
**Trustee**

Company registration number 00668983 (England and Wales)

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	22		91,132		339,575
<b>Investing activities</b>					
Purchase of tangible fixed assets		(75,997)		(63,108)	
Investment income received		53,657		55,963	
<b>Net cash used in investing activities</b>			(22,340)		(7,145)
<b>Net cash generated from financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			68,792		332,430
Cash and cash equivalents at beginning of year			2,856,777		2,524,347
<b>Cash and cash equivalents at end of year</b>			2,925,569		2,856,777

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2025

---

#### 1 Accounting policies

##### Charity information

Newcastle Preparatory School Trust Limited (The) is a private company limited by guarantee incorporated in England and Wales. The registered office is 6 Eslington Road, Jesmond, Newcastle upon Tyne, Tyne & Wear, NE2 4RH.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees and Governors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees and Governors 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 and Governors in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees and Governors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

#### 1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

In relation to school fees, these are invoiced prior to the commencement of each academic term with the income recognised as educational teaching commitments are fulfilled.

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 on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 1 Accounting policies

(Continued)

##### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

##### 1.6 Tangible fixed assets

Tangible fixed assets costing £500 or more are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

As noted in the tangible fixed asset note, the charity has the school freehold property held at a former valuation giving rise to treatment as 'deemed cost'. As a result of the historic uplift in value, the charity has part of its unrestricted reserve designated as a 'revaluation reserve' which is being released back into unrestricted reserves each year (equivalent to the excess of depreciation charge over that charged on the original historic cost).

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 land and buildings	2% straight line
Office equipment	20% straight line
Equipment	10% straight line

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 the statement of financial activities.

##### 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). Prior impairments are also reviewed for possible reversal at each reporting date.

##### 1.8 Cash and cash equivalents

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. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

---

#### 1 Accounting policies

(Continued)

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

##### **Derecognition of financial liabilities**

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

#### 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 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. This is a multi-employer defined benefits pension scheme.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of the pension over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The company also operates a defined contribution pension scheme for certain employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the income and expenditure account.

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 1 Accounting policies (Continued)

##### 1.12 Operating leases

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

#### 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees and Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no significant judgements or estimates and assumptions used within the financial statements.

#### 3 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
<b>Charitable Income</b>						
Gross school fees	3,125,881	-	3,125,881	3,473,466	-	3,473,466
Total bursaries, scholarships and discounts	-	25,960	25,960	(41,694)	(88,681)	(130,375)
Entrance and registration fees	3,442	-	3,442	6,450	-	6,450
Performance related grants	112	-	112	25,290	-	25,290
Ancillary trading income	5,500	-	5,500	4,825	-	4,825
Extra-curricular activities	47,595	1,550	49,145	27,673	-	27,673
Catering receipts	277,248	-	277,248	280,182	-	280,182
	<u>3,459,778</u>	<u>27,510</u>	<u>3,487,288</u>	<u>3,776,192</u>	<u>(88,681)</u>	<u>3,687,511</u>

#### 4 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Membership subscriptions and sponsorships	400	530
	<u>400</u>	<u>530</u>

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

### 5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	53,657	55,963

### 6 Expenditure on charitable activities

	Charitable Expenditure 2025 £	Charitable Expenditure 2024 £
<b>Direct costs</b>		
Staff costs	2,268,934	2,188,349
Charitable activities	499,623	622,083
	<u>2,768,557</u>	<u>2,810,432</u>
<b>Share of support and governance costs (see note 7)</b>		
Support	324,460	283,566
Governance	246,912	298,031
	<u>3,339,929</u>	<u>3,392,029</u>
<b>Analysis by fund</b>		
Unrestricted funds	<u>3,339,929</u>	<u>3,392,029</u>

### 7 Support costs allocated to activities

	2025 £	2024 £
Depreciation	87,717	83,787
Premises	101,657	62,239
Advertising	3,862	10,093
Insurance	29,972	26,273
Postage and carriage	15,686	20,827
Susbcriptions	85,566	80,347
Governance costs	246,912	298,031
	<u>571,372</u>	<u>581,597</u>
<b>Analysed between:</b>		
Charitable Expenditure	<u>571,372</u>	<u>581,597</u>

**NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2025****7 Support costs allocated to activities (Continued)**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Governance costs comprise:</b>		
Staff costs	205,582	226,964
Depreciation	4,617	4,410
Audit fees	12,306	13,311
Legal and professional	6,432	38,152
Insurance	1,578	1,383
Recruitment	264	368
Premises	5,350	3,276
Advertising	1,106	378
Other Governance	9,677	9,789
	<u>246,912</u>	<u>298,031</u>

The charity allocates costs direct to activities as far as possible, then identifies the remaining costs of its support function. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are allocated to the key charitable activity undertaken in the year. The basis for apportionment and the analysis of support and governance costs is set out as follows:

Direct to governance: Accountancy fees, Audit fees, Legal and professional fees and bank charges.

Direct to charitable activities: All other support costs.

Governance costs included payments to the auditors of £12,306 (2024: £13,311) for audit fees.

**8 Net movement in funds**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	12,306	13,311
Depreciation of owned tangible fixed assets	92,334	88,197
	<u>104,640</u>	<u>101,508</u>

**9 Trustees And Governors**

None of the Trustees and Governors (or any persons connected with them) received any remuneration, expenses or benefits from the Charity during the year.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 10 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Teaching staff	27	26
Nursery and Classroom Support	15	15
Office Staff	4	5
Maintenance	2	2
	<u>48</u>	<u>48</u>

#### Employment costs

	2025 £	2024 £
Wages and salaries	1,883,248	1,865,822
Social security costs	206,859	183,341
Other pension costs	384,409	366,150
	<u>2,474,516</u>	<u>2,415,313</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£60,001 - £70,000	-	1
£70,001 - £80,000	1	1
	<u>1</u>	<u>2</u>

#### Remuneration of key management personnel

The key management personnel of the Charity are the Senior Leadership Team which consists of the Head Teacher, the Bursar and the 3 Assistant Heads. The remuneration of key management personnel (including employer pension contributions and employer national insurance contributions) is as follows:

	2025 £	2024 £
Aggregate compensation	392,641	408,272
	<u>392,641</u>	<u>408,272</u>

#### 11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 12 Tangible fixed assets

	Freehold land and buildings	Office equipment	Equipment	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 September 2024	1,553,423	595,942	322,620	2,471,985
Additions	-	62,595	13,402	75,997
At 31 August 2025	1,553,423	658,537	336,022	2,547,982
<b>Depreciation and impairment</b>				
At 1 September 2024	872,302	462,323	290,882	1,625,507
Depreciation charged in the year	31,068	47,089	14,177	92,334
At 31 August 2025	903,370	509,412	305,059	1,717,841
<b>Carrying amount</b>				
At 31 August 2025	650,053	149,125	30,963	830,141
At 31 August 2024	681,123	133,617	31,738	846,478

The fair value of the company's Freehold properties were revalued on 31 August 1988. An independent valuer was not involved.

Had this class of asset been measured on a historical basis, their carrying amount would have been £608,930 (2024 - £636,004).

#### 13 Debtors

	2025	2024
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	757,864	668,066
Other debtors	284	-
Prepayments and accrued income	97,381	115,181
	855,529	783,247

Included within trade debtors above, are gross debtors of £770,450 (2024 - £690,378) less a bad debt provision of £12,586 (2024 - £23,148).

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 14 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Other taxation and social security		148,304	-
Deferred income	15	1,080,100	1,298,725
Trade creditors		114,624	148,835
Other creditors		-	6,803
Accruals		52,928	18,272
		<u>1,395,956</u>	<u>1,472,635</u>

#### 15 Deferred income

	2025 £	2024 £
Other deferred income	1,080,100	1,298,725
	<u>1,080,100</u>	<u>1,298,725</u>

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	1,080,100	1,298,725
	<u>1,080,100</u>	<u>1,298,725</u>
Movements in the year:		
Deferred income at 1 September 2024	1,298,725	597,001
Released from previous periods	(1,298,725)	(597,001)
Resources deferred in the year	1,080,100	1,298,725
	<u>1,080,100</u>	<u>1,298,725</u>
Deferred income at 31 August 2025	1,080,100	1,298,725
	<u>1,080,100</u>	<u>1,298,725</u>

#### 16 Retirement benefit schemes

	2025 £	2024 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	384,409	366,150
	<u>384,409</u>	<u>366,150</u>

The company contributes to a defined benefits teachers' pension scheme and to certain employees personal pensions via a group personal pension scheme. The assets of the schemes are held separately from those of the company in independently administered funds.

The pension cost charge represents contributions payable by the company and amounted to £41,191 (2024 - £48,513). Contributions totalling £Nil (2024 - £Nil) were payable into the funds at the year end and are included in other creditors.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

---

#### 16 Retirement benefit schemes

(Continued)

##### Defined benefit pension scheme

The company contributes to a defined benefit teachers' pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds.

##### Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for teachers. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both member and employer make contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensional pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,222 million, giving a notional past service deficit of £39,800 million.

The results of this valuation was implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to the TPS in the period amounted to £329,568 (2024 - £309,245).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

Northumbrian Water is to go towards the maintenance of the flood defence system within the basement of 5 Eslington Road, Newcastle upon Tyne, NE2 4RH.

Catherine Cookson Charitable Trust is to go towards the school's bursary campaign. The negative income is the bursary offset. During the year a pupils school trip was funded via the Catherine Cookson Trust Bursary fund.

The Sports, Outdoor and Technology funds are specified to develop the resources available to each educational area.

	At 1 September 2024	Incoming resources	At 31 August 2025
	£	£	£
Northumbrian Water	4,900	-	4,900
Catherine Cookson Charitable Trust	52	25,960	26,012
Sports Fund	-	1,200	1,200
Outdoor Fund	-	100	100
Technology Fund	-	250	250
	<u>4,952</u>	<u>27,510</u>	<u>32,462</u>

#### Previous year:

	At 1 September 2023	Incoming resources	At 31 August 2024
	£	£	£
Northumbrian Water	4,900	-	4,900
Catherine Cookson Charitable Trust	88,733	(88,681)	52
	<u>93,633</u>	<u>(88,681)</u>	<u>4,952</u>

#### 18 Unrestricted funds

As described in the accounting policy, the designated reserves relate to the revaluation reserve.

	At 1 September 2024	Incoming resources	Resources expended	At 31 August 2025
	£	£	£	£
General funds	2,963,805	3,513,835	(3,339,929)	3,137,711
Revaluation reserve	45,110	-	(3,994)	41,116
	<u>3,008,915</u>	<u>3,513,835</u>	<u>(3,343,923)</u>	<u>3,178,827</u>

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 18 Unrestricted funds (Continued)

Previous year:	At 1 September 2023	Incoming resources	Resources expended	At 31 August 2024
	£	£	£	£
Revaluation reserve	49,104	-	(3,994)	45,110
General funds	2,519,155	3,832,685	(3,388,035)	2,963,805
	<u>2,568,259</u>	<u>3,832,685</u>	<u>(3,392,029)</u>	<u>3,008,915</u>

#### 19 Analysis of net assets between funds

	Unrestricted funds 2025	Restricted funds 2025	Total Unrestricted funds 2025	Restricted funds 2024	Total 2024
	£	£	£	£	£
Fund balances at 31 August 2025 are represented by:					
Tangible assets	825,189	4,952	830,141	4,952	846,478
Current assets/(liabilities)	2,357,632	27,510	2,385,142	-	2,167,389
	<u>3,182,821</u>	<u>32,462</u>	<u>3,215,283</u>	<u>4,952</u>	<u>3,013,867</u>

Included in the unrestricted Tangible assets is £41,116 (2024 - £45,110) of designated funds.

#### 20 Operating lease commitments

##### Lessee

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:

	2025 £	2024 £
Within one year	-	20,792
	<u>-</u>	<u>20,792</u>

#### 21 Related party transactions

##### Transactions with related parties

During the year the Charity entered into the following transactions with related parties:

##### J Bal (Trustee)

J Bal has a child attending the school. From the date of appointment, total school fees invoiced to J Bal were done so under the normal commercial terms of the entity.

**NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2025**


---

<b>22 Cash generated from operations</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Surplus for the year	201,416	351,975
<b>Adjustments for:</b>		
Investment income recognised in statement of financial activities	(53,657)	(55,963)
Depreciation and impairment of tangible fixed assets	92,334	88,197
<b>Movements in working capital:</b>		
(Increase) in debtors	(72,282)	(679,588)
Increase/(decrease) in creditors	141,946	(66,770)
(Decrease)/increase in deferred income	(218,625)	701,724
	<u>          </u>	<u>          </u>
<b>Cash generated from operations</b>	<u>91,132</u>	<u>339,575</u>

**23 Analysis of changes in net funds**

The Charity had no material debt during the year.

**THE NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED**

England & Wales - Charity number 528152

---

# Accounts

---

Charity registration number 528152

Company registration number 00668983 (England and Wales)

**NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees And Governors</b>	A L Scott G H L Lester R R Bajekal S Blair J Bal A Pearson P Hewitson C L Winskell	(Appointed 21 June 2024) (Appointed 21 June 2024)
<b>Secretary</b>	S G Easton	
<b>Charity number</b>	528152	
<b>Company number</b>	00668983	
<b>Registered office</b>	6 Eslington Road Jesmond Newcastle upon Tyne Tyne & Wear NE2 4RH	
<b>Auditor</b>	Azets Audit Services Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS	
<b>Bankers</b>	Barclays PLC 7 Market Street Newcastle upon Tyne NE1 6JN	
<b>Solicitors</b>	Sintons The Cube Barrack Road Newcastle Upon Tyne Tyne And Wear United Kingdom NE4 6DB	

---

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## CONTENTS

---

	<b>Page</b>
Trustees' report	1 - 5
Statement of Trustees' responsibilities	6
Independent auditor's report	7 - 10
Statement of financial activities	11 - 12
Balance sheet	13
Statement of cash flows	14
Notes to the financial statements	15 - 28

---

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2024

---

The Trustees and Governors present their annual report and financial statements for the year ended 31 August 2024.

### **Objectives and activities**

The company was set up under a Trust Deed to establish a school or schools for the education of children.

The income and property of the company, whensoever derived, shall be applied solely towards the promotion of the objects of the company as set forth in the Memorandum of Association.

The Trustees and Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

### **Public benefit**

#### Bursaries and Hardship Awards

During the year, 10 pupils received a bursary award ranging from 50% to 100%. The value of means-tested bursaries and hardship awards (excluding other discounts) was £100,888. This allowed children to access educational provision they otherwise would not have been able to or allowed for educational consistency and continuity when financial circumstances changed within the family.

#### Partnerships and Collaboration

The school have furthered links with organisations and schools in the locality. This has involved hosting events, such as MedicFest, The Code Show, robotics days and chess. These events included pupils from Ponteland Primary School; St Wilfrid's School, Gateshead; Central Primary School, Ashington; and Northern Counties School.

#### Community Services

NPS is keen to support and engage with the wider community. The Northumbria Junior Chess Association held competitions on the School's premises and a member of staff acted in a capacity as Trustee during the year giving his time and expertise on a voluntary basis.

The School supported the Jesmond Festival by participating in events at Jesmond library and providing prizes for various competitions throughout the year.

Children have visited the local care home, Fleming Court, to share songs and celebrate National Children's Day. Children from the choir also visited the retirement apartments at Jesmond Pegasus Assembly to share a short concert and communal singing.

Members of staff volunteer in a variety of roles, including as a governor at a local school and a cook at the People's Kitchen.

The School has formed an association with North Tyneside Steam Railway Association and regularly lends and donates items of equipment.

A community champion has been appointed from current staff to raise the profile of community partnerships.

#### Charitable Giving

As a result of charity fundraising events within the school, a total of £7,352.57 was donated to charity.

The trustees confirm that they have complied with the requirements of Section 17 of the Charities Act 2011 to have due regards to the public benefit guidance published by the Charities Commission for England and Wales.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2024**

---

### **Fundraising disclosures**

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

### **Risk management**

The trustees are responsible for keeping accounting records and safeguarding the assets of the charity. The programme for re-assessing the major risks to which the charity is exposed is continuing, in particular those relating to the operations and finances of the charity and the trustees are satisfied that systems are being put in place to mitigate the exposure to the major risks.

### **Strategic report**

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees and Governors to present a strategic report.

### **Achievements and performance**

#### Leadership and Management

The leadership and management of the school has remained stable over the year, with some additional roles complementing those already existing. To assist with the provision of small group and individualised support for pupils in school, part of the personalised learning team, an intervention co-ordinator was successfully appointed.

Additional champion roles were also appointed for the areas of staff wellbeing, community and equality, diversity and inclusion. The staff fulfilling these titles have a variety of experiences and roles, contributing to large themes which impact across the school and stakeholders.

#### Resources and Opportunities

Investment was made into the following resources and opportunities to enhance the educational experience of children in the school:

- Additional playground resources purchased to allow wider variety of activities to take place;
- Introduction of Tapestry to record learning of all EYFS pupils and share with parents, including purchase of devices for staff;
- Holiday club provided on site for half terms and Easter holiday;
- Begin research and development of NACE framework to increase challenge and provision for all learners;
- Staff training in a neurodiversity approach;
- Implement a dyslexia screener for older pupils;
- New international residential offered to Paris, enabling children in Years 4-6 to develop their language skills in context; and
- Range of excursions, trips and extra-curricular clubs for children to participate in.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

---

#### Building and Facilities Development

The nature of our historic site means that regular repairs and renovations are necessary to ensure that we provide a modern, inspiring and purposeful environment for children to learn. The following developments took place:

- Renovation of school decoration, transforming classrooms and communal spaces with a muted colour palette of greys and whites;
- Repairs to the sash windows to allow better airflow in classrooms;
- Planning and development with architect of increased accessibility to EYFS playground from Nursery classroom; and
- Redeveloped entrance area to Sports Hall and decoration of Sports Hall to create a practical and welcoming area.

#### Community

In addition to the public benefit community actions listed above, the following improvements were implemented:

- Creation of a calendar of social events for parents and families to increase a sense of community, including wine tasting, community cinema, family robotics event and a summer fair;
- Regular coffee, cake and catch-up sessions for parents were also held each term;
- Gallery event at Jesmond Library, showcasing children's work produced with a local artist;
- Whole school art exhibition and musical showcase events; and
- Looked at issues of sustainability and the environment relating to the school including working with a whole school Eco Committee to implement initiatives and communicate with the governing board.

#### **Financial review**

The financial position for the year shows a surplus of £351,975 (2023 - £319,625). The Trustees and Governors consider the financial position of the charity to be sound.

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent to two to three months' salary costs, which would equate to holding approximately £500,000 in free reserves. The trustees continue to keep funding under review to ensure that, in the absence of free reserves, sufficient funding is available to cover the School's working capital requirements.

At the year end, free reserves were £2,167,389 (2023: £1,696,692), an increase of £470,697 in the year.

The trustees' long term policy is to continue to build up reserves by means of annual operating surpluses when available, in order to develop financial resilience and fund investment in the assets of the school.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2024**

---

The Charity funds are controlled by the Trustees, who invest with a view to maximising annual investment income while maintaining capital growth in line with market trends, within the confines of our risk appetite. At present, the school does not hold any stocks and shares and manages any surplus funds via a higher rate interest account linked to the current bank account. The attached financial statements show the current state of finances which the trustees consider to be satisfactory.

### Market value of land and buildings

The School freehold properties were last revalued on 31st August 1988 and the valuation incorporated in the financial statements. The trustees are of the opinion that the current market value of the School freehold properties is not less than the carrying value and took advantage of the transitional provisions of FRS15 to leave property at its 1988 valuation. No further changes were made since the adoption of FRS102.

### Plans for future periods

#### Aims and key objectives for future periods

Our school, located in the popular residential area of Jesmond, is full of children who love learning, have a strong sense of self and feel inspired to make a difference.

The school aims to provide an **inspiring** environment in which pupils feel secure and can grow in confidence, self-esteem and experience **success**. Furthermore, it aims to create a friendly, caring community, established on mutual **respect**, where every individual is valued and **included**; to encourage pupils to confidently **explore** a broad curriculum, relish a **challenge** and, working in partnership with families, reach their full potential in all aspects of life.

Specific objectives for future development include:

- Celebrating the 140<sup>th</sup> anniversary of the school, including increased opportunities for community and alumni engagement;
- Adapt the current programme of themed weeks to offer more cross-curricular themes and events;
- Look into implementing the NACE framework and gaining accreditation as a NACE school;
- Appoint further health and wellbeing services for pupils and families;
- To participate in educational research;
- Increase pupils taking instrument lessons in Key Stage 2; and
- Redevelop the patio and garden area outside of the Sports Hall.

### Structure, governance and management

The Charity is a company limited by guarantee and its governing document is its Memorandum and Articles of Association dated 31st August 1960, last amended by special resolution dated 13th March 2006.

The governing body of the company is a board of trustees which meets on a regular basis throughout the year to decide overall financial and policy matters.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2024**

---

D J Bailey	(Resigned 18 December 2023)
A L Scott	(Appointed 21 June 2024)
G H L Lester	(Appointed 21 June 2024)
R R Bajekal	
S Blair	
J Bal	
A Pearson	
P Hewitson	
C L Winskell	

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

Most members are already familiar with the practical work and objectives of the charity bringing their own relevant and unique skills.

Members are actively encouraged to, and do, attend the regular trustee meeting to ensure they are always up to date with the latest activities of the trust. Members are also encouraged to and do attend relevant seminars and training.

The Board, who give their time freely and no Trustees received remuneration in the year, have considered, who are Key Management Personnel (KMP) of the charitable company, as noted in the Related Party Transactions note. Together with the Board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis.

The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The Trustees' benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with budget and forecast information, ensuring that the charitable company can afford any proposed increases. The Board then agree any uplift to remuneration.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

### **Disclosure of information to auditor**

Each of the Trustees and Governors 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, including the strategic report, was approved by the Board of Trustees And Governors.

.....

S Blair  
**Trustee**

Date: .....

# **NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 AUGUST 2024***

---

The Trustees and Governors, who are also the directors of Newcastle Preparatory School Trust Limited (The) 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 and Governors 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 and Governors 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; 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 and Governors 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.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

---

#### Opinion

We have audited the financial statements of Newcastle Preparatory School Trust Limited (The) (the 'Charity') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 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 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.

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity'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 and Governors 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 and Governors 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.

#### 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 for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

---

#### **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 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 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 and Governors**

As explained more fully in the statement of Trustees' responsibilities, the Trustees and Governors, 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 and Governors 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 and Governors 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 and Governors 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.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

---

#### **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.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; Independent Schools Inspectorate; employment laws; and compliance with the UK Companies Act and Charities Act.

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 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.

# **NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)**

---

**Graham Fitzgerald BA FCA DChA (Senior Statutory Auditor)**  
**for and on behalf of Azets Audit Services**

.....

**Chartered Accountants**  
**Statutory Auditor**

Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 AUGUST 2024**

### Current financial year

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
<b>Income from:</b>					
Donations and legacies	3	-	-	-	15,322
Charitable activities	4	3,776,192	(88,681)	3,687,511	3,477,300
Other trading activities	5	530	-	530	4,633
Investments	6	55,963	-	55,963	10,703
<b>Total income</b>		<b>3,832,685</b>	<b>(88,681)</b>	<b>3,744,004</b>	<b>3,507,958</b>
<b>Expenditure on:</b>					
Charitable activities	7	3,392,029	-	3,392,029	3,188,333
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>440,656</b>	<b>(88,681)</b>	<b>351,975</b>	<b>319,625</b>
Fund balances at 1 September 2023		2,568,259	93,633	2,661,892	2,342,267
<b>Fund balances at 31 August 2024</b>		<b>3,008,915</b>	<b>4,952</b>	<b>3,013,867</b>	<b>2,661,892</b>

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.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

*FOR THE YEAR ENDED 31 AUGUST 2024*

Prior financial year

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes			
<b>Income from:</b>				
Donations and legacies	3	322	15,000	15,322
Charitable activities	4	3,504,132	(26,832)	3,477,300
Other trading activities	5	4,633	-	4,633
Investments	6	10,703	-	10,703
<b>Total income</b>		<u>3,519,790</u>	<u>(11,832)</u>	<u>3,507,958</u>
<b>Expenditure on:</b>				
Charitable activities	7	3,188,333	-	3,188,333
Gross transfers between funds		16,140	(16,140)	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<u>347,597</u>	<u>(27,972)</u>	<u>319,625</u>
Fund balances at 1 September 2022		<u>2,220,662</u>	<u>121,605</u>	<u>2,342,267</u>
<b>Fund balances at 31 August 2023</b>		<u><u>2,568,259</u></u>	<u><u>93,633</u></u>	<u><u>2,661,892</u></u>

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024		2023	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		846,478		871,567
<b>Current assets</b>					
Debtors	13	783,247		103,659	
Cash at bank and in hand		2,856,777		2,524,347	
		<u>3,640,024</u>		<u>2,628,006</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(1,472,635)</u>		<u>(837,681)</u>	
Net current assets			2,167,389		1,790,325
<b>Total assets less current liabilities</b>			<u>3,013,867</u>		<u>2,661,892</u>
<b>Income funds</b>					
Restricted funds	17		4,952		93,633
<u>Unrestricted funds</u>					
Designated funds:					
Revaluation		45,110		49,104	
	18	<u>45,110</u>		<u>49,104</u>	
General unrestricted funds		2,963,805		2,519,155	
			<u>3,008,915</u>		<u>2,568,259</u>
			<u>3,013,867</u>		<u>2,661,892</u>

The notes on pages 15 to 28 form part of these financial statements.

The financial statements were approved by the Trustees And Governors on .....

.....

S Blair  
Trustee

Company registration number 00668983

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

---

	Notes	2024 £	£	2023 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	22		339,575		424,712
<b>Investing activities</b>					
Purchase of tangible fixed assets		(63,108)		(23,699)	
Investment income received		55,963		10,703	
<b>Net cash used in investing activities</b>			(7,145)		(12,996)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			332,430		411,716
Cash and cash equivalents at beginning of year			2,524,347		2,112,631
<b>Cash and cash equivalents at end of year</b>			<u>2,856,777</u>		<u>2,524,347</u>

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 AUGUST 2024**

---

### **1 Accounting policies**

#### **Charity information**

Newcastle Preparatory School Trust Limited (The) is a private company limited by guarantee incorporated in England and Wales. The registered office is 6 Eslington Road, Jesmond, Newcastle upon Tyne, Tyne & Wear, NE2 4RH.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the Trustees and Governors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees and Governors 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 and Governors in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees and Governors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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 financial statements.

#### **1.4 Income**

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

In relation to school fees, these are invoiced prior to the commencement of each academic term with the income recognised as educational teaching commitments are fulfilled.

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 on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

---

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 1.6 Tangible fixed assets

Tangible fixed assets costing £500 or more are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

As noted in the tangible fixed asset note, the charity has the school freehold property held at a former valuation giving rise to treatment as 'deemed cost'. As a result of the historic uplift in value, the charity has part of its unrestricted reserve designated as a 'revaluation reserve' which is being released back into unrestricted reserves each year (equivalent to the excess of depreciation charge over that charged on the original historic cost).

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 land and buildings	2% straight line
Office equipment	20% straight line
Equipment	10% straight line

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 the statement of financial activities.

#### 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). Prior impairments are also reviewed for possible reversal at each reporting date.

#### 1.8 Cash and cash equivalents

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. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

---

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

#### **Derecognition of financial liabilities**

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

#### **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 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. This is a multi-employer defined benefits pension scheme.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of the pension over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The company also operates a defined contribution pension scheme for certain employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the income and expenditure account.

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

---

### 1 Accounting policies

(Continued)

#### 1.12 Operating leases

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

### 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees and Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no significant judgements or estimates and assumptions used within the financial statements.

### 3 Donations and legacies

	Total	Unrestricted funds	Restricted funds	Total
	2024	2023	2023	2023
	£	£	£	£
Donations and gifts	-	322	15,000	15,322

The prior year restricted donation was received from The CMF Charitable Settlement.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

### 4 Charitable activities

	Charitable Income 2024 £	Charitable Income 2023 £
Gross school fees	3,473,466	3,339,714
Total bursaries, scholarships and discounts	(130,375)	(152,220)
Entrance and registration fees	6,450	3,793
Performance related grants	25,290	-
Ancillary trading income	4,825	-
Extra-curricular activities	27,673	37,651
Catering receipts	280,182	248,362
	<u>3,687,511</u>	<u>3,477,300</u>
<b>Analysis by fund</b>		
Unrestricted funds	3,776,192	3,504,132
Restricted funds	(88,681)	(26,832)
	<u>3,687,511</u>	<u>3,477,300</u>

### 5 Other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Commissions receivable and other income	530	4,633
	<u>530</u>	<u>4,633</u>

### 6 Investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	55,963	10,703
	<u>55,963</u>	<u>10,703</u>

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

---

### 7 Charitable activities

	Charitable Expenditure 2024 £	Charitable Expenditure 2023 £
Staff costs	2,188,349	2,010,090
Charitable activity	622,083	642,678
	<u>2,810,432</u>	<u>2,652,768</u>
Share of support costs (see note 8)	283,566	282,458
Share of governance costs (see note 8)	298,031	253,107
	<u>3,392,029</u>	<u>3,188,333</u>

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

### 8 Support costs

	Support costs	Governance costs	2024	Support costs	Governance costs	2023
	£	£	£	£	£	£
Staff costs	-	226,964	226,964	-	212,079	212,079
Depreciation	83,787	4,410	88,197	90,785	4,778	95,563
Premises	62,239	3,276	65,515	64,496	3,395	67,891
Bank charges	-	1,154	1,154	-	1,436	1,436
Advertising	10,093	378	10,471	9,536	2,729	12,265
Audit & accountancy	-	13,311	13,311	-	9,780	9,780
Insurance	26,273	1,383	27,656	25,357	1,335	26,692
Legal and professional	-	38,152	38,152	-	13,296	13,296
Postage, stationery and photocopying	20,827	1,096	21,923	19,816	1,093	20,909
Subscriptions	80,347	3,186	83,533	72,468	3,186	75,654
Inspection	-	4,353	4,353	-	-	-
Recruitment	-	368	368	-	-	-
	<u>283,566</u>	<u>298,031</u>	<u>581,597</u>	<u>282,458</u>	<u>253,107</u>	<u>535,565</u>
Analysed between						
Charitable activities	<u>283,566</u>	<u>298,031</u>	<u>581,597</u>	<u>282,458</u>	<u>253,107</u>	<u>535,565</u>

The charity allocates costs direct to activities as far as possible, then identifies the remaining costs of its support function. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are allocated to the key charitable activity undertaken in the year. The basis for apportionment and the analysis of support and governance costs is set out as follows:

Direct to governance: Accountancy fees, Audit fees, Legal and professional fees and bank charges.

Direct to charitable activities: All other support costs.

Governance costs includes payments to the auditors of £13,311 (2023- £9,780) for audit fees.

### 9 Trustees And Governors

None of the Trustees and Governors (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

---

### 10 Employees

The average monthly number of employees during the year was:

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
Teaching staff	26	24
Nursery and Classroom Support	15	15
Office Staff	5	5
Maintenance	2	2
	<hr/>	<hr/>
Total	48	46
	<hr/> <hr/>	<hr/> <hr/>

### Employment costs

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,865,822	1,738,612
Social security costs	183,341	168,321
Other pension costs	366,150	315,236
	<hr/>	<hr/>
	2,415,313	2,222,169
	<hr/> <hr/>	<hr/> <hr/>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
£60,001 - £70,000	1	2
£70,001 - £80,000	1	-
	<hr/> <hr/>	<hr/> <hr/>

### 11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

### 12 Tangible fixed assets

	Freehold land and buildings £	Office equipment £	Equipment £	Total £
<b>Cost or valuation</b>				
At 1 September 2023	1,553,423	548,623	306,830	2,408,876
Additions	-	47,319	15,789	63,108
At 31 August 2024	1,553,423	595,942	322,619	2,471,984
<b>Depreciation and impairment</b>				
At 1 September 2023	841,232	420,694	275,383	1,537,309
Depreciation charged in the year	31,068	41,631	15,498	88,197
At 31 August 2024	872,300	462,325	290,881	1,625,506
<b>Carrying amount</b>				
At 31 August 2024	681,123	133,617	31,738	846,478
At 31 August 2023	712,191	127,929	31,447	871,567

The fair value of the company's Freehold properties were revalued on 31 August 1988. An independent valuer was not involved.

Had this class of asset been measured on a historical basis, their carrying amount would have been £636,004 (2023 - £663,078).

### 13 Debtors

	2024 £	2023 £
<b>Amounts falling due within one year:</b>		
Trade debtors	668,066	30,160
Other debtors	-	221
Prepayments and accrued income	115,181	73,278
	783,247	103,659

Included within trade debtors above, are gross debtors of £690,378 (2023 - £30,545) less a bad debt provision of £23,148 (2023 - £385).

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

#### 14 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Other taxation and social security		-	46,451
Deferred income	15	1,298,725	597,001
Trade creditors		148,835	62,930
Other creditors		6,803	30,202
Accruals and deferred income		18,272	101,097
		<u>1,472,635</u>	<u>837,681</u>

#### 15 Deferred income

	2024 £	2023 £
Other deferred income	1,298,725	597,001
	<u>1,298,725</u>	<u>597,001</u>

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	1,298,725	597,001
	<u>1,298,725</u>	<u>597,001</u>
Movements in the year:		
Deferred income at 1 September 2023	597,001	498,397
Released from previous periods	(597,001)	(498,397)
Resources deferred in the year	1,298,725	597,001
	<u>1,298,725</u>	<u>597,001</u>
Deferred income at 31 August 2024	1,298,725	597,001
	<u>1,298,725</u>	<u>597,001</u>

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

---

#### 16 Retirement benefit schemes

##### Defined contribution schemes

The company contributes to a defined benefits teachers' pension scheme and to certain employees personal pensions via a group personal pension scheme. The assets of the schemes are held separately from those of the company in independently administered funds.

The pension cost charge represents contributions payable by the company and amounted to £48,513 (2023 - £51,255). Contributions totalling £Nil (2023 - £Nil) were payable into the funds at the year end and are included in other creditors.

##### Defined benefit pension scheme

The company contributes to a defined benefit teachers' pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds.

##### Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for teachers. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both member and employer make contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensional pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date ) of £222,222 million, giving a notional past service deficit of £39,800 million.

The results of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to the TPS in the period amounted to £309,245 (2023 - £263,982).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

#### 17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

Northumbrian Water is to go towards the maintenance of the flood defence system within the basement of 5 Eslington Road, Newcastle upon Tyne, NE2 4RH.

Catherine Cookson Charitable Trust is to go towards the school's bursary campaign. The negative income is the bursary offset. During the year a pupils school trip was funded via the Catherine Cookson Trust Bursary fund.

The Fenwick Fund was a donation from The CMF Charitable Settlement towards the purchase of a replacement climbing frame. The playground frame was purchased in July 2023 and therefore the funds released to unrestricted fund.

	Movement in funds			Movement in funds		
	Balance at 1 September 2022 £	Incoming resources £	Transfers £	Balance at 1 September 2023 £	Incoming resources £	Balance at 31 August 2024 £
Northumbrian Water	4,900	-	-	4,900	-	4,900
Catherine Cookson Charitable Trust	116,705	(26,832)	(1,140)	88,733	(88,681)	52
Fenwick Frame	-	15,000	(15,000)	-	-	-
	<u>121,605</u>	<u>(11,832)</u>	<u>(16,140)</u>	<u>93,633</u>	<u>(88,681)</u>	<u>4,952</u>

#### 18 Designated funds

As described in the accounting policy, the designated reserves relate to the revaluation reserve.

	Balance at 1 September 2022 £	Resources expended £	Balance at 1 September 2023 £	Resources expended £	Balance at 31 August 2024 £
Revaluation reserve	53,098	(3,994)	49,104	(3,994)	45,110
	<u>53,098</u>	<u>(3,994)</u>	<u>49,104</u>	<u>(3,994)</u>	<u>45,110</u>

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

### 19 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023
	£	£	£	£	£
Fund balances at 31 August 2024 are represented by:					
Tangible assets	841,526	4,952	846,478	871,567	871,567
Current assets/(liabilities)	2,167,389	-	2,167,389	1,696,692	1,790,325
	<u>3,008,915</u>	<u>4,952</u>	<u>3,013,867</u>	<u>2,568,259</u>	<u>2,661,892</u>

Included in the unrestricted Tangible assets is £45,110 (2023 - £49,104) of designated funds.

### 20 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:

	2024	2023
	£	£
Within one year	20,792	20,792
Between two and five years	-	12,478
	<u>20,792</u>	<u>33,270</u>

### 21 Related party transactions

#### Remuneration of key management personnel

The key management personnel of the Charity are the Senior Leadership Team which consists of the Head Teacher, the Bursar and the 3 Assistant Heads. The remuneration of key management personnel (including employer pension contributions and employer national insurance contributions) is as follows.

	2024	2023
	£	£
Aggregate compensation	<u>408,272</u>	<u>379,108</u>

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

---

### 21 Related party transactions

(Continued)

#### Transactions with related parties

During the year the Charity entered into the following transactions with related parties:

A Scott (Trustee)

A Scott has a child attending the school. From the date of appointment, total school fees invoiced to A Scott were done so under the normal commercial terms of the entity.

J Bal (Trustee)

J Bal has a child attending the school. From the date of appointment, total school fees invoiced to J Bal were done so under the normal commercial terms of the entity.

22 Cash generated from operations	2024 £	2023 £
Surplus for the year	351,975	319,625
Adjustments for:		
Investment income recognised in statement of financial activities	(55,963)	(10,703)
Depreciation and impairment of tangible fixed assets	88,197	95,563
Movements in working capital:		
(Increase) in debtors	(679,588)	(18,523)
(Decrease) in creditors	(66,770)	(59,854)
Increase in deferred income	701,724	98,604
<b>Cash generated from operations</b>	<b>339,575</b>	<b>424,712</b>

### 23 Analysis of changes in net funds

The Charity had no debt during the year.

**THE NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED**

England & Wales - Charity number 528152

---

# Accounts

---

Company registration number: 00668983

Charity registration number: 528152

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2023

# Newcastle Preparatory School Trust Limited (The)

## Contents

Reference and Administrative Details	1
Trustees' Report	2 to 8
Independent Auditors' Report	9 to 12
Statement of Financial Activities	13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 to 32

# Newcastle Preparatory School Trust Limited (The)

## Reference and Administrative Details

<b>Trustees</b>	Dr R R Bajekal S Blair P Hewitson C L Winskell A Pearson D J Bailey (resigned 18 December 2023) J Bal
<b>Secretary</b>	S G Easton
<b>Key Management Personnel</b>	G Strong, Head teacher S Easton, Bursar P Fargher, Pastoral Assistant Head Deputy A Porter, Academic Assistant Head N Johnson, Personalised Learning Assistant Head S Breakey, Early Years Lead
<b>Registered Office</b>	6 Eslington Road Jesmond Newcastle upon Tyne NE2 4RH The charity is incorporated in England and Wales.
<b>Company Registration Number</b>	00668983
<b>Charity Registration Number</b>	528152
<b>Solicitors:</b>	Sintons LLP The Cube Barrack Road Newcastle NE4 6DB
<b>Bankers</b>	Barclays Bank plc Newcastle City 71 Grey Street Newcastle upon Tyne NE1 6EF
<b>Auditor</b>	Azets Audit Services Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

# Newcastle Preparatory School Trust Limited (The)

## Trustees' Report

The Trustees and Governors who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2023.

### **Structure, governance and management**

#### ***Nature of governing document***

The company is limited by guarantee and its governing document is its Memorandum and Articles of Association dated 31st August 1960, last amended by special resolution dated 13th March 2006.

The governing body of the company is a board of trustees which meets on a regular basis throughout the year to decide overall financial and policy matters.

#### ***Induction and training of trustees***

Most members are already familiar with the practical work and objectives of the charity bringing their own relevant and unique skills.

Members are actively encouraged to attend the regular trustee meetings to ensure they are always up to date with the latest activities of the trust. Members are also encouraged to and do attend relevant seminars and training.

#### ***Arrangements for setting key management personnel remuneration***

The Board, who give their time freely and no Trustees received remuneration in the year, have considered, who the Key Management Personnel (KMP) of the charitable company, as noted in the Reference and Administration section. Together with the Board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis.

The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The Trustees' benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with budget and forecast information, ensuring that the charitable company can afford any proposed increases. The Board then agree any uplift to remuneration.

### **Objectives and activities**

#### ***Objects and aims***

The company was set up under a Trust Deed to establish a school or schools for the education of children.

The income and property of the company, whensoever derived, shall be applied solely towards the promotion of the objects of the company as set forth in the Memorandum of Association.

#### ***Fundraising disclosures***

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preference of all public donors.

# Newcastle Preparatory School Trust Limited (The)

## Trustees' Report

### ***Public benefit***

#### Bursaries and Hardship Awards

During the year, 13 pupils received a bursary award ranging from 30% to 100%. The value of means-tested bursaries and hardship awards (excluding other discounts) was £111,626. This allowed children to access educational provision they otherwise would not have been able to or allowed for educational consistency and continuity when financial circumstances changed within the family.

#### Partnerships and Collaboration

The school established links with Pinewood and Pine Hall Schools in Saharanpur, India in 2019. In June 2023, eight delegates from Pine Hall school visited NPS to observe and share best practice. They engaged in pedagogical discussions, looked at planning and leadership strategies alongside resources and learning environments available to children.

Sharing good practice links have been established with Ponteland Primary School and Little Tinklers Day Nursery.

NPS hosted the Tri-County Chess Cup involving pupils from St Wilfred School, Gateshead and Central Primary School, Ashington. It is envisaged that this will become an annual event with further collaboration across different curriculum areas planned for the next academic year.

The School took part in a local charitable art trail with St Oswald's Hospice and raised £895 in funds for the hospice.

#### Community Services

NPS is keen to support and engage with the wider community. The Northumbria Junior Chess Association held competitions on the School's premises and a member of staff acted in a capacity as Trustee during the year giving his time and expertise on a voluntary basis.

The School supported the Jesmond Festival by participating in events at Jesmond library and providing prizes for various competitions throughout the year.

Members of staff volunteer in a variety of roles, including as a trustee of a local state run playgroup and a cook at the People's Kitchen.

The School has formed an association with North Tyneside Steam Railway Association and regularly lends and donates items of equipment.

#### Charitable Giving

As a result of charity fundraising events within the school, a total of £9,744 was donated to charity.

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

### ***Risk management***

The trustees are responsible for keeping accounting records and safeguarding the assets of the charity. The programme of re-assessing the major risks to which the charity is exposed is continuing, in particular those relating to the operations and finances of the charity and the trustees are satisfied that systems are being put in place to mitigate the exposure to the major risks.

# Newcastle Preparatory School Trust Limited (The)

## Trustees' Report

### Achievements and performance

#### Leadership and Management

Following the appointment of a new head teacher, a renewed leadership structure was introduced and embedded into the day-to-day running of the school. This new organisation saw three assistant head teachers leading within the areas: personalised learning, academic and pastoral. This allowed for clear differentiation between roles and provided more specific support for staff in school.

The introduction of school development co-ordinators for extra-curricular activities and parent partnerships also had a positive impact. Children benefitted from a wider range and enhanced provision of extra-curricular clubs, including optional and international residential excursions. An enriched programme of community events was provided by the parent partnerships co-ordinator.

The school received a one-day no-notice inspection in October 2022 where compliance was the focus. The school met all of the Independent Schools Standards Regulations.

#### Resources and Opportunities

Investment was made into the following resources and opportunities to enhance the educational experience of children in the school:

- 110 more laptops to allow personal devices for each child in Key Stage 2, including storage and charging cabinets in each form classroom.
- Renovation of the playground space, including a new safety surface around existing play equipment, the installation of 3 'buddy huts' on the playground and replacing the degrading 'Calisto' climbing play equipment with the 'Fenwick Frame'.
- Updated the dining hall to make the layout more functional for both lunches and assemblies with the purchase new, more modern and accessible serveries.
- Purchase of VEX IQ and VEX GO equipment to teach computing and robotics.
- Introduction of photo learning journeys for every child.
- Purchase of bespoke drapes to enable the creation of wing areas during school performances.
- Introduction of further wellbeing initiatives including the introduction of 3 guinea pigs in school.
- New international residential offered to Italy, enabling children in Years 4-6 to learn skiing as a group.
- Reintroduction of additional residential trips including a choir trip to Wembley (Years 3-6) and a sports trip to Edinburgh (Under 11 team).

# Newcastle Preparatory School Trust Limited (The)

## Trustees' Report

### Building and Facilities Development

The nature of our historic site means that regular repairs and renovations are necessary to ensure that we provide a modern, inspiring and purposeful environment for children to learn. The following developments took place:

- Investigation into the feasibility of opening up more of the EYFS spaces through consultation with the architect.
- Update the décor in school with a refreshed colour scheme.
- Remodelling and reorganisation of the Science Lab to create a STEM Hub.
- Upgrading of the flooring within the Reception teaching space for functionality.

### Community

In addition to the public benefit community actions listed above, the following improvements were implemented:

- Creation of a calendar of social events for parents and families to increase a sense of community, including a welly walk, wreath making event, community cinema and a picnic.
- Regular coffee, cake and catch-up sessions for parents were also held each term.
- Adoption of Instagram as an additional channel of communication regarding school events and news.
- Gallery event at Jesmond Library, showcasing children's work produced with a local artist.
- Reintroduction of whole-school assemblies and core value awards.
- Reinvigoration of the house point system across the school, including a house treat for the most points each half term.
- Looked at issues of sustainability and the environment relating to the school including the introduction of House Environment Week and the establishment of a whole school Eco Committee.

### **Financial review**

The financial position for the year shows a surplus of £319,625 (2022 - £105,412). The Trustees and Governors consider the financial position of the charity to be sound.

# Newcastle Preparatory School Trust Limited (The)

## Trustees' Report

### ***Policy on reserves***

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent to two to three months' salary costs, which would equate to holding approximately £500,000 in free reserves. The trustees continue to keep funding under review to ensure that, in the absence of free reserves, sufficient funding is available to cover the School's working capital requirements.

At the year end, free reserves were £1,696,692 (2022: £1,277,231), an increase of £419,461 in the year.

The trustees' long term policy is to continue to build up reserves by means of annual operating surpluses when available, whilst continuing to develop the School's facilities as appropriate.

### ***Investment policy and objectives***

The charity funds are controlled by the trustees, who invest with a view to maximising annual investment income while maintaining capital growth in line with market trends. The attached financial statements show the current state of finances which the trustees consider to be satisfactory.

### ***Market value of land and buildings***

The School freehold properties were last revalued on 31st August 1988 and the valuation incorporated in the financial statements. The trustees are of the opinion that the current market value of the School freehold properties is not less than the carrying value and took advantage of the transitional provisions of FRS15 to leave property at its 1988 valuation. No further changes were made since the adoption of FRS102.

# Newcastle Preparatory School Trust Limited (The)

## Trustees' Report

### Plans for future periods

#### *Aims and key objectives for future periods*

Our school, located in the popular residential area of Jesmond, is full of children who love learning, have a strong sense of self and feel inspired to make a difference.

The school aims to provide an **inspiring** environment in which pupils feel secure and can grow in confidence, self-esteem and experience **success**. Furthermore, it aims to create a friendly, caring community, established on mutual **respect**, where every individual is valued and **included**; to encourage pupils to confidently explore a broad curriculum, relish a **challenge** and, working in partnership with families, reach their full potential in all aspects of life.

Specific objectives for future development include:

- Development of a whole school program of study linked to the history of NPS.
- Increase the holiday club provision to include half terms and Easter.
- Review school uniform including bags and PE kit.
- Create direct access to EYFS playground from the Nursery classroom.
- Investigate partnerships and sponsorships to support STEM projects.
- Unify assessment within EYFS and communication between home and school using Tapestry.
- Redecorate and rebrand of sports hall internal décor, including upgrading the flooring in the sports hall entry lobby.
- Upgrade of the technical performance equipment, including theatre lighting.
- Additional outreach events involving other schools, including specialist subject visits such as the Code Show and MedicFest.
- Build relationships with other community groups including Jesmond Assembly and Fleming Court Care Home.
- Look into the feasibility of environmentally sustainable modifications including replacement windows and the installation of solar panels.

#### **Going concern**

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

# Newcastle Preparatory School Trust Limited (The)

## Trustees' Report

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Newcastle Preparatory School Trust Limited (The) for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 charitable company will continue in business.

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

### Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

### Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on ~~25/03/2024~~..... and signed on its behalf by:

*S Blair*

Susan Blair 25 Mar 2024 12:20:32 GMT (UTC +0)

.....  
S Blair  
Trustee

## **Newcastle Preparatory School Trust Limited (The)**

### **Independent Auditor's Report to the Members of Newcastle Preparatory School Trust Limited (The)**

#### **Opinion**

We have audited the financial statements of Newcastle Preparatory School Trust Limited (The) (the 'charity') for the year ended 31 August 2023, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements were 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.

## **Newcastle Preparatory School Trust Limited (The)**

### **Independent Auditor's Report to the Members of Newcastle Preparatory School Trust Limited (The)**

#### **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.

We have nothing to report in this regard.

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

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

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

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

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where 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.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 8), the trustees 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 charity or to cease operations, or have no realistic alternative but to do so.

## Newcastle Preparatory School Trust Limited (The)

### Independent Auditor's Report to the Members of Newcastle Preparatory School Trust Limited (The)

#### **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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; Independent Schools Inspectorate; employment laws; and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK). For instance, the further removed non-compliance is from the event and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available 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.

## Newcastle Preparatory School Trust Limited (The)

### Independent Auditor's Report to the Members of Newcastle Preparatory School Trust Limited (The)

#### Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown 26 Mar 2024 07:56:46 GMT (UTC +0)

.....  
Simon Brown BA ACA DChA (Senior Statutory Auditor)

For and on behalf of

Azets Audit Services

Chartered Accountants

Statutory Auditor

Bulman House

Regent Centre

Gosforth

Newcastle upon Tyne

NE3 3LS

Date: 26/03/2024.....

Azets Audit Services is a trading name of Azets Audit Services Limited

## Newcastle Preparatory School Trust Limited (The)

### Statement of Financial Activities for the Year Ended 31 August 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	322	15,000	15,322	200
Charitable activities	4	3,504,132	(26,832)	3,477,300	3,023,232
Investment income	5	10,703	-	10,703	196
Other income	6	4,633	-	4,633	13,695
Total Income		<u>3,519,790</u>	<u>(11,832)</u>	<u>3,507,958</u>	<u>3,037,323</u>
<b>Expenditure on:</b>					
Charitable activities	7	<u>(3,188,333)</u>	<u>-</u>	<u>(3,188,333)</u>	<u>(2,931,911)</u>
Total Expenditure		<u>(3,188,333)</u>	<u>-</u>	<u>(3,188,333)</u>	<u>(2,931,911)</u>
Net income/(expenditure)		331,457	(11,832)	319,625	105,412
Transfers between funds		<u>16,140</u>	<u>(16,140)</u>	<u>-</u>	<u>-</u>
Net movement in funds		347,597	(27,972)	319,625	105,412
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>2,220,662</u>	<u>121,605</u>	<u>2,342,267</u>	<u>2,236,855</u>
Total funds carried forward	19	<u>2,568,259</u>	<u>93,633</u>	<u>2,661,892</u>	<u>2,342,267</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 19.

## Newcastle Preparatory School Trust Limited (The)

### Comparative Statement of Financial Activities for the Year Ended 31 August 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	200	-	200
Charitable activities	4	3,066,602	(43,370)	3,023,232
Investment income	5	196	-	196
Other income	6	13,695	-	13,695
Total income		<u>3,080,693</u>	<u>(43,370)</u>	<u>3,037,323</u>
<b>Expenditure on:</b>				
Charitable activities	7	<u>(2,931,911)</u>	-	<u>(2,931,911)</u>
Total expenditure		<u>(2,931,911)</u>	-	<u>(2,931,911)</u>
Net income/(expenditure)		<u>148,782</u>	<u>(43,370)</u>	<u>105,412</u>
Net movement in funds		148,782	(43,370)	105,412
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>2,071,880</u>	<u>164,975</u>	<u>2,236,855</u>
Total funds carried forward	19	<u><u>2,220,662</u></u>	<u><u>121,605</u></u>	<u><u>2,342,267</u></u>

## Newcastle Preparatory School Trust Limited (The)

### (Registration number: 00668983) Balance Sheet as at 31 August 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	14	871,567	943,431
<b>Current assets</b>			
Debtors	15	103,659	85,136
Cash at bank and in hand		<u>2,524,347</u>	<u>2,112,631</u>
		2,628,006	2,197,767
<b>Creditors: Amounts falling due within one year</b>	16	<u>(837,681)</u>	<u>(798,931)</u>
<b>Net current assets</b>		<u>1,790,325</u>	<u>1,398,836</u>
<b>Net assets</b>		<u>2,661,892</u>	<u>2,342,267</u>
<b>Funds of the charity:</b>			
<b>Restricted</b>		93,633	121,605
<b>Unrestricted income funds</b>			
Unrestricted		<u>2,568,259</u>	<u>2,220,662</u>
<b>Total funds</b>	19	<u>2,661,892</u>	<u>2,342,267</u>

The financial statements on pages 13 to 32 were approved by the trustees, and authorised for issue on 25/03/2024.... and signed on their behalf by:

*S Blair*

Susan Blair 25 Mar 2024 12:20:32 GMT (UTC +0)

.....  
S Blair  
Trustee

## Newcastle Preparatory School Trust Limited (The)

### Statement of Cash Flows for the Year Ended 31 August 2023

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash income		319,625	105,412
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		95,563	99,130
Investment income	5	<u>(10,703)</u>	<u>(196)</u>
		404,485	204,346
<b>Working capital adjustments</b>			
Increase in debtors	15	(18,523)	(4,530)
Increase in creditors	16	<u>38,750</u>	<u>175,529</u>
Net cash flows from operating activities		<u>424,712</u>	<u>375,345</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	10,703	196
Purchase of tangible fixed assets	14	<u>(23,699)</u>	<u>(13,911)</u>
Net cash flows from investing activities		<u>(12,996)</u>	<u>(13,715)</u>
Net increase in cash and cash equivalents		411,716	361,630
Cash and cash equivalents at 1 September		<u>2,112,631</u>	<u>1,751,001</u>
Cash and cash equivalents at 31 August		<u><u>2,524,347</u></u>	<u><u>2,112,631</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

# Newcastle Preparatory School Trust Limited (The)

## Notes to the Financial Statements for the Year Ended 31 August 2023

### 1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: 6 Eslington Road, Jesmond, Newcastle upon Tyne, NE2 4RH,

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

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

#### Statement of compliance

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### Basis of preparation

The charity is 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 6 Eslington Road, Jesmond, Newcastle upon Tyne, NE2 4RH.

Newcastle 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 notes.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2023

#### **Estimation uncertainty and judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under circumstances.

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Depreciation has been applied to all assets for the year in full regardless of whether they have been bought or sold during the year.

There are no key estimates or assumptions to disclose.

#### **Income and endowments**

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

#### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### **Deferred income**

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

#### **Donated services and facilities**

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.

#### **Investment income**

Interest received is recognised on receipt into the bank account.

#### **Other income**

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2023

#### Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

#### Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

#### Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

As noted in the tangible fixed asset note, the charity has the school freehold property held at a former valuation giving rise to treatment as 'deemed cost'. As a result of the historic uplift in value, the charity has part of its unrestricted reserve designated as a 'revaluation reserve' which is being released back into unrestricted reserves each year (equivalent to the excess depreciation charge over that charged on the original historic cost).

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold buildings	2% straight line
Office equipment	20% straight line
Equipment	10% straight line

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2023

#### **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.

#### **Trade debtors**

Parents/guardians are made aware of the terms and conditions that the charity expects to be met with regards to monies owed for school and lunch fees.

Trade and other debtors are recognised at the settlement amount due after any discount/bursary offered.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose. They fall into two sub-classes: restricted income funds or endowment funds.

#### **Hire purchase and finance leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2023

#### **Pensions and other post retirement obligations**

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. This is a multi-employer defined benefits pension scheme.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of the pension over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The company also operates a defined contribution pension scheme for certain employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the income and expenditure account.

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2023

#### 3 Income from donations and legacies

	Unrestricted		Total
	General	Restricted	2023
	£	£	£
Donations and legacies;			
Donations	322	15,000	15,322
	<u>322</u>	<u>15,000</u>	<u>15,322</u>

The restricted donation was received from The CMF Charitable Settlement.

	Unrestricted	Restricted	Total
	funds	funds	2022
	General	£	£
	£		
Donations			
Donations from individuals	200	-	200
	<u>200</u>	<u>-</u>	<u>200</u>

#### 4 Income from charitable activities

	Unrestricted	Restricted	Total
	funds	funds	2023
	General	£	£
	£		
Gross school fees	3,339,714	-	3,339,714
Total bursaries, scholarships and discounts	(125,388)	(26,832)	(152,220)
Entrance and registration fees	3,793	-	3,793
Catering receipts	248,362	-	248,362
Extra-curricular activities	37,651	-	37,651
	<u>3,504,132</u>	<u>(26,832)</u>	<u>3,477,300</u>
	Unrestricted	Restricted	Total
	funds	funds	2022
	General	£	£
	£		
Gross school fees	2,941,383	-	2,941,383
Total bursaries, scholarships and discounts	(128,858)	(43,370)	(172,228)
Entrance and registration fees	5,200	-	5,200
Catering receipts	212,356	-	212,356
Extra-curricular activities	36,521	-	36,521
	<u>3,066,602</u>	<u>(43,370)</u>	<u>3,023,232</u>

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2023

#### 5 Investment income

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Interest receivable and similar income; Interest receivable on bank deposits	10,703	-	10,703
	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2022 £</b>
Interest receivable and similar income; Interest receivable on bank deposits	196	-	196
	196	-	196

#### 6 Other income

	Unrestricted General £	Total 2023 £	Total 2022 £
Commissions receivable and other income	4,633	4,633	13,695

#### 7 Expenditure on charitable activities

	Unrestricted General £	Restricted funds £	Total 2023 £
Charitable activity	642,678	-	642,678
Staff costs	2,010,090	-	2,010,090
Governance and support costs	535,565	-	535,565
	3,188,333	-	3,188,333
	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2022 £</b>
Charitable activity	484,008	-	484,008
Staff costs	1,927,118	-	1,927,118
Governance and support costs	520,785	-	520,785
	2,931,911	-	2,931,911

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2023

#### 8 Analysis of governance and support costs

##### Support costs allocated to charitable activities

	<b>Governance costs £</b>	<b>Support costs £</b>	<b>Total 2023 £</b>
Premises	3,395	64,496	67,891
Depreciation	4,778	90,785	95,563
Bank charges	1,436	-	1,436
Advertising	2,729	9,536	12,265
Audit and accountancy	9,780	-	9,780
Insurance	1,335	25,357	26,692
Legal and professional	13,296	-	13,296
Postage, stationery and photocopying	1,093	19,816	20,909
Subscriptions	3,186	72,468	75,654
Salaries and wages	212,079	-	212,079
	<u>253,107</u>	<u>282,458</u>	<u>535,565</u>
	<b>Governance costs £</b>	<b>Support costs £</b>	<b>Total 2022 £</b>
Premises	2,495	47,415	49,910
Depreciation	4,958	94,172	99,130
Bank charges	1,156	-	1,156
Advertising	3,668	7,851	11,519
Audit and accountancy	8,720	-	8,720
Insurance	1,224	23,252	24,476
Legal and professional	10,385	-	10,385
Postage, stationery and photocopying	962	18,287	19,249
Subscriptions	3,186	69,810	72,996
Salaries and wages	223,244	-	223,244
	<u>259,998</u>	<u>260,787</u>	<u>520,785</u>

#### Governance and support costs

The charity allocates costs direct to activities as far as possible, then identifies the remaining costs of its support function. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are allocated to the key charitable activity undertaken in the year. The basis for apportionment and the analysis of support and governance costs is set out as follows:

Direct to governance: Accountancy fees, Audit fees, Legal and professional fees and bank charges.

Direct to charitable activities: All other support costs.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2023

#### 9 Net incoming/outgoing resources

Net incoming resources for the year include:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Audit fees	9,780	8,720
Depreciation of fixed assets	<u>95,563</u>	<u>99,130</u>

#### 10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 11 Staff costs

The aggregate payroll costs were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	1,738,612	1,671,169
Social security costs	168,321	168,378
Pension costs	<u>315,236</u>	<u>310,815</u>
	<u>2,222,169</u>	<u>2,150,362</u>

The monthly full time equivalent number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	<b>2023</b>	<b>2022</b>
	<b>No</b>	<b>No</b>
Teaching Staff	24	26
Nursery and Classroom Support	15	13
Office Staff	5	3
Maintenance	<u>2</u>	<u>2</u>
	<u>46</u>	<u>44</u>

The number of employees whose emoluments fell within the following bands was:

	<b>2023</b>	<b>2022</b>
	<b>No</b>	<b>No</b>
£60,001 - £70,000	4	3
£80,001 - £90,000	2	-
£110,001 - £120,000	<u>-</u>	<u>1</u>

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2023

The total employee benefits of the key management personnel of the charity were £379,108 (2022 - £465,451).

#### 12 Auditors' remuneration

	2023 £	2022 £
Audit of the financial statements	<u>9,780</u>	<u>8,720</u>

#### 13 Taxation

The charity is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### 14 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 September 2022	1,553,423	536,733	297,653	2,387,809
Additions	-	11,890	11,809	23,699
Disposals	-	-	(2,632)	(2,632)
At 31 August 2023	<u>1,553,423</u>	<u>548,623</u>	<u>306,830</u>	<u>2,408,876</u>
<b>Depreciation</b>				
At 1 September 2022	810,164	380,024	254,190	1,444,378
Charge for the year	31,068	40,670	23,825	95,563
Eliminated on disposals	-	-	(2,632)	(2,632)
At 31 August 2023	<u>841,232</u>	<u>420,694</u>	<u>275,383</u>	<u>1,537,309</u>
<b>Net book value</b>				
At 31 August 2023	<u>712,191</u>	<u>127,929</u>	<u>31,447</u>	<u>871,567</u>
At 31 August 2022	<u>743,259</u>	<u>156,709</u>	<u>43,463</u>	<u>943,431</u>

#### Revaluation

The fair value of the company's Freehold properties was revalued on 31 August 1988. An independent valuer was not involved.

Had this class of asset been measured on a historical cost basis, their carrying amount would have been £663,078 (2022 - £690,149).

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2023

#### 15 Debtors

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade debtors	30,160	5,434
Prepayments and Accrued Inome	73,278	79,702
Other debtors	221	-
	<u>103,659</u>	<u>85,136</u>

Included within trade debtors above, are gross debtors of £30,545 (2022 - £16,428) less a bad debt provision of £385 (2022 - £10,994).

#### 16 Creditors: amounts falling due within one year

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	62,930	142,001
Other taxation and social security	46,451	44,206
Other creditors	30,202	31,143
Accruals	101,097	83,184
Deferred income	597,001	498,397
	<u>837,681</u>	<u>798,931</u>

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Deferred income at 1 September 2022	498,397	443,852
Resources deferred in the period	597,001	473,397
Amounts released from previous periods	<u>(498,397)</u>	<u>(418,852)</u>
Deferred income at year end	<u>597,001</u>	<u>498,397</u>

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2023

#### 17 Obligations under leases and hire purchase contracts

##### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2023 £	2022 £
<b>Other</b>		
Within one year	20,792	20,792
Between one and five years	12,478	33,270
	<u>33,270</u>	<u>54,062</u>

#### 18 Pension and other schemes

The company contributes to a defined benefits teachers' pension scheme and to certain employees personal pensions via a group personal pension scheme. The assets of the schemes are held separately from those of the company in independently administered funds.

The pension cost charge represents contributions payable by the company and amounted to £51,255 (2022 - £46,320). Contributions totalling £Nil (2022 - £Nil) were payable into the funds at the year end and are included in other creditors.

##### Defined benefit pension schemes

###### Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for teachers. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both member and employer make contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by parliament.

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 30 October 2023.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2023

The key elements of the valuation and subsequent consultation are:

Employers contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)

Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million giving a notional past service deficit of £39,800 million

The SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI and is based on Office for Budget Responsibility's forecast for long-term GDP Growth.

The next valuation result is due to be implemented from 1 April 2024.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The charitable company has accounted for its contributions to the scheme as if it were a defined contribution scheme. The charitable company has set out above the information available on the scheme.

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was £263,982 (2022 - £264,995).

Money Purchase Scheme: At the balance sheet date, £30,202 was owed to the money purchase scheme and included within creditors (2022 - £30,772).

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2023

#### 19 Funds

The specific purposes for which the funds are to be applied are as follows:

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2023 £
<b>Unrestricted funds</b>					
<i>General</i>					
General reserve	2,167,564	3,519,790	(3,184,339)	16,140	2,519,155
<i>Designated</i>					
Revaluation reserve	<u>53,098</u>	<u>-</u>	<u>(3,994)</u>	<u>-</u>	<u>49,104</u>
<b>Total unrestricted funds</b>	<u>2,220,662</u>	<u>3,519,790</u>	<u>(3,188,333)</u>	<u>16,140</u>	<u>2,568,259</u>
<b>Restricted funds</b>					
Northumbrian Water	4,900	-	-	-	4,900
Catherine Cookson Charitable Trust	116,705	(26,832)	-	(1,140)	88,733
Fenwick Frame	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>	<u>-</u>
<b>Total restricted funds</b>	<u>121,605</u>	<u>(11,832)</u>	<u>-</u>	<u>(16,140)</u>	<u>93,633</u>
<b>Total funds</b>	<u>2,342,267</u>	<u>3,507,958</u>	<u>(3,188,333)</u>	<u>-</u>	<u>2,661,892</u>

The brought forward restricted fund relating to Northumbrian Water is to go towards the maintenance of the flood defence system within the basement of 5 Eslington Road, Newcastle upon Tyne, NE2 4RH.

The fund relating to the Catherine Cookson Charitable Trust is to go towards the school's bursary campaign. The negative income above is the bursary offset.

The Fenwick Frame fund was a donation of £15,000 received from The CMF Charitable Settlement towards the purchase of a replacement climbing frame.

As described in the accounting policy, the designated reserves relate to the revaluation reserve.

The playground frame was purchased in July 2023 and therefore the funds released to unrestricted fund. During the year a pupils school trip was funded via the Catherine Cookson Trust Bursary fund.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2023

#### 20 Analysis of net assets between funds

	Unrestricted			2023 Total funds £
	General £	Designated £	Restricted £	
Tangible fixed assets	822,463	49,104	-	871,567
Net current assets/(liabilities)	<u>1,696,692</u>	<u>-</u>	<u>93,633</u>	<u>1,790,325</u>
Total net assets	<u><u>2,519,155</u></u>	<u><u>49,104</u></u>	<u><u>93,633</u></u>	<u><u>2,661,892</u></u>

  

	Unrestricted			2022 Total funds £
	General £	Designated £	Restricted £	
Tangible fixed assets	890,333	53,098	-	943,431
Net current assets/(liabilities)	<u>1,277,231</u>	<u>-</u>	<u>121,605</u>	<u>1,398,836</u>
Total net assets	<u><u>2,167,564</u></u>	<u><u>53,098</u></u>	<u><u>121,605</u></u>	<u><u>2,342,267</u></u>

#### 21 Analysis of net funds

	At 1 September 2022 £	Financing cash flows £	At 31 August 2023 £
	Cash at bank and in hand	<u>2,112,631</u>	<u>411,716</u>
Net funds	<u><u>2,112,631</u></u>	<u><u>411,716</u></u>	<u><u>2,524,347</u></u>

  

	At 1 September 2021 £	Financing cash flows £	At 31 August 2022 £
	Cash at bank and in hand	<u>1,751,001</u>	<u>361,630</u>
Net funds	<u><u>1,751,001</u></u>	<u><u>361,630</u></u>	<u><u>2,112,631</u></u>

## **Newcastle Preparatory School Trust Limited (The)**

### **Notes to the Financial Statements for the Year Ended 31 August 2023**

#### **22 Related party transactions**

During the year the charity made the following related party transactions:

##### **P Hewitson**

(Trustee)

P Hewitson has a child attending the school. From the date of appointment, total school fees invoiced to P Hewitson were done so under the normal commercial terms of the entity. The child left end of the academic year 31 August 2023.

##### **D Bailey**

(Trustee)

D Bailey during the prior had a child attending the school. From the date of appointment, total school fees invoiced to D Bailey were done so under the normal commercial terms of the entity.

##### **J Bal**

(Trustee)

J Bal had two children attending the school. From the date of appointment, total school fees invoiced to J Bal were done so under the normal commercial terms of the entity. From 1 September only one child will be attending.

**THE NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED**

England & Wales - Charity number 528152

---

# Accounts

---

Company registration number: 00668983

Charity registration number: 528152

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

(A company limited by guarantee)

**Annual Report and Financial Statements**

**for the Year Ended 31 August 2022**

# **Newcastle Preparatory School Trust Limited (The)**

## **Contents**

<b>Reference and Administrative Details</b>	<b>1</b>
<b>Trustees' Report</b>	<b>2 to 6</b>
<b>Independent Auditors' Report</b>	<b>7 to 10</b>
<b>Statement of Financial Activities</b>	<b>11</b>
<b>Statement of Financial Activities</b>	<b>12</b>
<b>Balance Sheet</b>	<b>13</b>
<b>Statement of Cash Flows</b>	<b>14</b>
<b>Notes to the Financial Statements</b>	<b>15 to 31</b>

## Newcastle Preparatory School Trust Limited (The)

### Reference and Administrative Details

<b>Trustees</b>	R S Appleby (resigned 14 September 2021) Dr R R Bajekal S Blair P Hewitson C L Winskell A Pearson D J Bailey J Bal (appointed 21 March 2022)
<b>Secretary</b>	S G Easton
<b>Key Management Personnel</b>	F Coleman, Head Teacher - Retired 31/8/22 G Strong, Deputy Head teacher S Easton, Bursar S Breakey, Head of Early Years P Fargher, Head of Pastoral A Brown, Head of Curriculum N Johnson, Head of SEN
<b>Registered Office</b>	6 Eslington Road Jesmond Newcastle upon Tyne NE2 4RH The charity is incorporated in England and Wales.
<b>Company Registration Number</b>	00668983
<b>Charity Registration Number</b>	528152
<b>Solicitors:</b>	Sintons LLP The Cube Barrack Road Newcastle NE4 6DB
<b>Bankers</b>	Barclays Bank plc Newcastle City 71 Grey Street Newcastle upon Tyne NE1 6EF
<b>Auditor</b>	Azets Audit Services Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

## **Newcastle Preparatory School Trust Limited (The)**

### **Trustees' Report**

The Trustees and Governors who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2022.

#### **Structure, governance and management**

##### ***Nature of governing document***

The company is limited by guarantee and its governing document is its Memorandum and Articles of Association dated 31st August 1960, last amended by special resolution dated 13th March 2006.

The governing body of the company is a board of trustees which meets on a regular basis throughout the year to decide overall financial and policy matters.

##### ***Induction and training of trustees***

Most members are already familiar with the practical work and objectives of the charity bringing their own relevant and unique skills.

Members are actively encouraged to attend the regular trustee meetings to ensure they are always up to date with the latest activities of the trust. Members are also encouraged to and do attend relevant seminars and training.

##### ***Arrangements for setting key management personnel remuneration***

The Board, who give their time freely and no Trustees received remuneration in the year, have considered, who the Key Management Personnel (KMP) of the charitable company, as noted in the Reference and Administration section. Together with the Board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis.

The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The Trustees' benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with budget and forecast information, ensuring that the charitable company can afford any proposed increases. The Board then agree any uplift to remuneration.

#### **Objectives and activities**

##### ***Objects and aims***

The company was set up under a Trust Deed to establish a school or schools for the education of children.

The income and property of the company, whensoever derived, shall be applied solely towards the promotion of the objects of the company as set forth in the Memorandum of Association.

##### ***Fundraising disclosures***

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preference of all public donors.

## Newcastle Preparatory School Trust Limited (The)

### Trustees' Report

#### **Public benefit**

##### **Bursaries and Hardship awards**

During the year 16 pupils received a bursary award ranging from 30% to 100%. During the year the value of means tested bursaries and hardship awards (excluding other discounts) was £146,212

##### **Partnerships and collaboration**

The school established a link with Pinewood School in Saharanpur, India in 2019. Opportunities for NPS pupils to communicate with pupils in Pinewood School were limited in 2021/22 as they continued to operate within strict Covid restrictions. However, it is hoped that engagement will resume in 2023 with a planned visit to NPS by teachers from Pinewood School in order to share good practice.

##### **Community Services**

NPS is keen to support and engage with the wider community. The Northumbria Junior Chess Association held competitions on the School's premises and a member of staff acted in a capacity as Trustee during the year giving his time and expertise on a voluntary basis.

The School supported the Jesmond Festival by participating in events at Jesmond library.

Members of staff volunteer in a variety of roles, including as a trustee of a local state run playgroup and a cook at the People's Kitchen.

The School has formed an association with North Tyneside Steam Railway Association and regularly lends and donates items of equipment.

##### **Charitable giving**

As a result of charity fundraising events within the school, a total of £4,009 was donated to charity.

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Risk management**

The trustees are responsible for keeping accounting records and safeguarding the assets of the charity. The programme of re-assessing the major risks to which the charity is exposed is continuing, in particular those relating to the operations and finances of the charity and the trustees are satisfied that systems are being put in place to mitigate the exposure to the major risks.

# Newcastle Preparatory School Trust Limited (The)

## Trustees' Report

### **Achievements and performance**

The greatest achievement during the academic year 2021/22 was the resumption of routines and provision which had existed pre-pandemic. This allowed the school to regain a sense of normality so that children could enjoy extra-curricular activities and spend more time with their peers, thus enhancing both the social and academic offering.

This academic year also saw the retirement announcement of the current serving head which led to the appointment of a new head teacher. This was the school's current deputy head teacher which allowed for a smooth transition. In turn, the incoming head was able to create a new management structure and appoint these positions prior to the commencement of post.

Throughout the year, the following updates and developments were made:

- Roll out of 60 new laptops to be accessed across the school
- Implementation of the new EYFS framework
- Trial of new digital learning journeys
- Staff training and focus on embedding wellbeing into routine
- Renovation of the playground space, including adding puzzles and games to the walls and replacing storage
- Remodelling of two rooms to enable provision specifically for administering first aid
- Health and safety improvements, including renewing door closers, adding a gate to forest school, raising Reception classroom door handle heights, providing mobile phones for use on trips and at break times
- Relocation of the drama resources into bespoke cupboards in the sports hall
- Addition of a staging access door in the sports hall
- Remodelling of the head teacher's office to allow for meetings to take place
- Migration of MIS to Engage and of IT management to Aspire

The school received an ISI inspection report which was excellent in all areas of the educational quality.

### **Financial review**

The financial position for the year shows a surplus of £105,412 (2021: £63,231). The Trustees and Governors consider the financial position of the charity to be sound.

### ***Policy on reserves***

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent to two to three months' salary costs, which would equate to holding approximately £500,000 in free reserves. The trustees continue to keep funding under review to ensure that, in the absence of free reserves, sufficient funding is available to cover the School's working capital requirements.

At the year end, free reserves were £1,277,231 (2021: £1,043,230), an increase of £234,001 in the year.

The trustees' long term policy is to continue to build up reserves by means of annual operating surpluses when available, whilst continuing to develop the School's facilities as appropriate.

# Newcastle Preparatory School Trust Limited (The)

## Trustees' Report

### *Investment policy and objectives*

The charity funds are controlled by the trustees, who invest with a view to maximising annual investment income while maintaining capital growth in line with market trends. The attached financial statements show the current state of finances which the trustees consider to be satisfactory.

### **Plans for future periods**

#### *Aims and key objectives for future periods*

Our school, located in the popular residential area of Jesmond, is full of children who love learning, have a strong sense of self and feel inspired to make a difference.

The school aims to provide an inspiring environment in which pupils feel secure and can grow in confidence, self-esteem and experience success. Furthermore, it aims to create a friendly, caring community, established on mutual respect, where every individual is valued and included; to encourage pupils to confidently explore a broad curriculum, relish a challenge and, working in partnership with families, reach their full potential in all aspects of life.

Specific objectives for future development include:

- Embedding a new management and leadership structure
- Investing in more laptops to allow 1:1 devices for Key Stage 2
- Continuing to renovate playground space, including new safety surface around existing play equipment, some additional shelter on the playground and replacing degrading play equipment
- Update the dining hall to make the layout more functional for both lunches and assemblies. Purchase new, more modern and accessible serveries.
- Consider further wellbeing initiatives such as pets and therapeutic or health services in school
- Review and replenish reading scheme books
- Investigate the feasibility of opening up more of the EYFS spaces through consultation with the architect
- Update the décor in school with a refreshed colour scheme
- Look at issues of sustainability and the environment relating to the school
- Reinstate residential excursions and international trips
- Create a calendar of social events for parents and families to increase sense of community

### **Market value of land and buildings**

The School freehold properties were last revalued on 31st August 1988 and the valuation incorporated in the financial statements. The trustees are of the opinion that the current market value of the School freehold properties is not less than the carrying value and took advantage of the transitional provisions of FRS15 to leave property at its 1988 valuation. No further changes were made since the adoption of FRS102.

### **Going concern**

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

## Newcastle Preparatory School Trust Limited (The)

### Trustees' Report

#### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Newcastle Preparatory School Trust Limited (The) for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 charitable company will continue in business.

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

#### Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

#### Reappointment of auditor

Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following their acquisition of the trade of Tait Walker LLP, trading as MHA Tait Walker, on 1 May 2022. In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 23/05/2023.... and signed on its behalf by:

*S Blair*

Susan Blair 23 May 2023 15:51:24 BST (UTC +1)

S Blair  
Trustee

## **Newcastle Preparatory School Trust Limited (The)**

### **Independent Auditor's Report to the Members of Newcastle Preparatory School Trust Limited (The)**

#### **Opinion**

We have audited the financial statements of Newcastle Preparatory School Trust Limited (The) (the 'charity') for the year ended 31 August 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements were 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.

## **Newcastle Preparatory School Trust Limited (The)**

### **Independent Auditor's Report to the Members of Newcastle Preparatory School Trust Limited (The)**

#### **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.

We have nothing to report in this regard.

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

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

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

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

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where 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.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 6), the trustees 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 charity or to cease operations, or have no realistic alternative but to do so.

## **Newcastle Preparatory School Trust Limited (The)**

### **Independent Auditor's Report to the Members of Newcastle Preparatory School Trust Limited (The)**

#### **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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; Independent Schools Inspectorate; employment laws; and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK). For instance, the further removed non-compliance is from the event and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available 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.

## Newcastle Preparatory School Trust Limited (The)

### Independent Auditor's Report to the Members of Newcastle Preparatory School Trust Limited (The)

#### Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown BA ACA DChA (Senior Statutory Auditor)

For and on behalf of  
Azets Audit Services  
Chartered Accountants  
Statutory Auditor

Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

Date: 24/5/2023

Azets Audit Services is a trading name of Azets Audit Services Limited

## Newcastle Preparatory School Trust Limited (The)

### Statement of Financial Activities for the Year Ended 31 August 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	200	-	200	13,338
Charitable activities	4	3,066,602	(43,370)	3,023,232	2,639,555
Investment income	5	196	-	196	2,707
Other income	6	13,695	-	13,695	6,318
<b>Total Income</b>		<b>3,080,693</b>	<b>(43,370)</b>	<b>3,037,323</b>	<b>2,661,918</b>
<b>Expenditure on:</b>					
Charitable activities	7	(2,931,911)	-	(2,931,911)	(2,598,687)
<b>Total Expenditure</b>		<b>(2,931,911)</b>	<b>-</b>	<b>(2,931,911)</b>	<b>(2,598,687)</b>
<b>Net income/(expenditure)</b>		<b>148,782</b>	<b>(43,370)</b>	<b>105,412</b>	<b>63,231</b>
<b>Net movement in funds</b>		<b>148,782</b>	<b>(43,370)</b>	<b>105,412</b>	<b>63,231</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		2,071,880	164,975	2,236,855	2,173,624
Total funds carried forward	19	2,220,662	121,605	2,342,267	2,236,855

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 19.

## Newcastle Preparatory School Trust Limited (The)

### Comparative Statement of Financial Activities for the Year Ended 31 August 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	13,338	-	13,338
Charitable activities	4	2,689,844	(50,289)	2,639,555
Investment income	5	2,707	-	2,707
Other income	6	6,318	-	6,318
Total income		<u>2,712,207</u>	<u>(50,289)</u>	<u>2,661,918</u>
<b>Expenditure on:</b>				
Charitable activities	7	<u>(2,598,687)</u>	<u>-</u>	<u>(2,598,687)</u>
Total expenditure		<u>(2,598,687)</u>	<u>-</u>	<u>(2,598,687)</u>
Net income/(expenditure)		<u>113,520</u>	<u>(50,289)</u>	<u>63,231</u>
Net movement in funds		113,520	(50,289)	63,231
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>1,958,360</u>	<u>215,264</u>	<u>2,173,624</u>
Total funds carried forward	19	<u><u>2,071,880</u></u>	<u><u>164,975</u></u>	<u><u>2,236,855</u></u>

## Newcastle Preparatory School Trust Limited (The)

### (Registration number: 00668983) Balance Sheet as at 31 August 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	14	943,431	1,028,650
<b>Current assets</b>			
Debtors	15	85,136	80,606
Cash at bank and in hand		<u>2,112,631</u>	<u>1,751,001</u>
		2,197,767	1,831,607
<b>Creditors: Amounts falling due within one year</b>	16	<u>(798,931)</u>	<u>(623,402)</u>
<b>Net current assets</b>		<u>1,398,836</u>	<u>1,208,205</u>
<b>Net assets</b>		<u>2,342,267</u>	<u>2,236,855</u>
<b>Funds of the charity:</b>			
<b>Restricted</b>		121,605	164,975
<b>Unrestricted income funds</b>			
Unrestricted		<u>2,220,662</u>	<u>2,071,880</u>
<b>Total funds</b>	19	<u>2,342,267</u>	<u>2,236,855</u>

The financial statements on pages 11 to 31 were approved by the trustees, and authorised for issue on 23/05/2023.... and signed on their behalf by:

*S Blair*

Susan Blair 23 May 2023 15:51:24 BST (UTC +1)

.....  
S Blair  
Trustee

## Newcastle Preparatory School Trust Limited (The)

### Statement of Cash Flows for the Year Ended 31 August 2022

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash income		105,412	63,231
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		99,130	100,951
Investment income	5	<u>(196)</u>	<u>(2,707)</u>
		204,346	161,475
<b>Working capital adjustments</b>			
(Increase)/decrease in debtors	15	(4,530)	21,200
Increase in creditors	16	<u>175,529</u>	<u>59,787</u>
Net cash flows from operating activities		<u>375,345</u>	<u>242,462</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	196	2,707
Purchase of tangible fixed assets	14	<u>(13,911)</u>	<u>(34,937)</u>
Net cash flows from investing activities		<u>(13,715)</u>	<u>(32,230)</u>
Net increase in cash and cash equivalents		361,630	210,232
Cash and cash equivalents at 1 September		<u>1,751,001</u>	<u>1,540,769</u>
Cash and cash equivalents at 31 August		<u><u>2,112,631</u></u>	<u><u>1,751,001</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

## **Newcastle Preparatory School Trust Limited (The)**

### **Notes to the Financial Statements for the Year Ended 31 August 2022**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: 6 Eslington Road, Jesmond, Newcastle upon Tyne, NE2 4RH,

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### **Basis of preparation**

The charity is 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 6 Eslington Road, Jesmond, Newcastle upon Tyne, NE2 4RH.

Newcastle 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 notes.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Going concern**

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

## **Newcastle Preparatory School Trust Limited (The)**

### **Notes to the Financial Statements for the Year Ended 31 August 2022**

#### **Estimation uncertainty and judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under circumstances.

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Depreciation has been applied to all assets for the year in full regardless of whether they have been bought or sold during the year.

There are no key estimates or assumptions to disclose.

#### **Income and endowments**

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

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Deferred income***

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

#### ***Donated services and facilities***

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.

#### ***Investment income***

Interest received is recognised on receipt into the bank account.

## **Newcastle Preparatory School Trust Limited (The)**

### **Notes to the Financial Statements for the Year Ended 31 August 2022**

#### ***Other income***

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2022

#### Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

As noted in the tangible fixed asset note, the charity has the school freehold property held at a former valuation giving rise to treatment as 'deemed cost'. As a result of the historic uplift in value, the charity has part of its unrestricted reserve designated as a 'revaluation reserve' which is being released back into unrestricted reserves each year (equivalent to the excess depreciation charge over that charged on the original historic cost).

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold buildings	2% straight line
Office equipment	20% straight line
Equipment	10% straight line

#### 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.

#### Trade debtors

Parents/guardians are made aware of the terms and conditions that the charity expects to be met with regards to monies owed for school and lunch fees.

Trade and other debtors are recognised at the settlement amount due after any discount/bursary offered.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## **Newcastle Preparatory School Trust Limited (The)**

### **Notes to the Financial Statements for the Year Ended 31 August 2022**

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose. They fall into two sub-classes: restricted income funds or endowment funds.

#### **Pensions and other post retirement obligations**

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. This is a multi-employer defined benefits pension scheme.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of the pension over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The company also operates a defined contribution pension scheme for certain employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the income and expenditure account.

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2022

#### 3 Income from donations and legacies

	<b>Unrestricted</b>		<b>Total</b>
	<b>General</b>	<b>Restricted</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Donations and legacies;			
Donations	200	-	200
	<u>200</u>	<u>-</u>	<u>200</u>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>2021</b>
	<b>General</b>	<b>funds</b>	<b>£</b>
	<b>£</b>	<b>£</b>	
Donations and legacies;			
Donations from individuals	420	-	420
Grants, including capital grants;			
Government grants	12,918	-	12,918
	<u>13,338</u>	<u>-</u>	<u>13,338</u>

#### 4 Income from charitable activities

	<b>Unrestricted</b>		<b>Total</b>
	<b>funds</b>	<b>Restricted</b>	<b>2022</b>
	<b>General</b>	<b>funds</b>	<b>£</b>
	<b>£</b>	<b>£</b>	
Gross school fees	2,941,383	-	2,941,383
Total bursaries, scholarships and discounts	(128,858)	(43,370)	(172,228)
Entrance and registration fees	5,200	-	5,200
Catering receipts	212,356	-	212,356
Extra-curricular activities	36,521	-	36,521
	<u>3,066,602</u>	<u>(43,370)</u>	<u>3,023,232</u>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>2021</b>
	<b>General</b>	<b>funds</b>	<b>£</b>
	<b>£</b>	<b>£</b>	
Gross school fees	2,620,673	-	2,620,673
Total bursaries, scholarships and discounts	(121,897)	(50,289)	(172,186)
Entrance and registration fees	5,300	-	5,300
Catering receipts	138,647	-	138,647
Extra-curricular activities	47,121	-	47,121
	<u>2,689,844</u>	<u>(50,289)</u>	<u>2,639,555</u>

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2022

#### 5 Investment income

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2022 £</b>
Interest receivable and similar income; Interest receivable on bank deposits	196	-	196
	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2021 £</b>
Interest receivable and similar income; Interest receivable on bank deposits	2,707	-	2,707
	2,707	-	2,707

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2022

#### 6 Other income

	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
	<b>General</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Commissions receivable and other income	13,695	13,695	1,697
Insurance claims	-	-	4,621
	<u>13,695</u>	<u>13,695</u>	<u>6,318</u>

#### 7 Expenditure on charitable activities

		<b>Unrestricted</b>		<b>Total</b>
	<b>Note</b>	<b>General</b>	<b>Restricted</b>	<b>2022</b>
		<b>£</b>	<b>£</b>	<b>£</b>
Charitable activity		484,008	-	484,008
Staff costs		1,927,118	-	1,927,118
Governance and support costs	8	520,785	-	520,785
		<u>2,931,911</u>	<u>-</u>	<u>2,931,911</u>
		<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
		<b>funds</b>	<b>funds</b>	<b>2021</b>
		<b>General</b>	<b>funds</b>	<b>£</b>
		<b>£</b>	<b>£</b>	<b>£</b>
Charitable activity		347,532	-	347,532
Staff costs		1,780,300	-	1,780,300
Governance costs		470,855	-	470,855
		<u>2,598,687</u>	<u>-</u>	<u>2,598,687</u>

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2022

#### 8 Analysis of governance and support costs

##### Support costs allocated to charitable activities

	Governance costs £	Support costs £	Total 2022 £
Premises	2,495	47,415	49,910
Depreciation	4,958	94,172	99,130
Bank charges	1,156	-	1,156
Advertising	3,668	7,851	11,519
Audit and accountancy	8,720	-	8,720
Insurance	1,224	23,252	24,476
Legal and professional	10,385	-	10,385
Postage, stationery and photocopying	962	18,287	19,249
Subscriptions	3,186	69,810	72,996
Salaries and wages	223,244	-	223,244
	<u>259,998</u>	<u>260,787</u>	<u>520,785</u>
	Governance costs £	Support costs £	Total 2021 £
Premises	2,315	43,985	46,300
Depreciation	5,048	95,903	100,951
Bank charges	1,261	-	1,261
Advertising	3,668	5,774	9,442
Audit and accountancy	8,480	-	8,480
Insurance	1,122	21,327	22,449
Legal and professional	2,826	-	2,826
Postage, stationery and photocopying	813	15,443	16,256
Subscriptions	3,186	46,058	49,244
Salaries and wages	213,646	-	213,646
	<u>242,365</u>	<u>228,490</u>	<u>470,855</u>

##### Governance and support costs

The charity allocates costs direct to activities as far as possible, then identifies the remaining costs of its support function. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are allocated to the key charitable activity undertaken in the year. The basis for apportionment and the analysis of support and governance costs is set out as follows:

Direct to governance: Accountancy fees, Audit fees, Legal and professional fees and bank charges.  
Direct to charitable activities: All other support costs.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2022

#### 9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Audit fees	8,720	8,480
Depreciation of fixed assets	<u>99,130</u>	<u>100,951</u>

#### 10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 11 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
<b>Staff costs during the year were:</b>		
Wages and salaries	1,671,169	1,554,549
Social security costs	168,378	149,672
Pension costs	<u>310,815</u>	<u>289,725</u>
	<u>2,150,362</u>	<u>1,993,946</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Teaching Staff	26	24
Nursery and Classroom Support	13	12
Office Staff	3	4
Maintenance	<u>2</u>	<u>2</u>
	<u>44</u>	<u>42</u>

The number of employees whose emoluments fell within the following bands was:

	2022 No	2021 No
£60,001 - £70,000	3	2
£110,001 - £120,000	1	-
£120,001 - £130,000	<u>-</u>	<u>1</u>

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2022

The total employee benefits of the key management personnel of the charity were £470,224 (2021 - £468,815).

#### 12 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	<u>8,720</u>	<u>8,480</u>

#### 13 Taxation

The charity is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### 14 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 September 2021	1,553,423	529,191	291,284	2,373,898
Additions	<u>-</u>	<u>7,542</u>	<u>6,369</u>	<u>13,911</u>
At 31 August 2022	<u>1,553,423</u>	<u>536,733</u>	<u>297,653</u>	<u>2,387,809</u>
<b>Depreciation</b>				
At 1 September 2021	779,096	339,397	226,755	1,345,248
Charge for the year	<u>31,068</u>	<u>40,627</u>	<u>27,435</u>	<u>99,130</u>
At 31 August 2022	<u>810,164</u>	<u>380,024</u>	<u>254,190</u>	<u>1,444,378</u>
<b>Net book value</b>				
At 31 August 2022	<u>743,259</u>	<u>156,709</u>	<u>43,463</u>	<u>943,431</u>
At 31 August 2021	<u>774,327</u>	<u>189,794</u>	<u>64,529</u>	<u>1,028,650</u>

#### Revaluation

The fair value of the company's Freehold properties was revalued on 31 August 1988. An independent valuer was not involved.

Had this class of asset been measured on a historical cost basis, their carrying amount would have been £690,149 (2021 - £717,223).

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2022

#### 15 Debtors

	2022 £	2021 £
Trade debtors	5,434	21,913
Prepayments and Accrued Income	79,702	58,693
	<u>85,136</u>	<u>80,606</u>

Included within trade debtors above, are gross debtors of £16,428 (2021 - £32,983) less a bad debt provision of £10,994 (2021 - £11,070).

#### 16 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	142,001	40,664
Other taxation and social security	44,206	41,844
Other creditors	31,143	30,302
Accruals	83,184	66,740
Deferred income	498,397	443,852
	<u>798,931</u>	<u>623,402</u>

	2022 £	2021 £
Deferred income at 1 September 2021	443,852	396,193
Resources deferred in the period	473,397	443,852
Amounts released from previous periods	<u>(418,852)</u>	<u>(396,193)</u>
Deferred income at year end	<u>498,397</u>	<u>443,852</u>

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2022

#### 17 Obligations under leases and hire purchase contracts

##### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
<b>Other</b>		
Within one year	20,792	8,314
Between one and five years	33,270	16,627
	<u>54,062</u>	<u>24,941</u>

#### 18 Pension and other schemes

The company contributes to a defined benefits teachers' pension scheme and to certain employees personal pensions via a group personal pension scheme. The assets of the schemes are held separately from those of the company in independently administered funds.

The pension cost charge represents contributions payable by the company and amounted to £46,320 (2021 - £45,381). Contributions totalling £Nil (2021 - £204) were payable into the funds at the year end and are included in other creditors.

##### Defined benefit pension schemes

###### Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for teachers. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both member and employer make contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by parliament.

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

## **Newcastle Preparatory School Trust Limited (The)**

### **Notes to the Financial Statements for the Year Ended 31 August 2022**

The key elements of the valuation and subsequent consultation are:

Employers contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)  
Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million

The SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. Assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The charitable company has accounted for its contributions to the scheme as if it were a defined contribution scheme. The charitable company has set out above the information available on the scheme.

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was £264,995 (2021 - £247,001).

Money Purchase Scheme: At the balance sheet date, £30,772 was owed to the money purchase scheme and included within creditors (2021 - £29,132).

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2022

#### 19 Funds

The specific purposes for which the funds are to be applied are as follows:

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>				
<i>General</i>				
General reserve	2,014,788	3,080,693	(2,927,917)	2,167,564
<i>Designated</i>				
Revaluation reserve	<u>57,092</u>	-	<u>(3,994)</u>	<u>53,098</u>
<b>Total unrestricted funds</b>	<u>2,071,880</u>	<u>3,080,693</u>	<u>(2,931,911)</u>	<u>2,220,662</u>
<b>Restricted funds</b>				
Northumbrian Water	4,900	-	-	4,900
Catherine Cookson Charitable Trust	<u>160,075</u>	<u>(43,370)</u>	-	<u>116,705</u>
<b>Total restricted funds</b>	<u>164,975</u>	<u>(43,370)</u>	-	<u>121,605</u>
<b>Total funds</b>	<u>2,236,855</u>	<u>3,037,323</u>	<u>(2,931,911)</u>	<u>2,342,267</u>

The brought forward restricted fund relating to Northumbrian Water is to go towards the maintenance of the flood defence system within the basement of 5 Eslington Road, Newcastle upon Tyne, NE2 4RH.

The fund relating to the Catherine Cookson Charitable Trust is to go towards the school's bursary campaign. The negative income above is the bursary offset.

As described in the accounting policy, the designated reserves relate to the revaluation reserve.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2022

#### 20 Analysis of net assets between funds

	Unrestricted			2022 Total funds £
	General £	Designated £	Restricted £	
Tangible fixed assets	890,333	53,098	-	943,431
Net current assets/(liabilities)	<u>1,277,231</u>	<u>-</u>	<u>121,605</u>	<u>1,398,836</u>
Total net assets	<u>2,167,564</u>	<u>53,098</u>	<u>121,605</u>	<u>2,342,267</u>

  

	Unrestricted			2021 Total funds £
	General £	Designated £	Restricted £	
Tangible fixed assets	971,558	57,092	-	1,028,650
Net current assets/(liabilities)	<u>1,043,230</u>	<u>-</u>	<u>164,975</u>	<u>1,208,205</u>
Total net assets	<u>2,014,788</u>	<u>57,092</u>	<u>164,975</u>	<u>2,236,855</u>

#### 21 Analysis of net funds

	At 1 September 2021 £	Financing cash flows £	At 31 August 2022 £
	Cash at bank and in hand	<u>1,751,001</u>	<u>361,630</u>
Net funds	<u>1,751,001</u>	<u>361,630</u>	<u>2,112,631</u>

  

	At 1 September 2020 £	Financing cash flows £	At 31 August 2021 £
	Cash at bank and in hand	<u>1,540,769</u>	<u>210,232</u>
Net funds	<u>1,540,769</u>	<u>210,232</u>	<u>1,751,001</u>

## **Newcastle Preparatory School Trust Limited (The)**

### **Notes to the Financial Statements for the Year Ended 31 August 2022**

#### **22 Related party transactions**

During the year the charity made the following related party transactions:

##### **P Hewitson**

(Trustee)

P Hewitson has a child attending the school. From the date of appointment, total school fees invoiced to P Hewitson were done so under the normal commercial terms of the entity.

##### **D Bailey**

(Trustee)

D Bailey has a child attending the school. From the date of appointment, total school fees invoiced to D Bailey were done so under the normal commercial terms of the entity.

##### **J Bal**

(Trustee)

J Bal has two children attending the school. From the date of appointment, total school fees invoiced to J Bal were done so under the normal commercial terms of the entity.

**THE NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED**

England & Wales - Charity number 528152

---

# Accounts

---

Company registration number: 00668983

Charity registration number: 528152

# NEWCASTLE PREPARATORY SCHOOL TRUST LIMITED (THE)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

# Newcastle Preparatory School Trust Limited (The)

## Contents

Reference and Administrative Details	1
Trustees' Report	2 to 6
Independent Auditors' Report	7 to 10
Statement of Financial Activities	11
Statement of Financial Activities	12
Balance Sheet	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 to 30

# Newcastle Preparatory School Trust Limited (The)

## Reference and Administrative Details

<b>Trustees</b>	R S Appleby Dr R R Bajekal S Blair P Hewitson C L Winskell A Pearson D J Bailey (appointed 11 November 2020) S Chatterjee-Banerjee (resigned 10 November 2020) R P Waterhouse (resigned 17 June 2021)
<b>Secretary</b>	S G Easton
<b>Key Management Personnel</b>	F Coleman, Head Teacher G Strong, Deputy Head teacher S Easton, Bursar S Breakey, Head of Early Years P Fargher, Head of Pastoral A Brown, Head of Curriculum N Johnson, Head of SEN
<b>Registered Office</b>	6 Eslington Road Jesmond Newcastle upon Tyne NE2 4RH The charity is incorporated in England and Wales.
<b>Company Registration Number</b>	00668983
<b>Charity Registration Number</b>	528152
<b>Solicitors:</b>	Sintons LLP The Cube Barrack Road Newcastle NE4 6DB
<b>Bankers</b>	Barclays Bank plc Newcastle City 71 Grey Street Newcastle upon Tyne NE1 6EF
<b>Auditor</b>	Azets Audit Services Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

# Newcastle Preparatory School Trust Limited (The)

## Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2021.

### **Structure, governance and management**

#### ***Nature of governing document***

The company is limited by guarantee and its governing document is its Memorandum and Articles of Association dated 31st August 1960, last amended by special resolution dated 13th March 2006.

The governing body of the company is a board of trustees which meets on a regular basis throughout the year to decide overall financial and policy matters.

#### ***Induction and training of trustees***

Most members are already familiar with the practical work and objectives of the charity bringing their own relevant and unique skills.

Members are actively encouraged to attend the regular trustee meetings to ensure they are always up to date with the latest activities of the trust. Members are also encouraged to and do attend relevant seminars and training.

#### ***Arrangements for setting key management personnel remuneration***

The board, who give their time freely and no trustees received remuneration in the year, have considered, who the Key Management Personnel (KMP) of the charitable company, as noted in the Reference and Administration section. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis.

The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees' benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with budget and forecast information, ensuring that the charitable company can afford any proposed increases. The board then agree any uplift to remuneration.

### **Objectives and activities**

#### ***Objects and aims***

The company was set up under a Trust Deed to establish a school or schools for the education of children.

The income and property of the company, whensoever derived, shall be applied solely towards the promotion of the objects of the company as set forth in the Memorandum of Association.

#### ***Fundraising disclosures***

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preference of all public donors.

# Newcastle Preparatory School Trust Limited (The)

## Trustees' Report

### ***Public benefit***

#### Bursaries and Hardship awards

During the year 26 pupils received a bursary award ranging from 10% to 100%. During the year the value of means tested bursaries and hardship awards (excluding other discounts) was £172,186

#### Partnerships and collaboration

The school established a link with Pinewood School in Saharanpur, India in 2019. Opportunities for NPS pupils to communicate with pupils in Pinewood School were limited in 2020/21, however, it is hoped that engagement will resume in the Spring term 2022.

The school continued to donate excess resources, including furniture, to local charitable organisations including Whitley Lodge Under Fives Playgroup.

#### Community Services

NPS is keen to support and engage with the wider community but was unable to take part in any community events as a result of social distancing requirements during the pandemic. However, a member of staff acted in a capacity as Trustee during the year giving his time and expertise on a voluntary basis to the Northumbria Junior Chess Association.

#### Charitable giving

As a result of charity fundraising events within the school, a total of £3190 was donated to charity.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

### ***Risk management***

The trustees are responsible for keeping accounting records and safeguarding the assets of the charity. The programme of re-assessing the major risks to which the charity is exposed is continuing, in particular those relating to the operations and finances of the charity and the trustees are satisfied that systems are being put in place to mitigate the exposure to the major risks.

# Newcastle Preparatory School Trust Limited (The)

## Trustees' Report

### **Achievements and performance**

The overriding achievement during 2020/21 was the school's continued response to the Covid-19 pandemic. During the period of lockdown between January and March 2021 the school was able to provide immediate high quality on-line learning provision for those pupils who were at home whilst continuing to support the children of key workers on site.

To support all stakeholders, the following was put in place.

- Risk assessments updated in response to national health and safety concerns within the workplace.
- Communications to support parents and staff i.e. remote learner user guide, virtual forums and helplines.
- Systems and processes were put in place to continue to develop an engaging learning and community platform via Teams.
- Systems developed to ensure opening of school to all key worker and vulnerable children, including staff rotas, re-organisation of classrooms and revised timetables.

Other achievements and activity include:-

The launch of the new website.

Refurbishment of a cloakroom into a Year 3 classroom.

Internal alterations to create additional access routes into Year 2 classrooms.

Installation of two interactive TV's

Creation of a wet room teaching area on the Reception classroom landing.

Creation of additional storage area in the senior boys' toilet area.

### **Financial review**

The financial position for the year shows a surplus of income over expenditure of £63,231 (2020 - £54,462). The governors consider the financial position of the charity to be sound.

### ***Policy on reserves***

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent to two to three months' salary costs, which would equate to holding approximately £500,000 in free reserves. The trustees continue to keep funding under review to ensure that, in the absence of free reserves, sufficient funding is available to cover the School's working capital requirements.

At the year end, free reserves were £1,043,230 (2020: £863,696), an increase of £179,534 in the year.

The trustees' long term policy is to continue to build up reserves by means of annual operating surpluses when available, whilst continuing to develop the School's facilities as appropriate.

### ***Investment policy and objectives***

The charity funds are controlled by the trustees, who invest with a view to maximising annual investment income while maintaining capital growth in line with market trends. The attached financial statements show the current state of finances which the trustees consider to be satisfactory.

# Newcastle Preparatory School Trust Limited (The)

## Trustees' Report

### Plans for future periods

#### *Aims and key objectives for future periods*

The school aims to:

- provide an inspiring environment in which pupils feel secure and can grow in confidence, self-esteem and experience success.
- to create a friendly, caring community, established on mutual respect, where every individual is valued and included;
- to encourage pupils to confidently explore a broad curriculum, relish a challenge and working in partnership with families, reach their full potential in all aspects of life.

Specific objectives for future periods include the following:

- Reflect on lessons learnt and what is important in sustaining our educational community, with an emphasis on innovation and well-being for the next academic year.
- More able pupil Review of identification and provision.
- More able Provision embedded across the full curriculum.
- Update curriculum policies regarding more able provision.
- Flexible working practices to support curriculum development.
- Improving digital provision across the curriculum, including researching new Apps, rolling out training programmes for new devices and training on how to use ICT effectively in the classroom.
- Review of the Appraisal System.
- Development of Learning Journals.
- Implementation of new EYFS curriculum.
- Redevelopment of EYFS front garden.
- Installation of replacement windows in the main school.
- Development of Social Media strategy.

### Market value of land and buildings

The School freehold properties were last revalued on 31st August 1988 and the valuation incorporated in the financial statements. The trustees are of the opinion that the current market value of the School freehold properties is not less than the carrying value and took advantage of the transitional provisions of FRS15 to leave property at its 1988 valuation. No further changes were made since the adoption of FRS102.

### Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

# Newcastle Preparatory School Trust Limited (The)

## Trustees' Report

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Newcastle Preparatory School Trust Limited (The) for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 charitable company will continue in business.

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

### Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

### Reappointment of auditor

Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following their acquisition of the trade of Tait Walker LLP, trading as MHA Tait Walker, on 1 May 2022. In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 24/05/2022.... and signed on its behalf by:

*S Blair*

Susan Blair 24 May 2022 14:41:55 BST (UTC +1)

.....  
S Blair  
Trustee

## **Newcastle Preparatory School Trust Limited (The)**

### **Independent Auditor's Report to the Members of Newcastle Preparatory School Trust Limited (The)**

#### **Opinion**

We have audited the financial statements of Newcastle Preparatory School Trust Limited (The) (the 'charity') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements were 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.

## **Newcastle Preparatory School Trust Limited (The)**

### **Independent Auditor's Report to the Members of Newcastle Preparatory School Trust Limited (The)**

#### **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.

We have nothing to report in this regard.

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

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

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

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

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where 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.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 6), the trustees 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 charity or to cease operations, or have no realistic alternative but to do so.

## **Newcastle Preparatory School Trust Limited (The)**

### **Independent Auditor's Report to the Members of Newcastle Preparatory School Trust Limited (The)**

#### **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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; Independent Schools Inspectorate; employment laws; and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK). For instance, the further removed non-compliance is from the event and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available 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.

## Newcastle Preparatory School Trust Limited (The)

### Independent Auditor's Report to the Members of Newcastle Preparatory School Trust Limited (The)

#### Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown BA ACA DChA (Senior Statutory Auditor)

For and on behalf of  
Azets Audit Services  
Chartered Accountants  
Statutory Auditor

Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

Date: 24/5/2022

Azets Audit Services is a trading name of Azets Audit Services Limited

## Newcastle Preparatory School Trust Limited (The)

### Statement of Financial Activities for the Year Ended 31 August 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	13,338	-	13,338	82,238
Charitable activities	4	2,689,844	(50,289)	2,639,555	2,612,890
Investment income	5	2,707	-	2,707	5,771
Other income	6	6,318	-	6,318	14,486
Total Income		<u>2,712,207</u>	<u>(50,289)</u>	<u>2,661,918</u>	<u>2,715,385</u>
<b>Expenditure on:</b>					
Charitable activities	7	<u>(2,598,687)</u>	-	<u>(2,598,687)</u>	<u>(2,660,923)</u>
Total Expenditure		<u>(2,598,687)</u>	-	<u>(2,598,687)</u>	<u>(2,660,923)</u>
Net income/(expenditure)		<u>113,520</u>	<u>(50,289)</u>	<u>63,231</u>	<u>54,462</u>
Net movement in funds		113,520	(50,289)	63,231	54,462
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>1,958,360</u>	<u>215,264</u>	<u>2,173,624</u>	<u>2,119,162</u>
Total funds carried forward	19	<u><u>2,071,880</u></u>	<u><u>164,975</u></u>	<u><u>2,236,855</u></u>	<u><u>2,173,624</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 19.

## Newcastle Preparatory School Trust Limited (The)

### Comparative Statement of Financial Activities for the Year Ended 31 August 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2020 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	82,238	-	82,238
Charitable activities	4	2,652,526	(39,636)	2,612,890
Investment income	5	5,771	-	5,771
Other income	6	14,486	-	14,486
Total income		<u>2,755,021</u>	<u>(39,636)</u>	<u>2,715,385</u>
<b>Expenditure on:</b>				
Charitable activities	7	<u>(2,660,923)</u>	-	<u>(2,660,923)</u>
Total expenditure		<u>(2,660,923)</u>	<u>-</u>	<u>(2,660,923)</u>
Net income/(expenditure)		<u>94,098</u>	<u>(39,636)</u>	<u>54,462</u>
Net movement in funds		94,098	(39,636)	54,462
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>1,864,262</u>	<u>254,900</u>	<u>2,119,162</u>
Total funds carried forward	19	<u><u>1,958,360</u></u>	<u><u>215,264</u></u>	<u><u>2,173,624</u></u>

## Newcastle Preparatory School Trust Limited (The)

### (Registration number: 00668983) Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	1,028,650	1,094,664
<b>Current assets</b>			
Debtors	15	80,606	101,806
Cash at bank and in hand		<u>1,751,001</u>	<u>1,540,769</u>
		1,831,607	1,642,575
<b>Creditors: Amounts falling due within one year</b>	16	<u>(623,402)</u>	<u>(563,615)</u>
<b>Net current assets</b>		<u>1,208,205</u>	<u>1,078,960</u>
<b>Net assets</b>		<u>2,236,855</u>	<u>2,173,624</u>
<b>Funds of the charity:</b>			
<b>Restricted</b>		164,975	215,264
<b>Unrestricted income funds</b>			
Unrestricted		<u>2,071,880</u>	<u>1,958,360</u>
<b>Total funds</b>	19	<u>2,236,855</u>	<u>2,173,624</u>

The financial statements on pages 11 to 30 were approved by the trustees, and authorised for issue on ~~24/05/2022~~... and signed on their behalf by:

*S Blair*

.....  
Susan Blair 24 May 2022 14:41:55 BST (UTC +1)

S Blair  
Trustee

## Newcastle Preparatory School Trust Limited (The)

### Statement of Cash Flows for the Year Ended 31 August 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash income		63,231	54,462
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		100,951	98,824
Investment income	5	<u>(2,707)</u>	<u>(5,771)</u>
		161,475	147,515
<b>Working capital adjustments</b>			
Decrease/(increase) in debtors	15	21,200	(46,460)
Increase in creditors	16	<u>59,787</u>	<u>12,199</u>
Net cash flows from operating activities		<u>242,462</u>	<u>113,254</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	2,707	5,771
Purchase of tangible fixed assets	14	<u>(34,937)</u>	<u>(41,013)</u>
Net cash flows from investing activities		<u>(32,230)</u>	<u>(35,242)</u>
Net increase in cash and cash equivalents		210,232	78,012
Cash and cash equivalents at 1 September		<u>1,540,769</u>	<u>1,462,757</u>
Cash and cash equivalents at 31 August		<u><u>1,751,001</u></u>	<u><u>1,540,769</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

# Newcastle Preparatory School Trust Limited (The)

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: 6 Eslington Road, Jesmond, Newcastle upon Tyne, NE2 4RH,

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

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

#### Statement of compliance

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### Basis of preparation

The charity is 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 6 Eslington Road, Jesmond, Newcastle upon Tyne, NE2 4RH.

Newcastle 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 notes.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### **Estimation uncertainty and judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under circumstances.

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Depreciation has been applied to all assets for the year in full regardless of whether they have been bought or sold during the year.

There are no key estimates or assumptions to disclose.

#### **Income and endowments**

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

#### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### **Grants receivable**

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### **Deferred income**

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

#### **Donated services and facilities**

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.

#### **Investment income**

Interest received is recognised on receipt into the bank account.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### ***Other income***

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

As noted in the tangible fixed asset note, the charity has the school freehold property held at a former valuation giving rise to treatment as 'deemed cost'. As a result of the historic uplift in value, the charity has part of its unrestricted reserve designated as a 'revaluation reserve' which is being released back into unrestricted reserves each year (equivalent to the excess depreciation charge over that charged on the original historic cost).

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold buildings	2% straight line
Office equipment	20% straight line
Equipment	10% straight line

#### 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.

#### Trade debtors

Parents/guardians are made aware of the terms and conditions that the charity expects to be met with regards to monies owed for school and lunch fees.

Trade and other debtors are recognised at the settlement amount due after any discount/bursary offered.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose. They fall into two sub-classes: restricted income funds or endowment funds.

#### Pensions and other post retirement obligations

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. This is a multi-employer defined benefits pension scheme.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of the pension over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The company also operates a defined contribution pension scheme for certain employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the income and expenditure account.

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 3 Income from donations and legacies

	Unrestricted General £	Total 2021 £	Total 2020 £
Donations and legacies;			
Donations	420	420	22,012
Grants, including capital grants;			
Government grants - CJRS	12,918	12,918	60,226
	<u>13,338</u>	<u>13,338</u>	<u>82,238</u>

In 2020 all income was unrestricted.

#### 4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2021 £	Total 2020 £
Gross school fees	2,620,673	-	2,620,673	2,644,983
Total bursaries, scholarships and discounts	(121,897)	(50,289)	(172,186)	(208,970)
Entrance and registration fees	5,300	-	5,300	3,125
Catering receipts	138,647	-	138,647	132,447
Extra-curricular activities	47,121	-	47,121	41,305
	<u>2,689,844</u>	<u>(50,289)</u>	<u>2,639,555</u>	<u>2,612,890</u>

In 2020, (£39,636) of the bursary income was restricted whilst £2,652,526 was unrestricted.

#### 5 Investment income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Interest receivable and similar income;			
Interest receivable on bank deposits	2,707	2,707	5,771
	<u>2,707</u>	<u>2,707</u>	<u>5,771</u>

All 2020 income was unrestricted.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 6 Other income

	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
	<b>General</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Commissions receivable and other income	1,697	1,697	1,858
Insurance claims	4,621	4,621	12,628
	<u>6,318</u>	<u>6,318</u>	<u>14,486</u>

All 2020 income was unrestricted.

#### 7 Expenditure on charitable activities

		<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
	<b>Note</b>	<b>General</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>	<b>£</b>
Charitable Activity		347,532	347,532	340,619
Staff costs		1,780,300	1,780,300	1,813,803
Governance and support costs	8	470,855	470,855	506,501
		<u>2,598,687</u>	<u>2,598,687</u>	<u>2,660,923</u>

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 8 Analysis of governance and support costs

##### Support costs allocated to charitable activities

	Governance costs £	Support costs £	Total 2021 £	Total 2020 £
Premises	2,315	43,985	46,300	51,063
Depreciation	5,048	95,903	100,951	98,824
Bank charges	1,261	-	1,261	1,353
Advertising	3,668	5,774	9,442	21,566
Audit and accountancy	8,480	-	8,480	8,800
Insurance	1,122	21,327	22,449	24,143
Legal and professional	2,826	-	2,826	8,459
Postage, stationery and photocopying	813	15,443	16,256	27,601
Subscriptions	3,186	46,058	49,244	48,330
Salaries and wages	213,646	-	213,646	216,362
	<u>242,365</u>	<u>228,490</u>	<u>470,855</u>	<u>506,501</u>

#### Governance and support costs

The charity allocates costs direct to activities as far as possible, then identifies the remaining costs of its support function. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are allocated to the key charitable activity undertaken in the year. The basis for apportionment and the analysis of support and governance costs is set out as follows:

Direct to governance: Accountancy fees, Audit fees, Legal and professional fees and bank charges.

Direct to charitable activities: All other support costs.

#### 9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021 £	2020 £
Audit fees	8,480	8,280
Other non-audit services	-	540
Depreciation of fixed assets	<u>100,951</u>	<u>98,824</u>

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 11 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	1,554,549	1,582,361
Social security costs	149,672	153,996
Pension costs	<u>289,725</u>	<u>293,808</u>
	<u>1,993,946</u>	<u>2,030,165</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Teaching Staff	24	24
Nursery and Classroom Support	12	14
Office Staff	4	5
Maintenance	<u>2</u>	<u>2</u>
	<u>42</u>	<u>45</u>

The number of employees whose emoluments fell within the following bands was:

	2021 No	2020 No
£60,001 - £70,000	2	1
£120,001 - £130,000	<u>1</u>	<u>1</u>

The total employee benefits of the key management personnel of the charity were £468,815 (2020 - £364,470).

#### 12 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	<u>8,480</u>	<u>8,260</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>-</u>	<u>540</u>

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 13 Taxation

The charity is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### 14 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 September 2020	1,553,423	529,191	256,347	2,338,961
Additions	-	-	34,937	34,937
At 31 August 2021	<u>1,553,423</u>	<u>529,191</u>	<u>291,284</u>	<u>2,373,898</u>
<b>Depreciation</b>				
At 1 September 2020	748,028	299,522	196,747	1,244,297
Charge for the year	31,068	39,875	30,008	100,951
At 31 August 2021	<u>779,096</u>	<u>339,397</u>	<u>226,755</u>	<u>1,345,248</u>
<b>Net book value</b>				
At 31 August 2021	<u>774,327</u>	<u>189,794</u>	<u>64,529</u>	<u>1,028,650</u>
At 31 August 2020	<u>805,395</u>	<u>229,669</u>	<u>59,600</u>	<u>1,094,664</u>

#### Revaluation

The fair value of the company's Freehold properties was revalued on 31 August 1988. An independent valuer was not involved.

Had this class of asset been measured on a historical cost basis, their carrying amount would have been £717,223 (2020 - £744,297).

#### 15 Debtors

	2021 £	2020 £
Trade debtors	21,913	13,430
Prepayments and Accrued Inome	58,693	88,376
	<u>80,606</u>	<u>101,806</u>

Included within trade debtors above, are gross debtors of £32,983 (2020 - £35,479) less a bad debt provision of £11,070 (2020 - £22,049).

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 16 Creditors: amounts falling due within one year

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	40,664	39,370
Other taxation and social security	41,844	41,113
Other creditors	30,302	36,964
Accruals	66,740	49,975
Deferred income	443,852	396,193
	<u>623,402</u>	<u>563,615</u>

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Deferred income at 1 September 2020	396,193	380,952
Resources deferred in the period	443,852	396,193
Amounts released from previous periods	<u>(396,193)</u>	<u>(380,952)</u>
Deferred income at year end	<u>443,852</u>	<u>396,193</u>

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 17 Obligations under leases and hire purchase contracts

##### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
<b>Other</b>		
Within one year	8,314	-
Between one and five years	16,627	-
	<u>24,941</u>	<u>-</u>

#### 18 Pension and other schemes

The company contributes to a defined benefits teachers' pension scheme and to certain employees personal pensions via a group personal pension scheme. The assets of the schemes are held separately from those of the company in independently administered funds.

The pension cost charge represents contributions payable by the company and amounted to £45,381 (2020 - £44,067). Contributions totalling £204 (2020 - £204) were payable into the funds at the year end and are included in other creditors.

##### Defined benefit pension schemes

###### Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for teachers. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both member and employer make contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by parliament.

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

## **Newcastle Preparatory School Trust Limited (The)**

### **Notes to the Financial Statements for the Year Ended 31 August 2021**

The key elements of the valuation and subsequent consultation are:

Employers contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)

Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million

The SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. Assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The charitable company has accounted for its contributions to the scheme as if it were a defined contribution scheme. The charitable company has set out above the information available on the scheme.

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was £247,001 (2020 - £247,134).

Money Purchase Scheme: At the balance sheet date, £29,132 was owed to the money purchase scheme and included within creditors (2020 - £28,562).

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 19 Funds

The specific purposes for which the funds are to be applied are as follows:

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>					
<i>General</i>					
General reserve	1,897,274	2,712,207	(2,598,687)	3,994	2,014,788
<i>Designated</i>					
Revaluation reserve	<u>61,086</u>	<u>-</u>	<u>-</u>	<u>(3,994)</u>	<u>57,092</u>
<b>Total unrestricted funds</b>	<u>1,958,360</u>	<u>2,712,207</u>	<u>(2,598,687)</u>	<u>-</u>	<u>2,071,880</u>
<b>Restricted funds</b>					
Northumbrian Water	4,900	-	-	-	4,900
Catherine Cookson Charitable Trust	<u>210,364</u>	<u>(50,289)</u>	<u>-</u>	<u>-</u>	<u>160,075</u>
<b>Total restricted funds</b>	<u>215,264</u>	<u>(50,289)</u>	<u>-</u>	<u>-</u>	<u>164,975</u>
<b>Total funds</b>	<u>2,173,624</u>	<u>2,661,918</u>	<u>(2,598,687)</u>	<u>-</u>	<u>2,236,855</u>

The brought forward restricted fund relating to Northumbrian Water is to go towards the maintenance of the flood defence system within the basement of 5 Eslington Road, Newcastle upon Tyne, NE2 4RH.

The fund relating to the Catherine Cookson Charitable Trust is to go towards the school's bursary campaign.

As described in the accounting policy, the designated reserves relate to the revaluation reserve.

## Newcastle Preparatory School Trust Limited (The)

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 20 Analysis of net assets between funds

	Unrestricted			2021 Total funds £
	General £	Designated £	Restricted £	
Tangible fixed assets	971,558	57,092	-	1,028,650
Net current assets/(liabilities)	1,043,230	-	164,975	1,208,205
Total net assets	<u>2,014,788</u>	<u>57,092</u>	<u>164,975</u>	<u>2,236,855</u>

	Unrestricted			Total funds at 31 August 2020 £
	General £	Designated £	Restricted £	
Tangible fixed assets	1,033,578	61,086	-	1,094,664
Net current assets/(liabilities)	863,696	-	215,264	1,078,960
Total net assets	<u>1,897,274</u>	<u>61,086</u>	<u>215,264</u>	<u>2,173,624</u>

#### 21 Analysis of net funds

	At 1 September 2020 £	Financing cash flows £	At 31 August 2021 £
	Cash at bank and in hand	1,540,769	210,232
Net debt	1,540,769	210,232	1,751,001
	At 1 September 2019 £	Financing cash flows £	At 31 August 2020 £
Cash at bank and in hand	1,462,757	78,012	1,540,769
Net debt	1,462,757	78,012	1,540,769

## **Newcastle Preparatory School Trust Limited (The)**

### **Notes to the Financial Statements for the Year Ended 31 August 2021**

#### **22 Related party transactions**

During the year the charity made the following related party transactions:

##### **P Hewitson**

(Trustee)

P Hewitson has a child attending the school. From the date of appointment, total school fees invoiced to P Hewitson were done so under the normal commercial terms of the entity.

##### **D Bailey**

(Trustee)

D Bailey has a child attending the school. From the date of appointment, total school fees invoiced to D Bailey were done so under the normal commercial terms of the entity.