

Charity registration number 528234 (England and Wales)

Company registration number 01000027

WELLOW HOUSE SCHOOL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

WELLOW HOUSE SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A Khan R J Stattersfield
Charity number (England and Wales)	528234
Company number	01000027
Registered office	Wellow House School Limited Newark Road Wellow Newark NG22 0EA
Auditor	Richard Place Dobson Services Limited 1 - 7 Station Road Crawley West Sussex RH10 1HT

WELLOW HOUSE SCHOOL LIMITED

CONTENTS

	Page
Trustees' report	1 - 2
Statement of trustees' responsibilities	3
Independent auditor's report	4 - 6
Statement of financial activities	7
Balance sheet	8
Statement of cash flows	9
Notes to the financial statements	10 - 20

WELLOW HOUSE SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2024

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

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 charitable company'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 objective of the charitable company is to promote and provide for the advancement of education and in connection therewith to carry on a school or schools whether in the United Kingdom or abroad.

Wellow House School Limited is an independent Preparatory School located in its own grounds of 21 acres in North Nottinghamshire. The School provides education to girls and boys between the ages of 3 and 13 years and is open to application by all members of the public.

The school boasts an impressive academic record and it is the School's principal objective to identify and develop the talents and abilities of its pupils to the highest possible level. Of equal importance is the development of the "personal qualities" of each pupil so that when they eventually leave to move on to another school they are already confident, caring and responsible individuals.

In order to achieve these objectives the trustees recognise the importance of providing a safe and nurturing environment at the School supported by a professional and motivated team of teachers and other staff members. For a small school an extremely wide range of sporting and other non academic activities are provided to pupils. Additionally the School involves itself in raising monies for a wide range of local, national and international charities in which its pupils are fully involved.

The school offers some bursaries for pupils for whom a Wellow House School education would not otherwise be possible, available on a means-tested basis.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

Financial review

Due to the new owners the School remains on a sound financial basis as all deficits are being covered by them whilst they build the School for the future.

Alpha became involved with the School for the long term with pupil numbers set to be at their highest level for a number of years. This is the clearest indicator the School is now on the upward trajectory and can put the last few difficult years behind them. The School now has a stable cost base is set to reap those benefits moving forward.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has not been maintained throughout the year.

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

Plans for future periods

The Headteacher has been in post for a few years and pupil numbers have increased. The School has extended out to Year 9 pupils from September 2021 which will further enhance its offering and appeal to the market.

The key aims for the next 12 months will be increasing pupil numbers throughout the School and ensuring the operational changes are fully implemented for the benefit of the existing and future pupils.

WELLOW HOUSE SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management

Wellow House School Limited is a registered charity (charity no. 528234) and a company limited by shares (company no. 1000027). The memorandum and articles of association act as the governing document of the charitable company

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

P Buss

(Resigned 30 November 2024)

A Khan

R J Stattersfield

New trustees are appointed by and with the agreement of the continuing trustees in their absolute discretion.

Since incorporation, no new trustees have been taken on. As a result, there is no set policy in place regarding the induction and training of new trustees. However, on the appointment of new trustees going forward, sufficient policies and training procedures will be implemented in line with requirements.

The remuneration of key management personnel is set, reviewed and discussed in detail by the charity trustees.

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

The management structure involves a combination of company directors, school governors (all paid) plus the senior management of the School led by the headmistress. Governors formulate policy and strategy for the School with directors providing their approval and input regarding all major decisions including importantly financial decisions. The headmistress and her senior management team implement these policy decisions and run the day to day management of the School for which there is a system of regular reviews and monitoring by governors and directors.

As is the standard practice for almost all schools in England and Wales it is the board of governors of the school who take responsibility for risk management, that is identification of areas of risk plus the control and monitoring procedures. The governors report regularly to the directors on specific risks identified and the directors carry out the annual review of those risks.

There is a well-established system for identifying and appointing new governors plus the provision of the necessary induction on the appointment of any new governor.

No preference dividends were paid. The directors do not recommend payment of a final dividend.

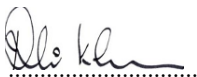
Auditor

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

Disclosure of information to auditor

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

The trustees' report was approved by the Board of Trustees.



A Khan

Trustee

Date: 17 September 2025

WELLOW HOUSE SCHOOL LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

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

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

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

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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.

WELLOW HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF WELLOW HOUSE SCHOOL LIMITED

Disclaimer of opinion

We were engaged to audit the financial statements of Wellow House School Limited (the 'charitable company') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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).

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

Basis for disclaimer of opinion

We were not appointed as auditors of the Charitable Company until after 31 August 2024. This fact, together with changes in personnel and the requirement to get accounts completed for filing has meant we have been unable to satisfy ourselves as to the completeness, existence and valuation of key balances in the financial statements. As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded balances, and the elements making up the statement of financial activities, and statement of cash flows.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that at 31 August 2024 the Charitable Company had net liabilities of £1,300,727 and made a deficit for the year then ended of £356,518. As stated in note 1, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter

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

Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included confirming that banking facilities remained in place for at least 12 months from the date of signing the financial statements and receiving confirmations from a connected party that they would continue to support the charitable company in paying all of its debts as they fall due.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

WELLOW HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF WELLOW HOUSE SCHOOL LIMITED

Matters on which we are required to report by exception

Arising from the limitation on our work referred to above:

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the financial statements are not in agreement with the accounting records.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

We have made enquiries of management, and directors, regarding the procedures relating to identifying, evaluating and complying with

1. laws and regulations and whether they were aware of any instances of non-compliance;
2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

Discussion among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential significant risks for fraud in the following areas:

Management override of the controls in place

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures planned included, but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside of the normal course of business.

Revenue recognition

Audit procedures planned included, but were not limited to performing walk through tests to identify the control procedures in place and once an understanding of the pupil fee income recognition process was obtained, substantive procedures to be carried out.

WELLOW HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF WELLOW HOUSE SCHOOL LIMITED

Going concern

Another significant risk identified by the audit engagement team was going concern, as a result of falling pupil numbers and rising costs. In order to test that the accounts being prepared on the going concern basis was correct the following testing was planned: Obtain and review cashflow forecasts and budgets for a period through to July 2025; Obtain and review management accounts for future periods up to the date of signing of the accounts to review against budgets and identify any further funding issues; review correspondence with the bank regarding their willingness to continue providing banking facilities; Obtaining a letter of support, up to date management accounts and year end accounts from Alpha Schools to confirm their willingness and ability to continue to support the School.

Laws and regulations

The audit engagement team identified laws and regulations as a significant risk. In order to test that the financial statements were not materially misstated through fraud or error arising from a breach of laws and regulations, the following testing procedures were planned; A review of any recent results issued by ISI (Independent Schools Inspectorate); review of correspondence from legal advisors, to look for evidence of breaches; review of board minutes to identify any breaches in laws and regulations.

Valuation of property

The audit engagement team also identified the valuation of property as a significant risk. In order to test that the valuation of property per the accounts is valued reasonably, the following procedures were planned; a visit to the school premises to analyse indications of impairment; review documentation to any professional valuation undertaken; analyse property market to identify any potential indications of impairment of the school property.

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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Place Dobson Services Limited

Chartered Accountants

1 - 7 Station Road

Crawley

West Sussex

RH10 1HT

Date: 17 September 2025

Richard Place Dobson Services Limited is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

WELLOW HOUSE SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from:			
Charitable activities	3	1,673,321	1,536,815
Total income		1,673,321	1,536,815
Expenditure on:			
Charitable activities	4	2,029,839	1,808,731
Total expenditure		2,029,839	1,808,731
Net expenditure and movement in funds		(356,518)	(271,916)
Reconciliation of funds:			
Fund balances at 1 September 2023		(944,209)	(672,293)
Fund balances at 31 August 2024		(1,300,727)	(944,209)

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

WELLOW HOUSE SCHOOL LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	10		490,777		498,890
Current assets					
Debtors	11	876,941		598,035	
Cash at bank and in hand		128,084		-	
		1,005,025		598,035	
Creditors: amounts falling due within one year	12	(1,154,400)		(659,802)	
Net current liabilities			(149,375)		(61,767)
Total assets less current liabilities			341,402		437,123
Creditors: amounts falling due after more than one year	13		(1,642,129)		(1,381,332)
Net liabilities			(1,300,727)		(944,209)
The funds of the charitable company					
Share capital	17		25,000		25,000
Unrestricted funds	18		(1,325,727)		(969,209)
			(1,300,727)		(944,209)

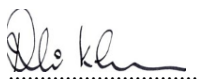
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 17 September 2025



A Khan
Trustee

Company registration number 01000027 (England and Wales)

WELLOW HOUSE SCHOOL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	20		(103,841)		(229,767)
Investing activities					
Proceeds from disposal of tangible fixed assets		-		2,100	
		<u> </u>		<u> </u>	
Net cash generated from investing activities			-		2,100
Financing activities					
Repayment of borrowings		260,797		235,115	
		<u> </u>		<u> </u>	
Net cash generated from financing activities			260,797		235,115
Net increase in cash and cash equivalents			156,956		7,448
Cash and cash equivalents at beginning of year			(28,872)		(36,320)
Cash and cash equivalents at end of year			<u>128,084</u>		<u>(28,872)</u>
Relating to:					
Cash at bank and in hand			128,084		-
Bank overdrafts included in creditors payable within one year			-		(28,872)
			<u> </u>		<u> </u>

WELLOW HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

Charity information

Wellow House School Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Wellow House School Limited, Newark Road, Wellow, Newark, NG22 0EA.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company'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)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the school will continue in operational existence for the foreseeable future, however, the trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern.

With funding requirements reaching levels beyond that which the bank would support, Trustees acted proactively to safeguard the long-term future of the school, commencing negotiations with alternative funders. Bank support has been extended to allow due process, an approach rewarded by intervention of Alpha Schools, a national education group, providing greater certainty for the school and its lenders. Alpha Schools have agreed to continue supporting the school for the foreseeable future.

The Trustees have reviewed the forecasts prepared by management which have been sensitised to reflect possible downside scenarios as a result of reduced pupil numbers and income levels. These demonstrate that additional cash injections are required by Alpha Schools but with this, the school is able to meet its obligations as they fall due for a period of at least 12 months from the date of signing these financial statements. As such, the trustees are satisfied that the School has adequate resources to continue to operate for the foreseeable future. For this reason they continue to adopt the going concern basis for the preparation of these financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the charitable company 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.

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school. Where fees are paid in advance, the income is deferred until the term to which it relates. These deferred amounts are shown on the Balance Sheet within creditors.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company 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 charitable company 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.

WELLOW HOUSE SCHOOL LIMITED

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 are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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 - 20% straight line
Fixtures and fittings	10 - 33% straight line
Motor vehicles	20% 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 charitable company 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).

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 charitable company 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 charitable company's balance sheet when the charitable company 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.

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.

WELLOW HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

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 charitable company'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 charitable company 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.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees 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.

Critical judgements

Useful economic lives of tangible assets

The annual depreciation charges for the tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, economic utilisation, and the physical condition of the assets.

Impairment of debtors

The school makes an estimate of the recoverable value of fee debtors, trade and other debtors. When assessing the impairment of debtors, management considers factors including the current credit rating of the debtor, the ageing profile of the debtors and historical experience.

WELLOW HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

3 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
School fees		
Fees	1,589,676	1,426,136
Pupil support	63,159	66,857
Other income	20,486	43,822
	<u>1,673,321</u>	<u>1,536,815</u>

4 Expenditure on charitable activities

	Provision of education 2024 £	Provision of education 2023 £
Direct costs		
Staff costs	1,403,707	1,193,168
Depreciation and impairment	8,113	8,113
Food and provisions	45,571	42,567
Maintenance	47,238	41,149
Insurance	36,323	34,466
Utilities	69,182	107,757
Teaching and resources	231,658	199,026
Motor and travel	58,970	47,295
IT costs	22,917	2,481
Subscriptions	5,505	233
Other charitable expenditure	2,241	20,258
	<u>1,931,425</u>	<u>1,696,513</u>
Share of support and governance costs (see note 5)		
Support	94,814	111,573
Governance	3,600	645
	<u>2,029,839</u>	<u>1,808,731</u>
Analysis by fund		
Unrestricted funds	<u>2,029,839</u>	<u>1,808,731</u>

WELLOW HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

5 Support costs allocated to activities

	2024 £	2023 £
Head office costs	96,000	94,743
Other interest	11,754	5,512
Bad debts	(12,940)	11,318
Governance costs	3,600	645
	<u>98,414</u>	<u>112,218</u>
Analysed between:		
Provision of education	<u>98,414</u>	<u>112,218</u>

	2024 £	2023 £
Governance costs comprise:		
Audit fees	3,600	3,600
Legal and professional	-	(2,955)
	<u>3,600</u>	<u>645</u>

6 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	3,600	3,600
Depreciation of owned tangible fixed assets	<u>8,113</u>	<u>8,113</u>

7 Trustees

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

8 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Teaching staff	25	25
Support staff	6	6
Trustees	<u>2</u>	<u>3</u>
Total	<u>33</u>	<u>34</u>

WELLOW HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

8 Employees (Continued)

Employment costs	2024 £	2023 £
Wages and salaries	1,252,224	1,066,404
Social security costs	121,645	95,857
Other pension costs	29,838	30,907
	<u>1,403,707</u>	<u>1,193,168</u>

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

	2024 Number	2023 Number
£60,000 - £70,000	<u>1</u>	<u>1</u>

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	<u>60,000</u>	<u>60,000</u>

9 Taxation

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

10 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 September 2023	<u>1,907,747</u>	<u>332,199</u>	<u>29,175</u>	<u>2,269,121</u>
At 31 August 2024	<u>1,907,747</u>	<u>332,199</u>	<u>29,175</u>	<u>2,269,121</u>
Depreciation and impairment				
At 1 September 2023	<u>1,422,681</u>	<u>318,375</u>	<u>29,175</u>	<u>1,770,231</u>
Depreciation charged in the year	<u>2,338</u>	<u>5,775</u>	<u>-</u>	<u>8,113</u>
At 31 August 2024	<u>1,425,019</u>	<u>324,150</u>	<u>29,175</u>	<u>1,778,344</u>
Carrying amount				
At 31 August 2024	<u>482,728</u>	<u>8,049</u>	<u>-</u>	<u>490,777</u>
At 31 August 2023	<u>485,066</u>	<u>13,824</u>	<u>-</u>	<u>498,890</u>

WELLOW HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

11 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	659,610	418,035
Prepayments	11,531	-
	<u>671,141</u>	<u>418,035</u>
Amounts falling due after more than one year:		
Other debtors	<u>205,800</u>	<u>180,000</u>
Total debtors	<u>876,941</u>	<u>598,035</u>

Included within non-current other debtors is £205,800 (2023: £180,000) due from related parties. See note 19 for further details.

12 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank overdrafts	14	-	28,872
Other taxation and social security		123,140	67,186
Deferred income	15	941,318	455,810
Trade creditors		61,837	45,567
Other creditors		17,030	58,767
Accruals		11,075	3,600
		<u>1,154,400</u>	<u>659,802</u>

13 Creditors: amounts falling due after more than one year

	2024 £	2023 £
Borrowings	<u>1,642,129</u>	<u>1,381,332</u>

WELLOW HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

14 Loans and overdrafts

	2024 £	2023 £
Bank overdrafts	-	28,872
Loans from related parties	1,642,129	1,381,332
	<u>1,642,129</u>	<u>1,410,204</u>
Payable within one year	-	28,872
Payable after one year	<u>1,642,129</u>	<u>1,381,332</u>

15 Deferred income

	2024 £	2023 £
Other deferred income	<u>941,318</u>	<u>455,810</u>

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	<u>941,318</u>	<u>455,810</u>
Movements in the year:		
Deferred income at 1 September 2023	455,810	-
Released from previous periods	(455,810)	-
Resources deferred in the year	<u>941,318</u>	<u>455,810</u>
Deferred income at 31 August 2024	<u>941,318</u>	<u>455,810</u>

16 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>29,838</u>	<u>30,907</u>

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

WELLOW HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

17	Share capital	2024	2023
		£	£
	Ordinary share capital		
	Authorised		
	25,000 Ordinary shares of £1 each	25,000	25,000
		<u> </u>	<u> </u>
	Issued and fully paid		
	25,000 Ordinary shares of £1 each	25,000	25,000
		<u> </u>	<u> </u>

18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2023	Incoming resources	Resources expended	At 31 August 2024
	£	£	£	£
General funds	(969,209)	1,673,321	(2,029,839)	(1,325,727)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 September 2022	Incoming resources	Resources expended	At 31 August 2023
	£	£	£	£
General funds	(697,293)	1,536,815	(1,808,731)	(969,209)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

19 Related party transactions

Transactions with related parties

During the year, Alpha Schools (Holdings) Limited, the school's parent company, charged a Head Office cost as shown below:

	Purchase of goods	
	2024	2023
	£	£
Alpha Schools (Holdings) Limited	96,000	94,743
	<u> </u>	<u> </u>
	96,000	94,743
	<u> </u>	<u> </u>

WELLOW HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

19 Related party transactions

(Continued)

The school has been given support by some of its related parties through the provision of loans. These are loans are deemed due over one year as follows:

	Amounts owed to related parties	
	2024 £	2023 £
Alpha Schools (Holdings) Limited	1,138,266	1,074,881
Sharrardswood School Ltd	353,213	235,451
Sackville School Ltd	50,000	50,000
St Edward's School Cheltenham Limited	21,000	21,000
Lady Lane Park School Limited	40,000	-
Cleavelands Prep School Limited	10,000	-
Wellesley Haddon Dene School Limited	9,650	-
St James School	20,000	-
	<u>1,642,129</u>	<u>1,381,332</u>

The Governors have an interest in the above Companies and Alpha Schools (Holdings) Ltd has a charge over the property held within this charity

The school has also given support to some of its related parties through the provision of loans. These loans are deemed due over one year as follows:

	Amounts owed by related parties	
	2024 £	2023 £
The Chadderton Preparatory Grammar School Limited	57,300	50,000
The Chalfonts Independent Grammar School Limited	30,000	30,000
Abbotsford Preparatory School Limited	50,000	50,000
Wickham Court School Limited	50,000	50,000
AS Southern Limited	12,400	-
Wycombe Preparatory School Limited	6,100	-
	<u>205,800</u>	<u>180,000</u>

WELLOW HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

20	Cash absorbed by operations	2024 £	2023 £
	Deficit for the year	(356,518)	(271,916)
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	8,113	8,113
	Movements in working capital:		
	(Increase)/decrease in debtors	(278,906)	60,213
	Increase/(decrease) in creditors	37,962	(481,987)
	Increase in deferred income	485,508	455,810
	Cash absorbed by operations	<u>(103,841)</u>	<u>(229,767)</u>

21	Analysis of changes in net (debt)/funds	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
	Cash at bank and in hand	-	128,084	128,084
	Bank overdrafts	(28,872)	28,872	-
		<u>(28,872)</u>	<u>156,956</u>	<u>128,084</u>
	Loans falling due after more than one year	(1,381,332)	(260,797)	(1,642,129)
		<u>(1,410,204)</u>	<u>(103,841)</u>	<u>(1,514,045)</u>