

NEWARK PREPARATORY SCHOOL COMPANY LIMITED

England & Wales · Charity number 528261

Details

Other names	'HIGHFIELDS' HIGHFIELDS SCHOOL
Status	Registered
Legal form	Charitable company
Company number	00396309
Registered	1963-04-01
Register	View on the Charity Commission register

Contact

Address	Highfields School London Road Balderton Newark Nottinghamshire NG24 3AL
Phone	01636704103
Email	office@highfieldsschool.co.uk
Website	www.highfieldsschool.co.uk

Activities

Objects: THE ADVANCEMENT OF EDUCATION BY ESTABLISHING AND CARRYING ON SCHOOLS AND COLLEGES AND GRANTING SCHOLARSHIPS AND EXHIBITIONS AND AND AWARDING PRIZES AND CARRYING ON WORKS AND ACTIVITIES PROPERLY COMPLEMENTARY AND DIRECTED SOLELY TO THE ADVANCEMENT OF EDUCATION AND ENABLING THE COMPANY TO ATTAIN ITS MAIN PURPOSE BY SUCH MEANS AS ARE APPROPRIATE TO AN INSTITUTION WHOSE SOLE OBJECT IS THE ADVANCEMENT OF EDUCATION AND IN PARTICULAR WITHOUT LIMITING THE FOREGOING BY MAKING SUCH PROVISION FOR ATHLETIC SPORTS PHYSICAL TRAINING LIBRARIES LABORATORIES AND OTHERWISE AS SHALL BE CONDUCIVE TO THE ATTAINMENT OF THE MAIN PURPOSE OF THE COMPANY.

Activities: Provide high quality nursery, infant and primary education.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space
- **What:** Education/training, Arts/culture/heritage/science, Amateur Sport
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Leicestershire
- Lincolnshire
- Nottinghamshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£1,166,656	£1,313,608	£-145,944	37
2024-08-31	£1,237,053	£1,252,565	£1,008	37
2023-08-31	£1,151,346	£1,156,709	£16,520	37
2022-08-31	£1,133,790	£1,119,501	£21,883	36
2021-08-31	£1,011,278	£1,052,069	£7,594	38
2020-08-31	£978,203	£1,000,901	£48,385	44

Trustees

Name	Role	Appointed
Richard South	Chair	2019-09-01
Dr Jane Mumby		2019-06-26
Lee Gordon		2023-09-14
MR WILL BICKNELL		2013-01-31
MR WILL STAUNTON		2013-01-30
Sarah Cameron		2014-06-30
Sue Beaumont		2024-07-12

NEWARK PREPARATORY SCHOOL COMPANY LIMITED

England & Wales - Charity number 528261

Accounts

REVISED
Report of the Trustees and
Financial Statements
for the Year Ended 31 August 2025
for
The Newark Preparatory School
Company Limited

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

The Newark Preparatory School
Company Limited

Contents of the REVISED Financial Statements
for the Year Ended 31 August 2025

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The Newark Preparatory School
Company Limited

Reference and Administrative Details
for the Year Ended 31 August 2025

TRUSTEES	W E B Bicknell S L Cameron J A Dennis (resigned 1.3.25) J E Mumby R W South W J Staunton L Gordon
COMPANY SECRETARY	S Beaumont
REGISTERED OFFICE	Highfields London Road Balderton Newark-on-Trent Nottinghamshire NG24 3AL
REGISTERED COMPANY NUMBER	00396309 (England and Wales)
REGISTERED CHARITY NUMBER	528261
AUDITORS	Wright Vigar Limited Statutory Auditors Chartered Accountants & Business Advisers 15 Newland Lincoln Lincolnshire LN1 1XG

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Report of the Trustees
for the Year Ended 31 August 2025

The Trustees who are also the Directors of the charity for the purposes of the Companies Act 2026, present their report with the financial statements of the charity for the year ended 31 August 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

PRINCIPAL ACTIVITY

The charitable company's principal activity during the year continued to be that of an independent school.

TRUSTEES

The Trustees shown below have held office during the while of the period from 1 September 2023 to the date of this report.

R W South
W E B Bicknell
W J Staunton
Mrs S L Cameron
J A Dennis (resigned 1 March 2025)
Dr J Mumby
L Gordon
S Beaumont

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal objective of the Charity is to provide high quality nursery, pre-prep and prep education. The management of the school was entrusted to the Headteacher, Mrs Sarah Lyons, who was appointed in September 2019, and who reports regularly to the Governors and Trustees. The school operates under the trading name of Highfields. In organising the Charity, Trustees are mindful of their duties under the Charities Act 2022 and have given careful consideration to compliance with the public benefit guidance issued by the Charity Commission.

Within the principal objective, the Charity aims to provide a broad-based education appropriate to the needs of the pupils in its target market and through this the pupils will:

- Acquire the knowledge and skills that will enable them to tackle the next phase of their educational, physical, spiritual, social and emotional lives with confidence and success;
- Feel valued and significant, whilst having an expectation that they should behave in a responsible manner, both to themselves and others. This is supported by appointing pupil Wellbeing ambassadors who are provided with training for the role;
- Develop as individuals, whilst having an understanding that they have a responsibility of service to the community;
- Learn how to live together in a community, showing consideration, courtesy and respect for other people and their property at all times;
- Develop a Growth Mind set which will equip them for their educational journey and for their future;
- Work to acquire the resourcefulness that will enable them to obtain the best from their environment;
- Develop the foundations on which to build a happy and fulfilling life;
- Find their time spent at Highfields enjoyable and stimulating;
- Receive an education that nurtures the courage and confidence of every child to discover their talents and fulfil their potential within a caring environment.

Public benefit

In setting the objectives and planning its activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The key public benefit delivered by the Trust is the provision of a high quality of education to its pupils.

Report of the Trustees
for the Year Ended 31 August 2025

STRATEGIC REPORT

Achievements and performance

Charitable activities

The main objectives of the school for the year were to continue to provide high quality educational services and in so doing to:

- Ensure that the school finances are in line with expectations and to maintain the school as a viable going concern for many years to come;
- Increase the revenue and profile of the school, whilst offering value for money, in order to make the school's services available to as wide a range of parents and pupils as possible;
- Reinvest in the infrastructure of the school.

These are achieved by regular Board meetings which, as a matter of course:

- Regularly undertake a detailed review of the school accounts and areas of over and under spend;
- Plan marketing and promotional activities to increase the profiles and revenue generating potential of the school;
- Invest in IT for the benefit of pupils and to allow staff to fulfil their roles;
- Consider, and where appropriate pursue, opportunities to support the education of pupils;
- Within the limitations of the financial constraints, plan maintenance work on the fabric of the school and, when possible enhance the facilities provided.

The future objectives of the school are to:

- Maintain the high quality of nursery, pre-prep and prep education by using the Cambridge and National curriculum and the continued promotion of first-class pastoral care in small class sizes to enable every child to discover their talents and fulfil their potential confidently in a caring environment;
- Improve the facilities of the school by routine refurbishment and a programme of planned maintenance;
- Grow pupil enrolment numbers by ongoing marketing and promotional activity;

These will be achieved by:

- Utilising all opportunities to promote the school and raise its profile;
- Continuing to develop links with local schools and especially nursery and child care settings to increase awareness of the opportunity on offer at the school;
- When finances allow, the implementation of the refurbishment plan;
- Continuous training and professional development of both teaching and support staff.

The last inspection by the Independent School Inspectorate (ISI) was in November 2023; they carried out a thorough inspection following their new framework and found Highfields to have met all standards.

Report of the Trustees
for the Year Ended 31 August 2025

Details of means tested bursary

The school has two further objectives:

-To provide continuing support of pupils already in receipt of fee assistance through bursaries and to provide support for existing pupils through means tested bursary places, should the need arise during their education at Highfields.

-To play our part in the life of the local community through community access and service programmes.

Bursaries

This year the value of means-tested bursaries totalled £50,299 and represented 5.2% of gross fees.

Review

The Governors periodically review the school's Bursary policies to ensure that children can continue to remain at School through the availability of means-tested fee assistance. The school policy is designed to widen access to Highfields. The reviews help inform the development of school policy and ensure the objective of wider access continues to be achieved.

Community access

The Trustees regard being part of the wider community as an important role.

The school's 80th birthday celebration offered a rich cultural and historical experience, reinforcing a sense of community, heritage, and shared identity.

Where possible, without detriment to advancing the education of our pupils, Highfields supports the wider community by inviting local schools to events at Highfields and for local nurseries to use the grounds and attend the nativity performance. Highfields hosted a cross country event in November 2024 which was attended by twelve local schools (both state and independent). Highfields hosted the local Wolfit drama festival which gave access to our stage to pupils from other schools. Pupils also attend local chess competitions with other schools and the Highfields Orchestra participated in the Rotary Young Musician Competition and played three joint pieces with the Barnby Road school orchestra.

Highfields was also able to support local charities with Friendship Soup and generously filled shoeboxes. The pupils decorated Remembrance pebbles as part of the community Armistice Day event.

Pupils regularly take part in events within school to raise money for charities such as Children in Need, Newark Food Bank, women's aid, Beaumont House hospice and Red Nose day.

Highfields regularly supports local groups by sharing our grounds such as with the Newark Rugby Club or renting out our facilities at favourable rates.

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Report of the Trustees
for the Year Ended 31 August 2025

STRATEGIC REPORT

Financial review

Financial position

The net movement in funds for the year amounted to an outflow of £146,952 (2024: an outflow of £15,512).

The Charity reserves total -£145,944 (2024: £1,008). This level of reserves is substantially represented by the property and other physical assets of the school, which are used for the continuing charitable objectives of the school. The Charity's balance sheet includes freehold property at historic cost. A detailed valuation of this asset was undertaken by Innis England on 3 April 2024 for the purposes of the Charity's bankers. The property was valued at £1.45 million based on its existing use and the valuation for vacant possession was £2.725 million. Should the property be restated to the £1.45 million valuation based on existing use the balance sheet net asset position would be £803,049.

The figure for freehold land and buildings on the balance sheet includes £145,147 in respect of the professional preparation for the construction project as stated in our plans for the future.

The Trustees' policy is to operate with a small surplus of income over resources expended to provide funds for capital expenditure improvements and working capital and plans are being developed to return the school to this position. The deficit this year was due to a number of exceptional circumstances which are not expected to be repeated in the current academic year; control of costs and striving for increased income remain a priority.

Subsequent to the year end the company has undertaken steps to convert overdraft facilities included within short term creditors into non-current liabilities to further improve the balance sheet of the company.

The main source of funding of the Charity is the fees and nursery income received from the parents and funding from the local authorities for Early Years funding towards nursery fees. These funds are expended on the running and upkeep of the school in order to provide the high-quality educational service needed to meet the objectives of the Charity.

Annual budgets and cash flow forecasts are prepared as part of the Charity's development plan and these are monitored against actual financial performance on a regular basis. The Trustees are confident to continue to adopt the going-concern basis in the preparation for financial statements. As the market for independent schools has become more challenging due to the downturn in the economy and the introduction of VAT in January 2025, we have been exploring different medium and long term investment strategies; one of these options is working in partnership with other independent schools.

Investment policy and objectives

There are no restrictions on the company's powers of investment.

Future plans

The charity is open to exploring suitable opportunities which may arise to provide a cash inflow to school to carry out refurbishment work.

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Report of the Trustees
for the Year Ended 31 August 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity was created by a trust deed as a registered charity (number 528261). The charitable company is limited by its members' liability. The members' liability is limited to the amount paid on share capital.

The charitable company is registered in the name of The Newark Preparatory School Company Limited (company number 00396309). The principal address and registered office is Highfields, London Road, Newark, Nottinghamshire, NG24 3AL.

All Directors of the company have complied with the latest legislation in relation to identity checks.

New trustees are recruited by personal recommendation from existing members of the Board, based on identified skills required by the Board. The induction and training of the new trustees is undertaken using external support from the Association of Governing Bodies for Independent Schools (AGBIS) with training tailored to the needs of each newly appointed trustee.

Decisions regarding the charity are made through debate, consideration and voting on proposals submitted to the Board by any one of the following at the regular trustees meeting:

- Headteacher / Senior Leadership Team;
- Subcommittees which cover Finance, Marketing and Health & Safety; Curriculum and Standards; and Pupils, Personnel and Safeguarding;
- Friends and Family of Highfields School, FFH (PTA)/Parents

All meetings are minuted.

Risk management

The Trustees continue to keep the school's activities under review, particularly with regard to any major risks that may arise from time to time. They monitor the effectiveness of the system of internal control and use other viable means, including insurance cover where appropriate, to best mitigate those risks identified.

The Trustees believe the major risks to the school are;

- The retention of key staff;
- The economy. As the school is an independent school, the trustees are aware the economy will directly impact on the school enrolment numbers and are monitoring and reviewing the situation regularly;
- Political changes – the introduction of VAT to school fees in January 2025 (the increase in fees due to VAT was kept to the expected effective VAT rate to protect pupil numbers as much as possible). However, the combination of VAT and the economy has made the market for independent schools challenging over the last 18 months.

The Trustees mitigate the above risk by ensuring that the quality of service remains high through continuous staff training and professional development.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Report of the Trustees
for the Year Ended 31 August 2025

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees (who are also the directors of The Newark Preparatory School Company Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

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

In so far as the trustees are aware:

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 30 May 2026 and signed on the board's behalf by:

R W South - Trustee

Report of the Independent Auditors to the Members of
The Newark Preparatory School
Company Limited

Opinion

We have audited the revised financial statements of The Newark Preparatory School Company Limited (the 'charitable company') for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the revised financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). These revised financial statements replace the original financial statements approved by the trustees on 29 May 2026.

The revised financial statements have been prepared in accordance with The Companies (Revision of Defective Accounts and Reports) Regulations 2008 and accordingly do not take account of events which have taken place after the date the original financial statements were approved.

In our opinion the financial statements:

- give a true and fair view, seen as at the date the original financial statements were approved, 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 seen as at the date the original financial statements were approved; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008.

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 Auditors' responsibilities for the audit of the revised financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the revised 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the original 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.

Emphasis of matter - Revised financial statements

The original financial statements were approved on 29 May 2026 and our previous auditors' report was signed on 29 May 2026. We have not performed a subsequent events review for the period from the date of our previous auditors' report to the date of this report. Our opinion is not modified in this respect. Details of changes between the Original and Revised Financial statements are set out in Note 1.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the revised financial statements and our Report of the Independent Auditors thereon.

Our opinion on the revised 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 revised financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the revised financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the revised 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 the audit:

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

In our opinion, the original financial statements for the year ended 31 August 2025 failed to comply with the requirements of in the respects identified by the trustees in note 1 to the revised financial statements.

Report of the Independent Auditors to the Members of
The Newark Preparatory School
Company Limited

Matters on which we are required to report by exception

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

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 revised financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the revised 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 revised financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the revised financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our 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 a Report of the Independent Auditors 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:

Our work is performed to include an assessment of the susceptibility of the entity's revised financial statements to material misstatement, including the risk of fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the revised financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We plan our work to gain an understanding of the significant laws and regulations that are of significance to the entity and the sector in which they operate. We perform our work to ensure that the entity is complying with its legal and regulatory framework.
- We obtained an understanding of how the company is complying with those legal and regulatory frameworks by making inquiries to the management and people charged with governance.

We assessed the susceptibility of the Charitable Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Substantive procedures performed in accordance with the ISAs (UK).
- Challenging assumptions and judgments made by management in its significant accounting estimates.
- Identifying and testing journal entries, in particular material journal entries and an assessment of year end journals.
- Assessing the extent of compliance with the relevant laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

We are also required to report whether in our opinion the original financial statements failed to comply with the requirements of the respects identified by the trustees. The audit of revised financial statements includes the performance of procedures to assess whether the revisions made by the trustees are appropriate and have been properly made.

Report of the Independent Auditors to the Members of
The Newark Preparatory School
Company Limited

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with the Companies (Revision of Defective Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Colcomb FCCA (Senior Statutory Auditor)
for and on behalf of Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

30 May 2026

The Newark Preparatory School
Company Limited

Statement of Financial Activities
for the Year Ended 31 August 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	5				
Donations		22,535	-	22,535	47,112
Tuition and nursery fees		1,018,411	-	1,018,411	1,069,557
Rent	4	11,576	-	11,576	10,851
Other income	6	114,134	-	114,134	109,533
Total		<u>1,166,656</u>	<u>-</u>	<u>1,166,656</u>	<u>1,237,053</u>
EXPENDITURE ON					
Charitable activities	7				
Education services		<u>1,313,608</u>	<u>-</u>	<u>1,313,608</u>	<u>1,252,565</u>
NET INCOME/(EXPENDITURE)		(146,952)	-	(146,952)	(15,512)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,008	-	1,008	16,520
TOTAL FUNDS CARRIED FORWARD		<u><u>(145,944)</u></u>	<u><u>-</u></u>	<u><u>(145,944)</u></u>	<u><u>1,008</u></u>

The notes form part of these financial statements

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Balance Sheet
31 August 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Tangible assets	13	576,617	-	576,617	591,028
CURRENT ASSETS					
Debtors	14	219,784	-	219,784	45,534
Cash at bank and in hand		159	-	159	126
		<u>219,943</u>	<u>-</u>	<u>219,943</u>	<u>45,660</u>
CREDITORS					
Amounts falling due within one year	15	(942,504)	-	(942,504)	(627,347)
NET CURRENT ASSETS/(LIABILITIES)		<u>(722,561)</u>	<u>-</u>	<u>(722,561)</u>	<u>(581,687)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(145,944)	-	(145,944)	9,341
CREDITORS					
Amounts falling due after more than one year	16	-	-	-	(8,333)
NET ASSETS/(LIABILITIES)		<u>(145,944)</u>	<u>-</u>	<u>(145,944)</u>	<u>1,008</u>
FUNDS	19				
Unrestricted funds				(145,944)	1,008
TOTAL FUNDS				<u>(145,944)</u>	<u>1,008</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 30 May 2026 and were signed on its behalf by:

R W South - Trustee

The Newark Preparatory School
Company Limited

Cash Flow Statement
for the Year Ended 31 August 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	(70,135)	149,541
Interest paid		(22,647)	(18,008)
Net cash (used in)/provided by operating activities		(92,782)	131,533
Cash flows from investing activities			
Purchase of tangible fixed assets		(9,495)	(52,950)
Interest received		1	1
Net cash used in investing activities		(9,494)	(52,949)
Cash flows from financing activities			
Loan repayments in year		(9,994)	(10,000)
Net cash used in financing activities		(9,994)	(10,000)
Change in cash and cash equivalents in the reporting period		(112,270)	68,584
Cash and cash equivalents at the beginning of the reporting period	2	(178,530)	(247,114)
Cash and cash equivalents at the end of the reporting period	2	(290,800)	(178,530)

The notes form part of these financial statements

The Newark Preparatory School
Company Limited

Notes to the Cash Flow Statement
for the Year Ended 31 August 2025

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(146,952)	(15,512)
Adjustments for:		
Depreciation charges	23,906	17,458
Interest received	(1)	(1)
Interest paid	22,647	18,008
Increase in debtors	(174,250)	(8,397)
Increase in creditors	204,515	137,985
Net cash (used in)/provided by operations	<u>(70,135)</u>	<u>149,541</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025 £	2024 £
Cash in hand	55	23
Notice deposits (less than 3 months)	104	103
Overdrafts included in bank loans and overdrafts falling due within one year	(290,959)	(178,656)
Total cash and cash equivalents	<u>(290,800)</u>	<u>(178,530)</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.24 £	Cash flow £	At 31.8.25 £
Net cash			
Cash at bank and in hand	126	33	159
Bank overdraft	(178,656)	(112,303)	(290,959)
	<u>(178,530)</u>	<u>(112,270)</u>	<u>(290,800)</u>
Debt			
Debts falling due within 1 year	(20,000)	1,661	(18,339)
Debts falling due after 1 year	(8,333)	8,333	-
	<u>(28,333)</u>	<u>9,994</u>	<u>(18,339)</u>
Total	<u>(206,863)</u>	<u>(102,276)</u>	<u>(309,139)</u>

The notes form part of these financial statements

The Newark Preparatory School
Company Limited

Notes to the Financial Statements
for the Year Ended 31 August 2025

1. REVISED FINANCIAL STATEMENTS

The financial statements for the year ended 31 August 2025 have been revised.

They

- replace the original financial statements;
- are now the statutory financial statements;
- are prepared as they were at the date of the original financial statements and not as at the date of revision and accordingly do not deal with events between those dates.

The cashflow statement and reconciliation of net expenditure to net cashflow from operating activities note in the original financial statements included equal and opposite entries relating to fixed assets included in error. No fixed assets were disposed of during the year and hence these amounts have been removed in the revised set.

No significant amendments to the accounts were made as a consequence of correcting these entries.

2. LEGAL STATUS OF THE CHARITY

The charity is a charitable company registered in England and Wales. Details of the company number and registered office can be found in the reference and administration section of the Report of the Trustees.

STATUTORY INFORMATION

The presentation currency of the financial statements is the Pound Sterling (£).

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 25% on cost, 5% on cost and Straight line at 1%
Fixtures and fittings	- 15% straight line and 10% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Taxation

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

Fund accounting

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

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

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

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2025

3. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

4. RENT

	2025 £	2024 £
Rent	8,278	8,280
Hire of Facilities	3,297	2,570
Deposit account interest	1	1
	<u>11,576</u>	<u>10,851</u>

5. INCOME FROM CHARITABLE ACTIVITIES

		2025	2024
	Donations £	Tuition and nursery fees £	Total activities £
Parent Association donation	22,432	-	22,432
Tuition fees	-	878,761	878,761
Nursery fees	-	139,650	139,650
Donations received	103	-	103
	<u>22,535</u>	<u>1,018,411</u>	<u>1,040,946</u>
			<u>1,116,669</u>

6. OTHER INCOME

	2025 £	2024 £
Wrap around care	54,646	63,426
Music	24,945	23,881
Registration fees	4,191	1,520
School trips	25,160	19,451
Insurance recharge	1,094	297
Sundry receipts	4,098	958
	<u>114,134</u>	<u>109,533</u>

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2025

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Education services	1,105,716	207,892	1,313,608

8. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Education services	172,487	31,359	4,046	207,892

Support costs, included in the above, are as follows:

Management

	2025 Education services £	2024 Total activities £
Admin wages	82,383	83,563
Professional fees	21,367	9,981
Telephone	2,818	2,628
Printing, postage and stationery	2,684	4,315
Photocopier costs	9,137	13,521
Sundry expenses	15	609
Subscriptions	27,682	27,184
Marketing	3,754	6,177
Interest payable	22,647	18,008
	<u>172,487</u>	<u>165,986</u>

Finance

	2025 Education services £	2024 Total activities £
Bank charges	5,758	6,638
Motor expenses	1,695	974
Depreciation of tangible fixed assets	23,906	17,458
	<u>31,359</u>	<u>25,070</u>

Governance costs

	2025 Education services £	2024 Total activities £
Auditors' remuneration	4,046	4,794

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2025

9. NET INCOME/(EXPENDITURE)

	2025 £	2025 £
Depreciation	23,906	17,458

10. AUDITORS' REMUNERATION

	2025 £	2024 £
Fees payable to the charity's auditors and their associates for the audit of the charity's financial statements	4,046	4,794

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2025 nor for the year ended 31 August 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2025 nor for the year ended 31 August 2024.

12. STAFF COSTS

	2025 £	2024 £
Wages and salaries	707,149	697,990
Social security costs	67,644	54,590
Other pension costs	100,189	95,416
	<u>874,982</u>	<u>847,996</u>

	2025	2024
Teaching	20	19
Non Teaching	17	18
	<u>37</u>	<u>37</u>

Remuneration paid to key management personnel in the year was £127,061 (2024: £184,488).

None of the Trustees received any remuneration in the year.

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

	2025	2024
£60,001 - £70,000	1	1

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2025

13. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 September 2024	703,605	123,720	42,639	234,073	1,104,037
Additions	7,997	-	-	1,498	9,495
At 31 August 2025	711,602	123,720	42,639	235,571	1,113,532
DEPRECIATION					
At 1 September 2024	203,802	85,209	3,000	220,998	513,009
Charge for year	6,793	5,529	9,910	1,674	23,906
At 31 August 2025	210,595	90,738	12,910	222,672	536,915
NET BOOK VALUE					
At 31 August 2025	501,007	32,982	29,729	12,899	576,617
At 31 August 2024	499,803	38,511	39,639	13,075	591,028

Included in cost of land and buildings is freehold land of £100,000 (2024 - £100,000) which is not depreciated.

Freehold land and buildings includes £145,147 in respect of the professional preparation for a construction project as referred to in the Trustees' annual report. This expenditure has not been depreciated.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade debtors	156,622	14,807
Other debtors	28,413	-
Prepayments and accrued income	34,749	30,727
	<u>219,784</u>	<u>45,534</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Bank loans and overdrafts (see note 17)	299,298	188,656
Other loans (see note 17)	10,000	10,000
Trade creditors	66,824	32,200
Pensions	32,568	12,048
VAT	100,322	-
Other creditors	71,563	51,820
Accruals and deferred income	361,929	332,623
	<u>942,504</u>	<u>627,347</u>

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2025

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025 £	2024 £
Bank loans (see note 17)	-	8,333
	<u> </u>	<u> </u>

17. LOANS

An analysis of the maturity of loans is given below:

	2025 £	2024 £
Amounts falling due within one year on demand:		
Bank overdrafts	290,959	178,656
Bank loans	8,339	10,000
Other loans	10,000	10,000
	<u>309,298</u>	<u>198,656</u>
Amounts falling due between two and five years:		
Creditors more than 1 year	-	8,333
	<u> </u>	<u> </u>

18. SECURED DEBTS

The following secured debts are included within creditors:

	2025 £	2024 £
Bank overdrafts	290,959	178,656
Bank loans	8,339	18,333
	<u>299,298</u>	<u>196,989</u>

19. MOVEMENT IN FUNDS

	At 1.9.24 £	Net movement in funds £	At 31.8.25 £
Unrestricted funds			
General funds	1,008	(146,952)	(145,944)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>1,008</u>	<u>(146,952)</u>	<u>(145,944)</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	1,166,656	(1,313,608)	(146,952)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>1,166,656</u>	<u>(1,313,608)</u>	<u>(146,952)</u>

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2025

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.23 £	Net movement in funds £	At 31.8.24 £
Unrestricted funds			
General funds	16,520	(15,512)	1,008
TOTAL FUNDS	<u>16,520</u>	<u>(15,512)</u>	<u>1,008</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	1,237,053	(1,252,565)	(15,512)
TOTAL FUNDS	<u>1,237,053</u>	<u>(1,252,565)</u>	<u>(15,512)</u>

The total funds at the year end can be further split as detailed below:

	2025 £	2024 £
Called up share capital	700	700
Other reserves	120	120
Founder Governor prize fund	1,677	1,677
General funds	(148,487)	(1,489)
	<u>(145,990)</u>	<u>1,008</u>

As referred to in the trustees report the company policy is to operate with a small surplus of income over resources expended to provide funds for capital expenditure improvements and working capital. Plans are being developed to return the school to this position. The deficit this year was due to a number of exceptional circumstances which are not expected to be repeated in the current academic year; control of costs and striving for increased income remain a priority. The company has also undertaken steps to convert overdraft facilities included within short term creditors into non-current liabilities to further improve the balance sheet of the company.

20. RELATED PARTY DISCLOSURES

The company incurred expenses on commercial terms for electrical work amounting to £840 (2024: £216) during the year with South Electrical Limited. Mr R South is a director of South Electrical Limited and a trustee of The Newark Preparatory School Company Limited. At the year end no amounts remained unpaid.

The company incurred expenses on commercial terms for payroll services amounting to £3,788 (2024: £3,654) during the year with TC Group. Mr J Dennis is a partner of TC Group and a trustee of The Newark Preparatory School Company Limited until 1 March 2025. At the year end there was a creditor balance of £279.

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2025

21. POST BALANCE SHEET EVENTS

As referred to in the trustees report subsequent to the year end the company has undertaken steps to convert overdraft facilities of £291k included within short term creditors in the accounts into non-current liabilities to further improve the balance sheet of the company.

22. TRUSTEES' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits from a trustee subsisted during the year ended 31 August 2025 and the year ended 31 August 2024:

	2025 £	2024 £
W J Staunton		
Balance outstanding at the start and end of period	<u>10,000</u>	<u>10,000</u>

The terms of the loan is that capital is to be repaid monthly at a minimum payment of £400 a month, although this has been suspended until the company is in a better financial position. The loan was from a Trustee W Staunton and there is no immediate repayment required for the money to be repaid. No interest is payable on the amount advanced.

NEWARK PREPARATORY SCHOOL COMPANY LIMITED

England & Wales - Charity number 528261

Accounts

Report of the Trustees and
Financial Statements
for the Year Ended 31 August 2023
for
The Newark Preparatory School
Company Limited

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

The Newark Preparatory School
Company Limited

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for the Year Ended 31 August 2023

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The Newark Preparatory School
Company Limited

Reference and Administrative Details
for the Year Ended 31 August 2023

TRUSTEES	W E B Bicknell Ms S L Cameron J A Dennis N Johnson (resigned 2.5.23) Dr J E Mumby R W South W J Staunton D N Ashton (appointed 27.2.23) L Gordon (appointed 14.9.23)
COMPANY SECRETARY	J A Dennis
REGISTERED OFFICE	Highfields London Road Balderton Newark-on-Trent Nottinghamshire NG24 3AL
REGISTERED COMPANY NUMBER	00396309 (England and Wales)
REGISTERED CHARITY NUMBER	528261
AUDITORS	Wright Vigar Limited Statutory Auditors Chartered Accountants & Business Advisers 15 Newland Lincoln Lincolnshire LN1 1XG

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Report of the Trustees
for the Year Ended 31 August 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

PRINCIPAL ACTIVITY

The charitable company's principal activity during the year continued to be that of an independent school. Further details on the activities and achievements for the year are disclosed in the Governors' Report which is a separate document.

TRUSTEES

The Trustees shown below have held office during the while of the period from 1 September 2022 to the date of this report.

W E B Bicknell
W J Staunton
Mrs S L Cameron
J A Dennis
Dr J Mumby
R W South
D Ashton (appointed 27/02/2023)
L Gordon (appointed 14/09/2023)
N Johnson (resigned 02/05/2023)

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal objective of the Charity is to provide high quality nursery, pre-prep and prep education. The management of the school was entrusted to the Headteacher, Mrs S Lyons, who was appointed in September 2019, and who reports regularly to the Governors and Trustees. The school operates under the trading name of Highfields. In organising the Charity, Trustees are mindful of their duties under Charities Act 2016 and have given careful consideration to compliance with the public benefit guidance issued by the Charity Commission.

Within the principal objective, the Charity aims to provide a broad-based education appropriate to the needs of the pupils in its target market and through this the pupils will:

- Acquire the knowledge and skills that will enable them to tackle the next phase of their educational, physical, spiritual, social and emotional lives with confidence and success;
- Feel valued and significant, whilst having an expectation that they should behave in a responsible manner, both to themselves and others;
- Develop as individuals, whilst having an understanding that they have a responsibility of service to the community;
- Learn how to live together in a community, showing consideration, courtesy and respect for other people and their property at all times;
- Work to acquire the resourcefulness that will enable them to obtain the best from their environment;
- Develop the foundations on which to build a happy and fulfilling life;
- Find their time spent at Highfields enjoyable and stimulating;
- Receive an education that nurtures the courage and confidence of every child to discover their talents and fulfil their potential within a caring environment.

Public benefit

In setting the objectives and planning its activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The key public benefit delivered by the Trust is the provision of a high quality of education to its pupils.

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Report of the Trustees
for the Year Ended 31 August 2023

STRATEGIC REPORT

Achievement and performance

Charitable activities

The main objectives of the school for the year were to continue to provide high quality educational services and in so doing to:

- Ensure that the school finances are in line with the budgets set and to maintain the school as a viable going concern for many years to come;
- Increase the revenue and profile of the school, whilst offering value for money, in order to make the school's services available to as wide a range of parents and pupils as possible;
- Reinvest in the infrastructure of the school.

These are achieved by regular Board meetings which, as a matter of course:

- Regularly undertake a detailed review of the school accounts and areas of over and under spend;
- Plan marketing and promotional activities to increase the profiles and revenue generating potential of the school;
- Within the limitations of the financial constraints, plan maintenance work on the fabric of the school and, when possible enhance the facilities provided.

The future objectives of the school are to:

- Maintain the high quality of nursery, pre-prep and prep education by using the Cambridge and National curriculum and the continued promotion of first-class pastoral care in small class sizes to enable every child to discover their talents and fulfil their potential confidently in a caring environment;
- Improve the facilities of the school by routine refurbishment and a programme of planned maintenance;
- Grow pupil enrolment numbers by ongoing marketing and promotional activity;

These will be achieved by:

- Utilising all opportunities to promote the school and raise its profile;
- Continuing to develop links with local schools and especially nursery and child care settings to increase awareness of the opportunity on offer at the school;
- The implementation of the refurbishment plan;
- Continuous training and professional development of both teaching and support staff.

The last inspection by the Independent School Inspectorate (ISI) was in November 2023; they carried out a thorough inspection following their new framework and found Highfields to have met all standards.

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Report of the Trustees
for the Year Ended 31 August 2023

Details of means tested bursary

The school has two further objectives:

- To provide continuing support of pupils already in receipt of fee assistance through bursaries and to provide support for existing pupils through means tested bursary places, should the need arise during their education at Highfields.
- To play our part in the life of the local community through community access and service programmes

Bursaries

This year the value of means-tested bursaries totalled £26,827 and represented 2.8% of gross fees.

Review

The Governors periodically review the school's Bursary policies to ensure that children can continue to remain at School through the availability of means-tested fee assistance. The school policy is designed to widen access to Highfields. The reviews help inform the development of school policy and ensure the objective of wider access continues to be achieved.

'Teaching Links' programme

The school looks for opportunities with other local schools where we can share each other's best practice, observe other settings and share in training where possible. The EY team regularly meet with other Early years settings to share best practise. The Headteacher and Operations Manager also work with colleagues across both state and independent sector to support and enhance their own knowledge.

Community access

The Trustees regard being part of the wider community as an important role.

Where possible, without detriment to advancing the education of our pupils, Highfields supports the wider community by inviting local schools to events at Highfields and for local nurseries to use the grounds. Highfields hosted a cross country event in November 2022 which was attended by a number of local schools (both state and independent).

Highfields was also able to support local charities with Harvest Soup and generously filled shoeboxes. The pupils in form 5 and 6 read out Remembrance poems as part of the community Armistice Day event.

Pupils regularly take part in events within school to raise money for charities such as Children in Need, Jeans for Jeans and Sports Aid.

Highfields regularly supports local groups by sharing our grounds such as with the Newark Rugby Club or renting out our facilities at favourable rates.

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Report of the Trustees
for the Year Ended 31 August 2023

STRATEGIC REPORT

Financial review

Financial review and reserves policy

The net movement in funds for the year amounted to an outflow of £-5,363 (2022: an inflow of £14,289).

The revenue reserves of the Charity total £16,520 (2022: £21,883). This level of reserves is substantially represented by the property and other physical assets of the school, which are used for the continuing charitable objectives of the school. The Charity's balance sheet includes freehold property at historic cost. A detailed valuation of this asset was undertaken by Inn's England on 27 November 2012 for the purposes of the Charity's bankers. The property was valued at £1 million based on its existing use and the valuation for vacant possession was £2.25 million. The Trustees have requested an updated valuation which will be carried out in April 2024.

The figure for freehold land and buildings on the balance sheet includes £145,147 in respect of the professional preparation for the construction project as stated in our plans for the future.

The Trustees' policy is to operate with a small surplus of income over resources expended to provide funds for capital expenditure improvements and working capital.

The main source of funding of the Charity is the fees and nursery income received from the parents and funding from the local authorities for Early Years funding towards nursery fees. These funds are expended on the running and upkeep of the school in order to provide the high-quality educational service needed to meet the objectives of the Charity.

Annual budgets and cash flow forecasts are prepared as part of the Charity's development plan and these are monitored against actual financial performance on a regular basis. The Trustees consider that the school has sufficient resources to continue to operate for the foreseeable future, and therefore continue to adopt the going-concern basis in the preparation for financial statements.

Investment policy and objectives

There are no restrictions on the company's powers of investment. With the prospect of funds being generated by the land sale, an investment policy will be produced.

Future plans

The contact with Avant Homes expired in September 2023 and is currently under review as the latest planning application had been rejected by Newark and Sherwood District Council in August 2023. The charity are still open to suitable opportunities which may arise to provide a cash inflow to school to carry out refurbishment work.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity was created by a trust deed as a registered charity (number 528261). The charitable company is limited by its members' liability. The members' liability is limited to the amount paid on share capital.

The charitable company is registered in the name of The Newark Preparatory School Company Limited (company number 00396309). The principal address and registered office is Highfields, London Road, Newark, Nottinghamshire, NG24 3AL.

New trustees are recruited by personal recommendation from existing members of the Board, based on identified skills required by the Board. The induction and training of the new trustees is undertaken using external support from the Association of Governing Bodies for Independent Schools (AGBIS) with training tailored to the needs of each newly appointed trustee.

Decisions regarding the charity are made through debate, consideration and voting on proposals submitted to the Board by any one of the following at the regular trustees meeting:

- Headteacher / Senior Leadership Team
- Subcommittees which cover Finance, Marketing and Health & Safety; Curriculum and Standards; and Pupils, Personnel and Safeguarding
- Friends and Family of Highfields School, FFH (PTA)/Parents

All meetings are minuted.

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Report of the Trustees
for the Year Ended 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Trustees continue to keep the school's activities under review, particularly with regard to any major risks that may arise from time to time. They monitor the effectiveness of the system of internal control and use other viable means, including insurance cover where appropriate, to best mitigate those risks identified.

The Trustees believe the major risks to the school are;

- The retention of key staff;
- The economy. As the school is an independent school, the trustees are aware the economy will directly impact on the school enrolment numbers and are monitoring and reviewing the situation regularly;
- Political changes - in line with all independent schools, the announcement by the Labour Party (in opposition) that they would add VAT to school fees and remove business rates relief could have a detrimental impact on the finances of the school. Any increase in fees would be minimised as much as possible to protect pupil numbers.

The Trustees mitigate the above risk by ensuring that the quality of service remains high through continuous staff training and professional development.

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees (who are also the directors of The Newark Preparatory School Company Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

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

In so far as the trustees are aware:

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

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



.....
R W South - Trustee

Report of the Independent Auditors to the Members of
The Newark Preparatory School
Company Limited

Opinion

We have audited the financial statements of The Newark Preparatory School Company Limited (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 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 the audit:

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

Matters on which we are required to report by exception

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

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.

Report of the Independent Auditors to the Members of
The Newark Preparatory School
Company Limited

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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:

Our work is performed to include an assessment of the susceptibility of the entity's financial statements to material misstatement, including the risk of fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We plan our work to gain an understanding of the significant laws and regulations that are of significance to the entity and the sector in which they operate. We perform our work to ensure that the entity is complying with its legal and regulatory framework.
- We obtained an understanding of how the company is complying with those legal and regulatory frameworks by making inquiries to the management and people charged with governance.

We assessed the susceptibility of the Charitable Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Substantive procedures performed in accordance with the ISAs (UK).
- Challenging assumptions and judgments made by management in its significant accounting estimates.
- Identifying and testing journal entries, in particular material journal entries and an assessment of year end journals.
- Assessing the extent of compliance with the relevant laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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

Paul Colcomb FCCA (Senior Statutory Auditor)
for and on behalf of Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

Date:

The Newark Preparatory School
Company Limited

Statement of Financial Activities
for the Year Ended 31 August 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	4				
Donations		16,980	-	16,980	23,924
Tuition and nursery fees		1,015,349	-	1,015,349	997,167
Other Income		500	-	500	-
Rent	3	10,555	-	10,555	8,048
Other income	5	107,962	-	107,962	104,651
Total		<u>1,151,346</u>	<u>-</u>	<u>1,151,346</u>	<u>1,133,790</u>
EXPENDITURE ON					
Charitable activities	6				
Education services		<u>1,156,709</u>	<u>-</u>	<u>1,156,709</u>	<u>1,119,501</u>
NET INCOME/(EXPENDITURE)		(5,363)	-	(5,363)	14,289
RECONCILIATION OF FUNDS					
Total funds brought forward		21,883	-	21,883	7,594
TOTAL FUNDS CARRIED FORWARD		<u><u>16,520</u></u>	<u><u>-</u></u>	<u><u>16,520</u></u>	<u><u>21,883</u></u>

The notes form part of these financial statements

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Balance Sheet
31 August 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	12	555,537	-	555,537	554,456
CURRENT ASSETS					
Debtors	13	37,136	-	37,136	33,974
Cash at bank and in hand		173	-	173	142
		<u>37,309</u>	<u>-</u>	<u>37,309</u>	<u>34,116</u>
CREDITORS					
Amounts falling due within one year	14	(557,993)	-	(557,993)	(538,356)
		<u>(520,684)</u>	<u>-</u>	<u>(520,684)</u>	<u>(504,240)</u>
NET CURRENT ASSETS					
		(520,684)	-	(520,684)	(504,240)
TOTAL ASSETS LESS CURRENT LIABILITIES		34,853	-	34,853	50,216
CREDITORS					
Amounts falling due after more than one year	15	(18,333)	-	(18,333)	(28,333)
		<u>16,520</u>	<u>-</u>	<u>16,520</u>	<u>21,883</u>
NET ASSETS					
		16,520	-	16,520	21,883
FUNDS	18				
Unrestricted funds				16,520	21,883
TOTAL FUNDS				<u>16,520</u>	<u>21,883</u>

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



.....
R W South - Trustee

The Newark Preparatory School
Company Limited

Cash Flow Statement
for the Year Ended 31 August 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	82,802	57,419
Interest paid		(17,582)	(11,663)
Net cash provided by operating activities		<u>65,220</u>	<u>45,756</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(27,166)	(5,978)
Interest received		1	-
Net cash used in investing activities		<u>(27,165)</u>	<u>(5,978)</u>
Cash flows from financing activities			
Loan repayments in year		(10,000)	(10,000)
Net cash used in financing activities		<u>(10,000)</u>	<u>(10,000)</u>
Change in cash and cash equivalents in the reporting period		<u>28,055</u>	<u>29,778</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>(275,169)</u>	<u>(304,947)</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>(247,114)</u></u>	<u><u>(275,169)</u></u>

The notes form part of these financial statements

The Newark Preparatory School
Company Limited

Notes to the Cash Flow Statement
for the Year Ended 31 August 2023

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(5,363)	14,289
Adjustments for:		
Depreciation charges	26,086	28,442
Profit on disposal of fixed assets	(1)	-
Interest received	(1)	-
Interest paid	17,582	11,663
Increase in debtors	(3,162)	(8,094)
Increase in creditors	47,661	11,119
Net cash provided by operations	<u>82,802</u>	<u>57,419</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash in hand	71	41
Notice deposits (less than 3 months)	102	101
Overdrafts included in bank loans and overdrafts falling due within one year	(247,287)	(275,311)
Total cash and cash equivalents	<u>(247,114)</u>	<u>(275,169)</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.22 £	Cash flow £	At 31.8.23 £
Net cash			
Cash at bank and in hand	142	31	173
Bank overdraft	(275,311)	28,024	(247,287)
	<u>(275,169)</u>	<u>28,055</u>	<u>(247,114)</u>
Debt			
Debts falling due within 1 year	(20,000)	-	(20,000)
Debts falling due after 1 year	(28,333)	10,000	(18,333)
	<u>(48,333)</u>	<u>10,000</u>	<u>(38,333)</u>
Total	<u>(323,502)</u>	<u>38,055</u>	<u>(285,447)</u>

The Newark Preparatory School
Company Limited

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

1. LEGAL STATUS OF THE CHARITY

The charity is a charitable company registered in England and Wales. Details of the company number and registered office can be found in the reference and administration section of the Report of the Trustees.

STATUTORY INFORMATION

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 25% on cost, 5% on cost and Straight line at 1%
Fixtures and fittings	- 10% on cost and 4% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Taxation

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

Fund accounting

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

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

3. RENT

	2023	2022
	£	£
Rent	8,279	6,458
Hire of Facilities	2,275	1,590
Deposit account interest	1	-
	<u>10,555</u>	<u>8,048</u>

4. INCOME FROM CHARITABLE ACTIVITIES

		Tuition and nursery fees	Other Income	2023	2022
	Donations £	£	£	Total activities £	Total activities £
Parent Association donation	16,980	-	-	16,980	2,523
Tuition fees	-	897,501	-	897,501	897,935
Nursery fees	-	117,848	-	117,848	99,232
Donations received	-	-	500	500	21,401
	<u>16,980</u>	<u>1,015,349</u>	<u>500</u>	<u>1,032,829</u>	<u>1,021,091</u>

5. OTHER INCOME

	2023	2022
	£	£
Wrap around care	60,880	55,933
Music	25,643	25,674
Registration fees	1,200	2,220
School trips	19,555	20,283
Insurance recharge	400	424
Sundry receipts	284	117
	<u>107,962</u>	<u>104,651</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Education services	<u>974,899</u>	<u>181,810</u>	<u>1,156,709</u>

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Education services	<u>143,870</u>	<u>33,734</u>	<u>4,206</u>	<u>181,810</u>

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

7. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

Management

	2023 Education services £	2022 Total activities £
Admin wages	69,684	72,578
Professional fees	5,307	6,254
Telephone	5,194	4,073
Printing, postage and stationery	5,285	2,769
Photocopier costs	8,225	7,898
Sundry expenses	662	285
Subscriptions	24,511	24,411
Marketing	7,420	2,637
Interest payable	17,582	11,663
	<u>143,870</u>	<u>132,568</u>

Finance

	2023 Education services £	2022 Total activities £
Bad debts	-	6,197
Bank charges	6,026	2,782
Motor expenses	1,622	2,863
Depreciation of tangible fixed assets	26,086	28,442
	<u>33,734</u>	<u>40,284</u>

Governance costs

	2023 Education services £	2022 Total activities £
Auditors' remuneration	<u>4,206</u>	<u>4,388</u>

8. NET INCOME/(EXPENDITURE)

	2023	2022
Depreciation	<u>26,085</u>	<u>28,442</u>

9. AUDITORS' REMUNERATION

	2023 £	2022 £
Fees payable to the charity's auditors and their associates for the audit of the charity's financial statements	<u>4,206</u>	<u>4,388</u>

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2023 nor for the year ended 31 August 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2023 nor for the year ended 31 August 2022.

11. STAFF COSTS

	2023	2022
Wages and salaries	658,194	643,311
Social security costs	47,987	47,747
Other pension costs	80,245	76,219
	<u>786,426</u>	<u>767,277</u>

	2023	2022
Teaching	19	19
Non Teaching	18	17
	<u>37</u>	<u>36</u>

Remuneration paid to key management personnel in the year was £167,247 (2022: £217,079).

None of the Trustees received any remuneration in the year.

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

	2023	2022
£60,001 - £70,000	1	1

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 September 2022	689,512	117,848	3,000	213,561	1,023,921
Additions	<u>14,093</u>	<u>5,872</u>	<u>-</u>	<u>7,201</u>	<u>27,166</u>
At 31 August 2023	<u>703,605</u>	<u>123,720</u>	<u>3,000</u>	<u>220,762</u>	<u>1,051,087</u>
DEPRECIATION					
At 1 September 2022	179,561	76,920	3,000	209,984	469,465
Charge for year	<u>15,206</u>	<u>4,219</u>	<u>-</u>	<u>6,660</u>	<u>26,085</u>
At 31 August 2023	<u>194,767</u>	<u>81,139</u>	<u>3,000</u>	<u>216,644</u>	<u>495,550</u>
NET BOOK VALUE					
At 31 August 2023	<u>508,838</u>	<u>42,581</u>	<u>-</u>	<u>4,118</u>	<u>555,537</u>
At 31 August 2022	<u>509,951</u>	<u>40,928</u>	<u>-</u>	<u>3,577</u>	<u>554,456</u>

Included in cost of land and buildings is freehold land of £100,000 (2022 - £100,000) which is not depreciated.

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

12. TANGIBLE FIXED ASSETS - continued

Freehold land and buildings includes £145,147 in respect of the professional preparation for a construction project as referred to in the Trustees' annual report. This expenditure has not been depreciated.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	15,842	12,971
Prepayments and accrued income	21,294	21,003
	<u>37,136</u>	<u>33,974</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts (see note 16)	257,287	285,311
Other loans (see note 16)	10,000	10,000
Trade creditors	27,077	30,038
Pensions	9,908	10,939
Other creditors	54,826	56,989
Accruals and deferred income	198,895	145,079
	<u>557,993</u>	<u>538,356</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Bank loans (see note 16)	<u>18,333</u>	<u>28,333</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	247,287	275,311
Bank loans	10,000	10,000
Other loans	10,000	10,000
	<u>267,287</u>	<u>295,311</u>
Amounts falling due between two and five years:		
Creditors more than 1 year	<u>18,333</u>	<u>28,333</u>

17. SECURED DEBTS

The following secured debts are included within creditors:

	2023	2022
	£	£
Bank overdrafts	247,287	275,311
Bank loans	28,333	38,333
	<u>275,620</u>	<u>313,644</u>

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

18. MOVEMENT IN FUNDS

	At 1.9.22 £	Net movement in funds £	At 31.8.23 £
Unrestricted funds			
General funds	21,883	(5,363)	16,520
TOTAL FUNDS	<u>21,883</u>	<u>(5,363)</u>	<u>16,520</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	1,151,346	(1,156,709)	(5,363)
TOTAL FUNDS	<u>1,151,346</u>	<u>(1,156,709)</u>	<u>(5,363)</u>

Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General funds	7,594	14,289	21,883
TOTAL FUNDS	<u>7,594</u>	<u>14,289</u>	<u>21,883</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	1,133,790	(1,119,501)	14,289
TOTAL FUNDS	<u>1,133,790</u>	<u>(1,119,501)</u>	<u>14,289</u>

The total funds at the year end can be further split as detailed below:

	2023 £	2022 £
Called up share capital	700	700
Other reserves	120	120
Founder Governor prize fund	1,677	1,677
General funds	14,023	19,386
	<u>16,520</u>	<u>21,883</u>

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

19. RELATED PARTY DISCLOSURES

The company incurred expenses on commercial terms for electrical work amounting to £1,724 during the year with South Electrical Limited. Mr R South is a director of South Electrical Limited and a trustee of The Newark Preparatory School Company Limited. At the year end no amounts remained unpaid.

The company incurred expenses on commercial terms for payroll services amounting to £3,120 during the year with TC Group. Mr J Dennis is a partner of TC Group and a trustee of The Newark Preparatory School Company Limited. At the year end an amount of £267 was including as outstanding in creditors.

20. TRUSTEES' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a trustee subsisted during the year ended 31 August 2023 and the year ended 31 August 2022:

	2023	2022
W J Staunton		
Balance outstanding at the start and end of period	<u>10,000</u>	<u>10,000</u>

The terms of the loan is that capital is to be repaid monthly at a minimum payment of £400 a month, although this has been suspended until the company is in a better financial position. The loan was from a Trustee W Staunton and there is no immediate repayment required for the money to be repaid. No interest is payable on the amount advanced.

NEWARK PREPARATORY SCHOOL COMPANY LIMITED

England & Wales - Charity number 528261

Accounts

Report of the Trustees and
Financial Statements
for the Year Ended 31 August 2022
for
The Newark Preparatory School
Company Limited

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

The Newark Preparatory School
Company Limited

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for the Year Ended 31 August 2022

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The Newark Preparatory School
Company Limited

Reference and Administrative Details
for the Year Ended 31 August 2022

TRUSTEES	W E B Bicknell Ms S L Cameron J A Dennis N Johnson (resigned 31.3.23) Dr J E Mumby R W South W J Staunton D N Ashton (appointed 27.2.23)
COMPANY SECRETARY	J A Dennis
REGISTERED OFFICE	Highfields London Road Balderton Newark-on-Trent Nottinghamshire NG24 3AL
REGISTERED COMPANY NUMBER	00396309 (England and Wales)
REGISTERED CHARITY NUMBER	528261
AUDITORS	Wright Vigar Limited Statutory Auditors Chartered Accountants & Business Advisers 15 Newland Lincoln Lincolnshire LN1 1XG

The Newark Preparatory School
Company Limited

Report of the Trustees
for the Year Ended 31 August 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

PRINCIPAL ACTIVITY

The charitable company's principal activity during the year continued to be that of an independent school. Further details on the activities and achievements for the year are disclosed in the Governors' Report which is a separate document.

TRUSTEES

The Trustees shown below have held office during the while of the period from 1 September 2020 to the date of this report.

W E B Bicknell
W J Staunton
Mrs S L Cameron
J Dennis
Dr J Mumby
R South
N Johnson (resigned 31 March 2023)
D Ashton (appointed 27 February 2023)

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal objective of the Charity is to provide high quality nursery, pre-prep and prep education. The management of the school was entrusted to the Headteacher, Mrs S Lyons, who was appointed in September 2019, and who reported regularly to the Governors and Trustees. The school operates under the trading name of Highfields. In organising the Charity, Trustees are mindful of their duties under Charities Act 2016 and have given careful consideration to compliance with the public benefit guidance issued by the Charity Commission.

Within the principal objective, the Charity aims to provide a broad-based education appropriate to the needs of the pupils in its target market and through this the pupils will:

- Acquire the knowledge and skills that will enable them to tackle the next phase of their educational, physical, spiritual, social and emotional lives with confidence and success;
- Feel valued and significant, whilst having an expectation that they should behave in a responsible manner, both to themselves and others;
- Develop as individuals, whilst having an understanding that they have a responsibility of service to the community;
- Learn how to live together in a community, showing consideration, courtesy and respect for other people and their property at all times;
- Work to acquire the resourcefulness that will enable them to obtain the best from their environment;
- Develop the foundations on which to build a happy and fulfilling life;
- Find their time spent at Highfields enjoyable and stimulating;
- Receive an education that nurtures the courage and confidence of every child to discover their talents and fulfil their potential within a caring environment.

Public benefit

In setting the objectives and planning its activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The key public benefit delivered by the Trust is the provision of a high quality of education to its pupils.

The Newark Preparatory School
Company Limited

Report of the Trustees
for the Year Ended 31 August 2022

STRATEGIC REPORT

Achievement and performance

Charitable activities

The main objectives of the school for the year were to continue to provide high quality educational services and in so doing to;

- Ensure that the school finances were run to the budgets set and to maintain the school as a viable going concern for many years to come;
- Increase the revenue and profile of the school, whilst offering value for money, in order to make the school's services available to as wide a range of parents and pupils as possible;
- Reinvest in the infrastructure of the school.

These are achieved by regular Board meetings which, as a matter of course:

- Regularly undertake a detailed review of the school accounts and areas of over and under spend;
- Plan marketing and promotional activities to increase the profiles and revenue generating potential of the school;
- Within the limitations of the financial constraints, plan maintenance work on the fabric of the school and when possible enhance the facilities provided.

The future objectives of the school are to:

- Maintain the high quality of nursery, pre-prep and prep education by using the Cambridge curriculum and the continued promotion of first-class pastoral care in small class sizes to enable every child to discover their talents and fulfil their potential confidently in a caring environment;
- Improve the facilities of the school by routine refurbishment and a programme of planned maintenance;
- Grow pupil enrolment numbers by ongoing marketing and promotional activity;

These will be achieved by:

- Utilising all opportunities to promote the school and raise its profile;
- Continuing to develop links with local schools and especially nursery and child care settings to increase awareness of the opportunity on offer at the school;
- The implementation of the refurbishment plan;
- Continuous training and professional development of both teaching and support staff.

The last inspection by the Independent School Inspectorate (ISI) was in May 2019; they carried out a focused compliance inspection and an inspection of educational quality and determined Highfields to be Excellent (the highest grade).

The Newark Preparatory School
Company Limited

Report of the Trustees
for the Year Ended 31 August 2022

Details of means tested bursary

The school has two further objectives:

- To provide continuing support of pupils already in receipt of fee assistance through bursaries and to provide support for existing pupils through means tested bursary places, should the need arise during their education at Highfields.
- To play our part in the life of the local community through community access and service programmes

Bursaries

This year the value of means tested bursaries totalled £23,496 and represented 2.4% of gross fees.

Review

The Governors periodically review the school's Bursary policies to ensure that children can continue to remain at School through the availability of means tested fee assistance. The school policy is designed to widen access to Highfields School. The reviews help inform the development of school policy and ensure the objective of wider access continues to be achieved.

'Teaching Links' programme

The school looks for opportunities with other local schools where we can share each other's best practice, observe other settings and share in training where possible. A member of the Early Years team was selected from all settings across Nottinghamshire to be trained in "communications for all" (and is the only one to have completed the training) which makes Highfields a Language Accreditation Setting. The EY staff member has passed the training on to other settings which has enabled them to become Communication Friendly Settings.

Community access

The Trustees regard being part of the wider community as an important role.

Where possible, without detriment to advancing the education of our pupils, Highfields supports the wider community by inviting local schools to events at Highfields and for local nurseries to use the grounds. Highfields hosted a cross country event in November 2021 which was attended by a number of local schools (both state and independent).

Highfields was also able to support local charities with Harvest Soup and generously filled shoeboxes. The pupils in form 5 and 6 read out Remembrance poems as part of the community Armistice Day event.

Pupils regularly take part in events within school to raise money for charities such as Children in Need, Jeans for Genes and Sports Aid.

The Newark Preparatory School
Company Limited

Report of the Trustees
for the Year Ended 31 August 2022

STRATEGIC REPORT

Financial review

Financial review and reserves policy

The net movement in funds for the year amounted to an inflow of £14,289 (2021: an outflow of £40,791).

The revenue reserves of the Charity total £21,883 (2021: £7,594). This level of reserves is substantially represented by the property and other physical assets of the school, which are used for the continuing charitable objectives of the school. The Charity's balance sheet includes freehold property at historic cost. A detailed valuation of this asset was undertaken by Innes England on 27 November 2012 for the purposes of the Charity's bankers. The property was valued at £1 million based on its existing use and the valuation for vacant possession was £2.25 million. The Trustees have decided not to adjust the financial statements for this valuation until the building development project is completed.

The figure for freehold land and buildings on the balance sheet includes £145,147 in respect of the professional preparation for the construction project as stated in our plans for the future.

The Trustees' policy is to operate with a small surplus of income over resources expended to provide funds for capital expenditure improvements and working capital.

The main source of funding of the Charity is the fees and nursery income received from the parents and funding from the local authorities for Early Years funding towards nursery fees. These funds are expended on the running and upkeep of the school in order to provide the high-quality educational service needed to meet the objectives of the Charity.

Annual budgets and cash flow forecasts are prepared as part of the Charity's development plan and these are monitored against actual financial performance on a regular basis. The Trustees consider that the school has sufficient resources to continue to operate for the foreseeable future, and therefore continue to adopt the going-concern basis in the preparation for financial statements.

Investment policy and objectives

There are no restrictions on the company's powers of investment. With the prospect of funds being generated by the land sale, an investment policy will be produced.

Future plans

The School remains under contract with Avant Homes for the sale of land to allow access to site behind the school for a new housing development. Progress through the planning process has been slow, with the requirements of Newark and Sherwood District Council being subject to a degree of change.

In a further attempt to satisfy the planning officers requirements, another revised planning application for a 94 dwelling development was submitted in September 2022 (this can be viewed on the NSDC website, application reference 22/01726/FULM). The consultation process is still underway, but it is hoped the application will be determined by the planning committee in spring/early summer of 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity was created by a trust deed as a registered charity (number 528261). The charitable company is limited by its members' liability. The members' liability is limited to the amount paid on share capital.

The charitable company is registered in the name of The Newark Preparatory School Company Limited (company number 00396309). The principal address and registered office is Highfields, London Road, Newark, Nottinghamshire, NG24 3AL.

New trustees are recruited by personal recommendation from existing members of the Board, based on identified skills required by the Board. The induction and training of the new trustees is undertaken using external support from the Association of Governing Bodies for Independent Schools (AGBIS) with training tailored to the needs of each newly appointed trustee.

Decisions regarding the charity are made through debate, consideration and voting on proposals submitted to the Board by any one of the following at the regular trustees meeting:

- Headteacher / Senior Leadership Team
- Subcommittees which cover Finance, Marketing and Health & Safety; Buildings; Curriculum and Standards; and Pupils, Personnel and Safeguarding
- Friends and Family of Highfields School, FFH (PTA)/Parents

All meetings are minuted.

The Newark Preparatory School
Company Limited

Report of the Trustees
for the Year Ended 31 August 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Trustees continue to keep the school's activities under review, particularly with regard to any major risks that may arise from time to time. They monitor the effectiveness of the system of internal control and use other viable means, including insurance cover where appropriate, to best mitigate those risks identified.

The Trustees believe the major risks to the school are;

- The retention of key staff;
- The economy. As the school is an independent school, the trustees are aware the economy will directly impact on the school enrolment numbers and are monitoring and reviewing the situation regularly.
- Political changes - in line with all independent schools, the announcement by the Labour Party (in opposition) that they would add VAT to school fees and remove the charitable status could have a detrimental impact on the finances of the school. Any increase in fees would be minimised as much as possible to protect pupil numbers.

The Trustees mitigate the above risk by ensuring that the quality of service remains high through continuous staff training and professional development.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Newark Preparatory School Company Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as the trustees are aware:

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 25 May 2023 and signed on the board's behalf by:

W E B Bicknell - Trustee

Report of the Independent Auditors to the Members of
The Newark Preparatory School
Company Limited

Opinion

We have audited the financial statements of The Newark Preparatory School Company Limited (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 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 the audit:

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

Matters on which we are required to report by exception

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

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.

Report of the Independent Auditors to the Members of
The Newark Preparatory School
Company Limited

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our 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 a Report of the Independent Auditors 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:

Our work is performed to include an assessment of the susceptibility of the entity's financial statements to material misstatement, including the risk of fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We plan our work to gain an understanding of the significant laws and regulations that are of significance to the entity and the sector in which they operate. We perform our work to ensure that the entity is complying with its legal and regulatory framework.
- We obtained an understanding of how the company is complying with those legal and regulatory frameworks by making inquiries to the management and people charged with governance.

We assessed the susceptibility of the Charitable Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Substantive procedures performed in accordance with the ISAs (UK).
- Challenging assumptions and judgments made by management in its significant accounting estimates.
- Identifying and testing journal entries, in particular material journal entries and an assessment of year end journals.
- Assessing the extent of compliance with the relevant laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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

Paul Colcomb FCCA (Senior Statutory Auditor)
for and on behalf of Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire LN1 1XG

25 May 2023

The Newark Preparatory School
Company Limited

Statement of Financial Activities
for the Year Ended 31 August 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	4				
Donations		23,924	-	23,924	7,565
Tuition and nursery fees		997,167	-	997,167	899,435
Other Income		-	-	-	14,129
Rent	3	8,048	-	8,048	6,600
Other income	5	104,651	-	104,651	83,549
Total		<u>1,133,790</u>	<u>-</u>	<u>1,133,790</u>	<u>1,011,278</u>
EXPENDITURE ON					
Charitable activities	6				
Education services		<u>1,119,501</u>	<u>-</u>	<u>1,119,501</u>	<u>1,052,069</u>
NET INCOME/(EXPENDITURE)		14,289	-	14,289	(40,791)
RECONCILIATION OF FUNDS					
Total funds brought forward		7,594	-	7,594	48,385
TOTAL FUNDS CARRIED FORWARD		<u>21,883</u>	<u>-</u>	<u>21,883</u>	<u>7,594</u>

The notes form part of these financial statements

The Newark Preparatory School
Company Limited

Balance Sheet
31 August 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	12	554,456	-	554,456	576,920
CURRENT ASSETS					
Debtors	13	33,974	-	33,974	25,880
Cash at bank and in hand		<u>142</u>	<u>-</u>	<u>142</u>	<u>174</u>
		34,116	-	34,116	26,054
CREDITORS					
Amounts falling due within one year	14	(538,356)	-	(538,356)	(557,047)
		<u>(504,240)</u>	<u>-</u>	<u>(504,240)</u>	<u>(530,993)</u>
NET CURRENT ASSETS					
		(504,240)	-	(504,240)	(530,993)
TOTAL ASSETS LESS CURRENT LIABILITIES		50,216	-	50,216	45,927
CREDITORS					
Amounts falling due after more than one year	15	(28,333)	-	(28,333)	(38,333)
		<u>(21,883)</u>	<u>-</u>	<u>(21,883)</u>	<u>(7,594)</u>
NET ASSETS					
		<u>21,883</u>	<u>-</u>	<u>21,883</u>	<u>7,594</u>
FUNDS	18				
Unrestricted funds				<u>21,883</u>	<u>7,594</u>
TOTAL FUNDS				<u>21,883</u>	<u>7,594</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25 May 2023 and were signed on its behalf by:

W E B Bicknell - Trustee

The Newark Preparatory School
Company Limited

Cash Flow Statement
for the Year Ended 31 August 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	57,419	(21,213)
Interest paid		<u>(11,663)</u>	<u>(9,850)</u>
Net cash provided by/(used in) operating activities		<u>45,756</u>	<u>(31,063)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(5,978)</u>	<u>(6,528)</u>
Net cash used in investing activities		<u>(5,978)</u>	<u>(6,528)</u>
Cash flows from financing activities			
Loan repayments in year		<u>(10,000)</u>	<u>-</u>
Net cash (used in)/provided by financing activities		<u>(10,000)</u>	<u>-</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		29,778	(37,591)
Cash and cash equivalents at the beginning of the reporting period	2	<u>(304,947)</u>	<u>(267,356)</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>(275,169)</u></u>	<u><u>(304,947)</u></u>

The notes form part of these financial statements

The Newark Preparatory School
Company Limited

Notes to the Cash Flow Statement
for the Year Ended 31 August 2022

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	14,289	(40,791)
Adjustments for:		
Depreciation charges	28,442	38,572
Interest paid	11,663	9,850
(Increase)/decrease in debtors	(8,094)	52,947
Increase/(decrease) in creditors	<u>11,119</u>	<u>(81,791)</u>
Net cash provided by/(used in) operations	<u><u>57,419</u></u>	<u><u>(21,213)</u></u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand	41	73
Notice deposits (less than 3 months)	101	101
Overdrafts included in bank loans and overdrafts falling due within one year	<u>(275,311)</u>	<u>(305,121)</u>
Total cash and cash equivalents	<u><u>(275,169)</u></u>	<u><u>(304,947)</u></u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.21 £	Cash flow £	At 31.8.22 £
Net cash			
Cash at bank and in hand	174	(32)	142
Bank overdraft	<u>(305,121)</u>	<u>29,810</u>	<u>(275,311)</u>
	<u>(304,947)</u>	<u>29,778</u>	<u>(275,169)</u>
Debt			
Debts falling due within 1 year	(20,000)	-	(20,000)
Debts falling due after 1 year	<u>(38,333)</u>	<u>10,000</u>	<u>(28,333)</u>
	<u>(58,333)</u>	<u>10,000</u>	<u>(48,333)</u>
Total	<u><u>(363,280)</u></u>	<u><u>39,778</u></u>	<u><u>(323,502)</u></u>

The Newark Preparatory School
Company Limited

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

1. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee registered in England and Wales. Details of the company number and registered office can be found in the reference and administration section of the Report of the Trustees.

STATUTORY INFORMATION

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 25% on cost, 5% on cost and Straight line at 1%
Fixtures and fittings	- 10% on cost and 4% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Taxation

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

Fund accounting

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

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

Government grants

Grants relating to the Coronavirus Job Retention Scheme are recognised in full in the period in which the associated salary, national insurance and pension costs were incurred.

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

3. RENT

	2022	2021
	£	£
Rent	6,458	6,600
Hire of Facilities	<u>1,590</u>	<u>-</u>
	<u>8,048</u>	<u>6,600</u>

4. INCOME FROM CHARITABLE ACTIVITIES

			2022	2021
	Donations	Tuition and nursery fees	Total activities	Total activities
	£	£	£	£
Parent Association Donations	2,523	-	2,523	7,565
Tuition fees	-	897,935	897,935	817,602
Nursery fees	-	99,232	99,232	81,833
Donations received	21,401	-	21,401	-
Government grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,129</u>
	<u>23,924</u>	<u>997,167</u>	<u>1,021,091</u>	<u>921,129</u>

5. OTHER INCOME

	2022	2021
	£	£
Wrap around care	55,933	29,741
Music	25,674	17,152
Active enrichment - now included in fees	-	9,552
Registration fees	2,220	2,100
School trips	20,283	16,202
Speech & Drama - now included in fees	-	5,628
Insurance recharge	424	847
Sundry receipts	<u>117</u>	<u>2,327</u>
	<u>104,651</u>	<u>83,549</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 7)	Totals
	£	£	£
Education services	<u>942,261</u>	<u>177,240</u>	<u>1,119,501</u>

7. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Education services	<u>132,568</u>	<u>40,284</u>	<u>4,388</u>	<u>177,240</u>

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

7. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

Management

	2022 Education services £	2021 Total activities £
Admin wages	72,578	68,090
Professional fees	6,254	6,564
Telephone	4,073	3,644
Printing, postage and stationery	2,769	3,241
Photocopier costs	7,898	6,531
Sundry expenses	285	140
Subscriptions	24,411	24,027
Marketing	2,637	9,010
Interest payable	11,663	9,850
	<u>132,568</u>	<u>131,097</u>

Finance

	2022 Education services £	2021 Total activities £
Bad debts	6,197	-
Bank charges	2,782	4,204
Motor expenses	2,863	1,245
Depreciation of tangible fixed assets	<u>28,442</u>	<u>38,572</u>
	<u>40,284</u>	<u>44,021</u>

Governance costs

	2022 Education services £	2021 Total activities £
Auditors' remuneration	<u>4,388</u>	<u>2,930</u>

8. NET INCOME/(EXPENDITURE)

	2022	2021
Depreciation	<u>28,442</u>	<u>38,572</u>

9. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the charity's auditors and their associates for the audit of the charity's financial statements	<u>4,388</u>	<u>2,930</u>

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2022 nor for the year ended 31 August 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2022 nor for the year ended 31 August 2021.

11. STAFF COSTS

	2022	2021
Wages and salaries	643,311	641,296
Social security costs	47,747	31,116
Other pension costs	76,219	75,560
	<u>767,277</u>	<u>747,972</u>

	2022	2021
Teaching	19	21
Non Teaching	17	17
	<u>36</u>	<u>38</u>

Remuneration paid to key management personnel in the year was £217,079 (2021: £195,749).

None of the Trustees received any remuneration in the year.

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

	2022	2021
£60,001 - £70,000	1	-

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 September 2021	684,274	117,108	3,000	213,561	1,017,943
Additions	5,238	740	-	-	5,978
At 31 August 2022	<u>689,512</u>	<u>117,848</u>	<u>3,000</u>	<u>213,561</u>	<u>1,023,921</u>
DEPRECIATION					
At 1 September 2021	162,425	72,701	2,250	203,647	441,023
Charge for year	17,136	4,219	750	6,337	28,442
At 31 August 2022	<u>179,561</u>	<u>76,920</u>	<u>3,000</u>	<u>209,984</u>	<u>469,465</u>
NET BOOK VALUE					
At 31 August 2022	<u>509,951</u>	<u>40,928</u>	<u>-</u>	<u>3,577</u>	<u>554,456</u>
At 31 August 2021	<u>521,849</u>	<u>44,407</u>	<u>750</u>	<u>9,914</u>	<u>576,920</u>

Included in cost of land and buildings is freehold land of £100,000 (2021 - £100,000) which is not depreciated.

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

12. TANGIBLE FIXED ASSETS - continued

Freehold land and buildings includes £145,147 in respect of the professional preparation for a construction project as referred to in the Trustees' annual report. This expenditure has not been depreciated.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	12,971	9,882
Prepayments and accrued income	<u>21,003</u>	<u>15,998</u>
	<u>33,974</u>	<u>25,880</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 16)	285,311	315,121
Other loans (see note 16)	10,000	10,000
Trade creditors	30,038	14,802
Pensions	10,939	10,939
Other creditors	56,989	59,992
Accruals and deferred income	<u>145,079</u>	<u>146,193</u>
	<u>538,356</u>	<u>557,047</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans (see note 16)	<u>28,333</u>	<u>38,333</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	275,311	305,121
Bank loans	10,000	10,000
Other loans	<u>10,000</u>	<u>10,000</u>
	<u>295,311</u>	<u>325,121</u>
Amounts falling due between two and five years:		
Creditors more than 1 year	<u>28,333</u>	<u>38,333</u>

17. SECURED DEBTS

The following secured debts are included within creditors:

	2022	2021
	£	£
Bank overdrafts	275,311	305,121
Bank loans	<u>38,333</u>	<u>48,333</u>
	<u>313,644</u>	<u>353,454</u>

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

18. MOVEMENT IN FUNDS

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General funds	7,594	14,289	21,883
TOTAL FUNDS	<u>7,594</u>	<u>14,289</u>	<u>21,883</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	1,133,790	(1,119,501)	14,289
TOTAL FUNDS	<u>1,133,790</u>	<u>(1,119,501)</u>	<u>14,289</u>

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General funds	48,385	(40,791)	7,594
TOTAL FUNDS	<u>48,385</u>	<u>(40,791)</u>	<u>7,594</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	1,011,278	(1,052,069)	(40,791)
TOTAL FUNDS	<u>1,011,278</u>	<u>(1,052,069)</u>	<u>(40,791)</u>

The total funds at the year end can be further split as detailed below:

	2022 £	2021 £
Called up share capital	700	700
Other reserves	120	120
Founder Governor prize fund	1,677	1,677
General funds	19,386	5,097
	<u>21,883</u>	<u>7,594</u>

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

19. RELATED PARTY DISCLOSURES

The company incurred expenses on commercial terms for electrical work amounting to £11,599 during the year with South Electrical Limited. Mr R South is a director of South Electrical Limited and a trustee of The Newark Preparatory School Company Limited. At the year end no amounts remained unpaid.

The company incurred expenses on commercial terms for payroll services amounting to £2,883 during the year with TC Group. Mr J Dennis is a partner of TC Group and a trustee of The Newark Preparatory School Company Limited. At the year end an amount of £246 was including as outstanding in creditors.

20. TRUSTEES' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a trustee subsisted during the year ended 31 August 2022 and the year ended 31 August 2021:

	2022	2021
W J Staunton		
Balance outstanding at the start and end of period	<u>10,000</u>	<u>10,000</u>

The terms of the loan is that capital is to be repaid monthly at a minimum payment of £400 a month, although this has been suspended until the company is in a better financial position. The loan was from a Trustee W Staunton and there is no immediate repayment required for the money to be repaid. No interest is payable on the amount advanced.

NEWARK PREPARATORY SCHOOL COMPANY LIMITED

England & Wales - Charity number 528261

Accounts

Report of the Trustees and
Financial Statements
for the Year Ended 31 August 2021
for
The Newark Preparatory School
Company Limited

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

The Newark Preparatory School
Company Limited

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for the Year Ended 31 August 2021

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The Newark Preparatory School
Company Limited

Reference and Administrative Details
for the Year Ended 31 August 2021

TRUSTEES	D M Ackroyd (resigned 9.3.21) W E B Bicknell Ms S L Cameron J A Dennis N Johnson (appointed 25.11.20) Dr J E Mumby J Robinson (resigned 17.6.21) R W South W J Staunton
COMPANY SECRETARY	J A Dennis
REGISTERED OFFICE	Highfields London Road Balderton Newark-on-Trent Nottinghamshire NG24 3AL
REGISTERED COMPANY NUMBER	00396309 (England and Wales)
REGISTERED CHARITY NUMBER	528261
AUDITORS	Wright Vigar Limited Statutory Auditors Chartered Accountants & Business Advisers 15 Newland Lincoln Lincolnshire LN1 1XG

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Report of the Trustees
for the Year Ended 31 August 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

PRINCIPAL ACTIVITY

The charitable company's principal activity during the year continued to be that of an independent school. Further details on the activities and achievements for the year are disclosed in the Governors' Report which is a separate document.

TRUSTEES

The Trustees shown below have held office during the while of the period from 1 September 2020 to the date of this report.

W E B Bicknell
W J Staunton
Mrs S L Cameron
J Dennis
Dr J Mumby
R South

Other changes in trustee holding office are as follows:

D M Ackroyd - resigned 9 March 2021
J Robinson - resigned 17 June 2021
N Johnson - appointed 25 November 2020

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal objective of the Charity is to provide high quality nursery, pre-prep and prep education. The management of the school was entrusted to the Headteacher, Mrs S Lyons, who was appointed in September 2019, and who reported regularly to the Governors and Trustees. The school operates under the trading name of Highfields. In organising the Charity, Trustees are mindful of their duties under Charities Act 2016 and have given careful consideration to compliance with the public benefit guidance issued by the Charity Commission.

Within the principal objective, the Charity aims to provide a broad-based education appropriate to the needs of the pupils in its target market and through this the pupils will:

- Acquire the knowledge and skills that will enable them to tackle the next phase of their educational, physical, spiritual, social and emotional lives with confidence and success;
- Feel valued and significant, whilst having an expectation that they should behave in a responsible manner, both to themselves and others;
- Develop as individuals, whilst having an understanding that they have a responsibility of service to the community;
- Learn how to live together in a community, showing consideration, courtesy and respect for other people and their property at all times;
- Work to acquire the resourcefulness that will enable them to obtain the best from their environment;
- Develop the foundations on which to build a happy and fulfilling life;
- Find their time spent at Highfields enjoyable and stimulating;
- Receive an education that nurtures the courage and confidence of every child to discover their talents and fulfil their potential within a caring environment.

IMPACT OF COVID-19

This year, the COVID-19 pandemic continued to have an impact on how we could deliver the enhanced curriculum in a way that protects the safety of the children and staff and to reduce the spread of the infection. Autumn term operated as usual albeit with less children using wraparound care and only teacher-led clubs run in bubbles which had an impact on income. In spring term, key worker's children where on site and other pupils were taught remotely via google classrooms with a high level of teacher input; the quality of education was to the same high standard and so no reduction in fees was necessary. Summer term operated as expected but again, followed an updated risk assessment, children were kept in bubbles whenever possible and the grounds we used to host events outside such as speech day.

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Report of the Trustees
for the Year Ended 31 August 2021

STRATEGIC REPORT

Achievement and performance

Charitable activities

The main objectives of the school for the year were to continue to provide high quality educational services and in so doing to;

- Ensure that the school finances were run to the budgets set and to maintain the school as a viable going concern for many years to come;
- Increase the revenue and profile of the school, whilst offering value for money, in order to make the school's services available to as wide a range of parents and pupils as possible;
- Reinvest in the infrastructure of the school.

These are achieved by regular Board meetings which, as a matter of course:

- Regularly undertake a detailed review of the school accounts and areas of over and under spend;
- Plan marketing and promotional activities to increase the profiles and revenue generating potential of the school;
- Within the limitations of the financial constraints, plan maintenance work on the fabric of the school and when possible enhance the facilities provided.

This year, the COVID19 pandemic continued to have an impact on how we could deliver the enhanced curriculum in a safe way to protect the safety of the children and staff and to reduce the spread of the infection. Following a detailed risk assessment (which continues to be updated), the school reopened in the autumn term 2020 for all children with children in bubbles to reduce the risk of the disease spreading and minimise the impact if a bubble had to be educated at home. Staff carried out lateral flow tests as a precaution and masks were worn in communal areas and in small offices. With the increase of COVID-19 infections around Christmas, school only re-opened in January for the children of key workers (as defined in the guidance issued by the Government) and other children were taught online via google classrooms. All children returned to school on 8th March and by summer term many more activities could be resumed albeit in a safe way with as many activities as possible being carried out outdoors.

The future objectives of the school are to:

- Maintain the high quality of nursery, pre-prep and prep education by using the Cambridge curriculum and the continued promotion of first-class pastoral care in small class sizes to enable every child to discover their talents and fulfil their potential confidently in a caring environment;
- Improve the facilities of the school by routine refurbishment and a programme of planned maintenance;
- Grow pupil enrolment numbers by ongoing marketing and promotional activity;

These will be achieved by:

- Utilising all opportunities to promote the school and raise its profile;
- Continuing to develop links with local schools and especially nursery and child care settings to increase awareness of the opportunity on offer at the school;
- The implementation of the refurbishment plan;
- Continuous training and professional development of both teaching and support staff.

The last inspection by the Independent School Inspectorate (ISI) was in May 2019; they carried out a focused compliance inspection and an inspection of educational quality and determined Highfields to be Excellent (the highest grade).

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Report of the Trustees
for the Year Ended 31 August 2021

Details of means tested bursary

The school has two further objectives:

- To provide continuing support of pupils already in receipt of fee assistance through bursaries and to provide support for existing pupils through means tested bursary places, should the need arise during their education at Highfields.
- To play our part in the life of the local community through community access and service programmes

Bursaries

This year the value of means tested bursaries totalled £24,192 and represented 2.7% of gross fees.

Review

The Governors periodically review the school's Bursary policies to ensure that children can continue to remain at School through the availability of means tested fee assistance. The school policy is designed to widen access to Highfields School. The reviews help inform the development of school policy and ensure the objective of wider access continues to be achieved.

'Teaching Links' programme

The school looks for opportunities with other local schools where we can share each other's best practice, observe other settings and share in training where possible. A member of the Early Year's team was selected from all settings across Nottinghamshire to be trained in "communications for all" (and is the only one to have completed the training) which makes us a Language Accreditation Setting. She completed the training and passed the knowledge on to colleagues; the next phase, which commenced in autumn 2021, is it to pass the training on to other settings.

Community access

The Trustees regard being part of the wider community as an important role.

Where possible, without detriment to advancing the education of our pupils, Highfields supports the wider community by inviting local schools to events at Highfields and for local nurseries to use the grounds. COVID19 impacted some of the events but we were able to support local charities with Harvest Soup and generously filled shoeboxes. The pupils in form 5 and 6 read out Remembrance poems as part of the community Armistice Day event.

Pupils regularly take part in events to raise money for charity such as Children in Need, Jeans for Jeans and Sports aid. In addition, we supported a cycling event to commemorate the 100th birthday of Squadron Leader George "Jonny" Johnson and raise money for the Royal Air Force Benevolent Fund.

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Report of the Trustees
for the Year Ended 31 August 2021

STRATEGIC REPORT

Financial review

Financial review and reserves policy

The net movement in funds for the year amounted to an outflow of £40,791 (2020: an outflow of £22,698).

The revenue reserves of the Charity total £7,594 (2020: £48,385). This level of reserves is substantially represented by the property and other physical assets of the school, which are used for the continuing charitable objectives of the school. The Charity's balance sheet includes freehold property at historic cost. A detailed valuation of this asset was undertaken by Innes England on 27 November 2012 for the purposes of the Charity's bankers. The property was valued at £1 million based on its existing use and the valuation for vacant possession was £2.25 million. The Trustees have decided not to adjust the financial statements for this valuation until the building development project is completed.

The figure for freehold land and buildings on the balance sheet includes £145,147 in respect of the professional preparation for the construction project as stated in our plans for the future.

The Trustees' policy is to operate with a small surplus of income over resources expended to provide funds for capital expenditure improvements and working capital.

The main source of funding of the Charity is the fees received from the parents and funding from the local authorities for nursery fees. These funds are expended on the running and upkeep of the school in order to provide the high quality educational service needed to meet the objectives of the Charity.

Annual budgets and cash flow forecasts are prepared as part for the Charity's development plan and these are monitored against the actual financial performance on a regular basis. The Trustees consider that the school has sufficient resources to continue to operate for the foreseeable future, and therefore continue to adopt the going concern basis in the preparation for financial statements.

Investment policy and objectives

There are no restrictions on the company's powers of investment. With the prospect of funds being generated by the land sale, an investment policy will be produced.

Future plans

Conditional contracts were exchanged with Avant Homes for the sale of land to allow access to the site behind school. The planning application was submitted in February 2021 and Avant Homes have been working with Newark and Sherwood District Council and Sports England to ensure they have complied with all their conditions. Progress was made during the year, but the application has not yet been considered by the planning committee. In order to make the application policy compliant a significant number of changes have been made to the plans. This will result in a revised planning application being submitted in early 2022, which should hopefully be determined by the planning committee in the spring 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity was created by a trust deed as a registered charity (number 528261). The charitable company is limited by its members' liability. The members' liability is limited to the amount paid on share capital.

The charitable company is registered in the name of The Newark Preparatory School Company Limited (company number 00396309). The principal address and registered office is Highfields, London Road, Newark, Nottinghamshire, NG24 3AL.

New trustees are recruited by personal recommendation from existing members of the Board, based on identified skills required by the Board. The induction and training of the new trustees is undertaken using external support from the Association of Governing Bodies for Independent Schools (AGBIS) with training tailored to the needs of each newly appointed trustee.

Decisions regarding the charity are made through debate, consideration and voting on proposals submitted to the Board by any one of the following at the regular trustees meeting:

- Headteacher/Senior Leadership Team
- Subcommittees which cover Finance, Marketing & Health and Safety; Buildings; Curriculum & Standards; and - Pupils, Personnel & Safeguarding
- Friends and Family of Highfields School, FFH (PTA)/Parents

All meetings are minuted.

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Report of the Trustees
for the Year Ended 31 August 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Trustees continue to keep the school's activities under review, particularly with regard to any major risks that may arise from time to time. They monitor the effectiveness of the system of internal control and use other viable means, including insurance cover where appropriate, to best mitigate those risks identified.

The Trustees believe the major risks to the school are;

- The impact on staff and pupils due to the COVID19 pandemic;
- The retention of key staff;
- The economy. As the school is an independent school, the trustees are aware the economy will directly impact on the school enrolment numbers and are monitoring and reviewing the situation regularly.

The Trustees mitigate the above risk by ensuring that the quality of service remains high through continuous staff training and professional development.

The school has put in place a detailed risk assessment to handle the COVID19 pandemic which is regularly reviewed and updated.

IMPACT OF THE COVID-19 PANDEMIC

As a result of Covid-19, there is a financial and operational impact that the charity has had to deal with. For example, the charity has received furlough grants from the government, which comes to a total of £14,129. However, tuition and Nursery fees, which is still the bulk of the income throughout the pandemic, has fallen by 4.6% to £899,435.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Newark Preparatory School Company Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as the trustees are aware:

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 22 March 2022 and signed on the board's behalf by:



W E B Bicknell - Trustee

Report of the Independent Auditors to the Members of
The Newark Preparatory School
Company Limited

Opinion

We have audited the financial statements of The Newark Preparatory School Company Limited (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 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 the audit:

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

Matters on which we are required to report by exception

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

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.

Report of the Independent Auditors to the Members of
The Newark Preparatory School
Company Limited

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our 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 a Report of the Independent Auditors 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:

Our work is performed to include an assessment of the susceptibility of the entity's financial statements to material misstatement, including the risk of fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We plan our work to gain an understanding of the significant laws and regulations that are of significance to the entity and the sector in which they operate. We perform our work to ensure that the entity is complying with its legal and regulatory framework.
- We obtained an understanding of how the company is complying with those legal and regulatory frameworks by making inquiries to the management and people charged with governance.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Substantive procedures performed in accordance with the ISAs (UK).
- Challenging assumptions and judgments made by management in its significant accounting estimates.
- Identifying and testing journal entries, in particular material journal entries and an assessment of year end journals.

- Assessing the extent of compliance with the relevant laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Members of
The Newark Preparatory School
Company Limited

Use of our report

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



Paul Colcomb FCCA (Senior Statutory Auditor)
for and on behalf of Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

22 March 2022

The Newark Preparatory School
Company Limited

Statement of Financial Activities
for the Year Ended 31 August 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	4				
Parent Association donation		7,565	-	7,565	356
Tuition and nursery fees		899,435	-	899,435	943,033
Other Income		14,129	-	14,129	55,500
Rent	3	6,600	-	6,600	6,925
Other income	5	83,549	-	83,549	92,504
Total		1,011,278	-	1,011,278	1,098,318
EXPENDITURE ON					
Charitable activities	6				
Education services		1,052,069	-	1,052,069	1,121,016
NET INCOME/(EXPENDITURE)		(40,791)	-	(40,791)	(22,698)
RECONCILIATION OF FUNDS					
Total funds brought forward		48,385	-	48,385	71,083
TOTAL FUNDS CARRIED FORWARD		7,594	-	7,594	48,385

The notes form part of these financial statements

The Newark Preparatory School
Company Limited (Registered number: 00396309)

Balance Sheet
31 August 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	12	576,920	-	576,920	608,965
CURRENT ASSETS					
Debtors	13	18,895	-	18,895	78,826
Cash at bank and in hand		174	-	174	118
		<u>19,069</u>	<u>-</u>	<u>19,069</u>	<u>78,944</u>
CREDITORS					
Amounts falling due within one year	14	(540,062)	-	(540,062)	(591,191)
		<u>(520,993)</u>	<u>-</u>	<u>(520,993)</u>	<u>(512,247)</u>
NET CURRENT ASSETS					
		(520,993)	-	(520,993)	(512,247)
TOTAL ASSETS LESS CURRENT LIABILITIES		55,927	-	55,927	96,718
CREDITORS					
Amounts falling due after more than one year	15	(48,333)	-	(48,333)	(48,333)
		<u>7,594</u>	<u>-</u>	<u>7,594</u>	<u>48,385</u>
NET ASSETS					
		<u>7,594</u>	<u>-</u>	<u>7,594</u>	<u>48,385</u>
FUNDS	18				
Unrestricted funds				7,594	48,385
TOTAL FUNDS				<u>7,594</u>	<u>48,385</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 22 March 2022 and were signed on its behalf by:



W E B Bicknell - Trustee

The Newark Preparatory School
Company Limited

Cash Flow Statement
for the Year Ended 31 August 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	(21,213)	58,196
Interest paid		(9,850)	(12,919)
Net cash (used in)/provided by operating activities		<u>(31,063)</u>	<u>45,277</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(6,528)</u>	<u>(23,774)</u>
Net cash used in investing activities		<u>(6,528)</u>	<u>(23,774)</u>
Cash flows from financing activities			
New loans in year		<u>-</u>	<u>48,333</u>
Net cash provided by financing activities		<u>-</u>	<u>48,333</u>
Change in cash and cash equivalents in the reporting period		<u>(37,591)</u>	<u>69,836</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>(267,356)</u>	<u>(337,192)</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>(304,947)</u></u>	<u><u>(267,356)</u></u>

The notes form part of these financial statements

The Newark Preparatory School
Company Limited

Notes to the Cash Flow Statement
for the Year Ended 31 August 2021

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(40,791)	(22,698)
Adjustments for:		
Depreciation charges	38,572	37,627
Interest paid	9,850	12,919
Decrease in debtors	59,932	18,113
(Decrease)/increase in creditors	(88,776)	12,235
Net cash (used in)/provided by operations	<u>(21,213)</u>	<u>58,196</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand	73	118
Notice deposits (less than 3 months)	101	-
Overdrafts included in bank loans and overdrafts falling due within one year	(305,121)	(267,474)
Total cash and cash equivalents	<u>(304,947)</u>	<u>(267,356)</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.20 £	Cash flow £	At 31.8.21 £
Net cash			
Cash at bank and in hand	118	56	174
Bank overdraft	(267,474)	(37,647)	(305,121)
	<u>(267,356)</u>	<u>(37,591)</u>	<u>(304,947)</u>
Debt			
Debts falling due within 1 year	(10,000)	-	(10,000)
Debts falling due after 1 year	(48,333)	-	(48,333)
	<u>(58,333)</u>	<u>-</u>	<u>(58,333)</u>
Total	<u>(325,689)</u>	<u>(37,591)</u>	<u>(363,280)</u>

The Newark Preparatory School
Company Limited

Notes to the Financial Statements
for the Year Ended 31 August 2021

1. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee registered in England and Wales. Details of the company number and registered office can be found in the reference and administration section of the Report of the Trustees.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 25% on cost, 5% on cost and Straight line at 1%
Fixtures and fittings	- 10% on cost and 4% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Taxation

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

Fund accounting

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

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

Government grants

Grants relating to the Coronavirus Job Retention Scheme are recognised in full in the period in which the associated salary, national insurance and pension costs were incurred.

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

3. RENT

	2021 £	2020 £
Rent	6,600	6,925

4. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	Parent Association donation £	Tuition and nursery fees £
Parent Association donation	7,565	-
Tuition fees	-	817,602
Nursery fees	-	81,833
Government grants	-	14,129
	7,565	899,435
	14,129	921,129
	921,129	998,889

5. OTHER INCOME

	2021 £	2020 £
Wrap around care	29,741	40,054
Music	17,152	21,564
Active enrichment	9,552	10,129
Registration fees	2,100	1,720
School trips	16,202	3,784
Speech & Drama	5,628	8,256
Insurance recharge	847	1,540
Sundry receipts	2,327	4,431
Milk	-	1,026
	83,549	92,504

During the year, the company received Coronavirus Job Retention Support grants amounting to £14,129 (2020: £Nil).

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Education services	874,021	178,048	1,052,069

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Education services	131,097	44,021	2,930	178,048

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

7. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

Management

	2021 Education services £	2020 Total activities £
Admin wages	68,090	76,507
Professional fees	6,564	4,299
Telephone	3,644	2,957
Printing, postage and stationery	3,241	4,102
Photocopier costs	6,531	6,738
Sundry expenses	140	588
Subscriptions	24,027	23,427
Marketing	9,010	12,657
Interest payable	9,850	12,919
	<u>131,097</u>	<u>144,194</u>

Finance

	2021 Education services £	2020 Total activities £
Bad debts	-	8,557
Bank charges	4,204	2,587
Motor expenses	1,245	2,000
Depreciation of tangible fixed assets	38,572	37,627
	<u>44,021</u>	<u>50,771</u>

Governance costs

	2021 Education services £	2020 Total activities £
Auditors' remuneration	<u>2,930</u>	<u>2,640</u>

8. NET INCOME/(EXPENDITURE)

	2021	2020
Depreciation	<u>38,573</u>	<u>37,627</u>

9. AUDITORS' REMUNERATION

	2021 £	2020 £
Fees payable to the charity's auditors and their associates for the audit of the charity's financial statements	<u>2,930</u>	<u>2,640</u>

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2021 nor for the year ended 31 August 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the year ended 31 August 2020.

11. STAFF COSTS

	2021	2020
Wages and salaries	641,296	618,875
Social security costs	31,116	31,771
Other pension costs	75,560	75,052
	<u>747,972</u>	<u>725,698</u>

	2021	2020
Teaching	21	23
Non Teaching	17	21
	<u>38</u>	<u>44</u>

Remuneration paid to key management personnel in the year was £195,749.
No employee received emoluments greater than £60,000 in the year.
None of the Trustees received any remuneration in the year.

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 September 2020	684,274	117,108	3,000	207,033	1,011,415
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,528</u>	<u>6,528</u>
At 31 August 2021	<u>684,274</u>	<u>117,108</u>	<u>3,000</u>	<u>213,561</u>	<u>1,017,943</u>
DEPRECIATION					
At 1 September 2020	139,308	68,482	1,500	193,160	402,450
Charge for year	<u>23,117</u>	<u>4,219</u>	<u>750</u>	<u>10,487</u>	<u>38,573</u>
At 31 August 2021	<u>162,425</u>	<u>72,701</u>	<u>2,250</u>	<u>203,647</u>	<u>441,023</u>
NET BOOK VALUE					
At 31 August 2021	<u>521,849</u>	<u>44,407</u>	<u>750</u>	<u>9,914</u>	<u>576,920</u>
At 31 August 2020	<u>544,966</u>	<u>48,626</u>	<u>1,500</u>	<u>13,873</u>	<u>608,965</u>

Included in cost of land and buildings is freehold land of £100,000 (2020 - £100,000) which is not depreciated.

Freehold land and buildings includes £145,147 in respect of the professional preparation for a construction project as referred to in the Trustees' annual report. This expenditure has not been depreciated.

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	2,897	62,042
Prepayments and accrued income	15,998	16,784
	<u>18,895</u>	<u>78,826</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 16)	305,121	267,474
Other loans (see note 16)	10,000	10,000
Trade creditors	14,803	18,530
Pensions	10,939	10,193
Other creditors	59,992	73,679
Accruals and deferred income	139,207	211,315
	<u>540,062</u>	<u>591,191</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Bank loans (see note 16)	48,333	48,333
	<u>48,333</u>	<u>48,333</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	305,121	267,474
Other loans	10,000	10,000
	<u>315,121</u>	<u>277,474</u>
Amounts falling due between two and five years:		
Creditors more than 1 year	48,333	48,333
	<u>48,333</u>	<u>48,333</u>

17. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020
	£	£
Bank overdrafts	305,121	267,474
Bank loans	48,333	48,333
	<u>353,454</u>	<u>315,807</u>

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

18. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General funds	48,385	(40,791)	7,594
TOTAL FUNDS	<u>48,385</u>	<u>(40,791)</u>	<u>7,594</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	1,011,278	(1,052,069)	(40,791)
TOTAL FUNDS	<u>1,011,278</u>	<u>(1,052,069)</u>	<u>(40,791)</u>

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
Unrestricted funds			
General funds	71,083	(22,698)	48,385
TOTAL FUNDS	<u>71,083</u>	<u>(22,698)</u>	<u>48,385</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	1,098,318	(1,121,016)	(22,698)
TOTAL FUNDS	<u>1,098,318</u>	<u>(1,121,016)</u>	<u>(22,698)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.19 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General funds	71,083	(63,489)	7,594
TOTAL FUNDS	<u>71,083</u>	<u>(63,489)</u>	<u>7,594</u>

The Newark Preparatory School
Company Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

18. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	2,109,596	(2,173,085)	(63,489)
TOTAL FUNDS	<u>2,109,596</u>	<u>(2,173,085)</u>	<u>(63,489)</u>

The total funds at the year end can be further split as detailed below:

	2021 £	2020 £
Called up share capital	700	700
Other reserves	120	120
Founder Governor prize fund	1,677	1,677
General funds	5,097	45,888
	<u>7,594</u>	<u>48,385</u>

19. RELATED PARTY DISCLOSURES

South Electrical Limited, a company in which Mr R South is a director, provided services to the Charity during the year totalling £8,388. The balance outstanding at the year end is £Nil.

20. TRUSTEES' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a trustee subsisted during the year ended 31 August 2021 and the year ended 31 August 2020:

	2021	2020
W J Staunton		
Balance outstanding at the start and end of period	<u>10,000</u>	<u>10,000</u>

The terms of the loan is that capital is to be repaid monthly at a minimum payment of £400 a month, although this has been suspended until the company is in a better financial position. The loan was from a Trustee W Staunton and there is no immediate repayment required for the money to be repaid. No interest is payable on the amount advanced.

NEWARK PREPARATORY SCHOOL COMPANY LIMITED

England & Wales - Charity number 528261

Accounts

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020
FOR
THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED**

THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2020**

TRUSTEES:

D M Ackroyd
W E B Bicknell
Mrs S L Cameron
J A Dennis
J Robinson
W J Staunton
Dr J Mumby
R South

**REGISTERED OFFICE AND
BUSINESS ADDRESS:**

Highfields
London Road
Balderton
Newark
Nottinghamshire
NG24 3AL

REGISTERED NUMBER:

00396309 (England and Wales)

REGISTERED CHARITY NUMBER:

528261

AUDITORS:

TCP (GB) Audit LLP
Registered Auditors
10 the triangle
ng2 business park
nottingham
NG2 1AE

BANKERS:

Yorkshire Bank Plc
10 High Street
Grantham
Nottinghamshire
NG31 6PU

THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees, who are also the Trustees of The Newark Preparatory School Company Limited for the purposes of company law, present their annual report with the financial statements for the year ended 31 August 2020.

PRINCIPAL ACTIVITY

The charitable company's principal activity during the year continued to be that of an independent school. Further details on the activities and achievements for the year are disclosed in the Governors' Report which is a separate document.

TRUSTEES

The Trustees shown below have held office during the whole of the period from 1 September 2019 to the date of this report.

D M Ackroyd
W E B Bicknell
Mrs S L Cameron
J Robinson
W J Staunton
J Dennis
Dr J Mumby
R South

Other changes in trustees holding office are as follows:

Mrs B Jupp - resigned 21 May 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in check with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 company and of the income and expenditure of the company for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose, with reasonable accuracy at any time, the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STRUCTURE AND GOVERNANCE

The Charity was created by a trust deed as a registered charity (number 528261). The charitable company is limited by its members' liability. The members' liability is limited to the amount paid on share capital.

The charitable company is registered in the name of The Newark Preparatory School Company Limited (company number 00396309). The principal address and registered office is Highfields, London Road, Newark, Nottinghamshire, NG24 3AL.

New trustees are recruited by personal recommendation from existing members of the Board, based on identified skills required by the Board. The induction and training of the new trustees is undertaken using external support from the Association of Governing Bodies for Independent Schools (AGBIS) with training tailored to the needs of each newly appointed trustee.

Decisions regarding the charity are made through debate, consideration and voting on proposals submitted to the Board by any one of the following at the regular trustees meeting:

- Headteacher/Senior Leadership Team
- Subcommittees which cover Finance, Marketing & Buildings, Curriculum & Standards and Pupils, Personnel & Safeguarding
- Friends and family of Highfields School, FFH PTA/Parents

All meetings are minuted

THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020

OBJECTIVES AND ACTIVITIES

The principal objective of the Charity is to provide high quality kindergarten, pre-prep and prep education. The management of the school was entrusted to the Headteacher, Mrs S Lyons, who was appointed in September 2019, and who reported regularly to the Governors and Trustees. The school operates under the trading name of Highfields. In organising the Charity, Trustees are mindful of their duties under Charities Act 2016 and have given careful consideration to compliance with the public benefit guidance issued by the Charity Commission.

Within the principal objective, the Charity aims to provide a broad-based education appropriate to the needs of the pupils in its target market and through this the pupils will:

- Acquire the knowledge and skills that will enable them to tackle the next phase of their educational, physical, spiritual, social and emotional lives with confidence and success;
- Feel valued and significant, whilst having an expectation that they should behave in a responsible manner, both to themselves and others;
- Develop as individuals, whilst having an understanding that they have a responsibility of service to the community.
- Learn how to live together in a community, showing consideration, courtesy and respect for other people and their property at all times;
- Work to acquire the resourcefulness that will enable them to obtain the best from their environment;
- Develop the foundations on which to build a happy and fulfilling life;
- Find their time spent at Highfields enjoyable and stimulating;
- Receive an education that nurtures the courage and confidence of every child to discover their talents and fulfil their potential within a caring environment.

ACHIEVEMENTS AND PERFORMANCE

The main objectives of the school for the year were to continue to provide high quality educational services and in so doing to;

- Ensure that the school finances were run to the budgets set and to maintain the school as a viable going concern for many years to come;
- Increase the revenue and profile of the school, whilst offering value for money in order to make the school's services available to as wide a range of parents and pupils as possible;
- Reinvest in the infrastructure of the school.

These are achieved by regular Board meetings which, as a matter of course:

- Regularly undertake a detailed review of the school accounts and areas of over and under spend.
- Plan marketing and promotional activities to increase the profiles and revenue generating potential of the school;
- Within the limitations of the financial constraints, plan maintenance work on the fabric of the school and when possible enhance the facilities provided.

This year, the COVID19 pandemic caused all schools to close on 20th March 2020 to protect the safety of the children and staff and to reduce the spread of the infection. The school only remained open for the children of Key Workers (as defined in the guidance issued by Government) and the School supported those children on site whilst providing all the other pupils with online education via Google Classrooms and Zoom. School re-opened to Kindergarten, Navigators (reception), forms 1 and 6 on 8th June 2020 and for other forms from 22nd June, following detailed risk assessment and putting in place safety precautions to protect those on site. School closed as planned on 10th July 2020 for the summer break.

The future objectives of the school are to:

- Maintain the high quality of kindergarten, pre-prep and prep education by using the Cambridge curriculum and the continued promotion of first class pastoral care in small class sizes to enable every child to discover their talents and fulfil their potential confidently in a caring environment.
- Improve the facilities of the school by routine refurbishment of other facilities according to a programme of planned maintenance;
- Grow pupil enrolment numbers by ongoing marketing and promotional activity;

These will be achieved by:

- Utilising all opportunities to promote the school and raise its profile;
- Continuing to develop links with local schools and especially nursery and child care settings to increase awareness of the opportunity on offer at the school;
- The implementation of the refurbishment plan;
- Continuous training and professional development of both teaching and support staff.

In May 2019, the Independent School Inspectorate (ISI) carried out a focused compliance inspection and an inspection of educational quality and determined Highfields to be Excellent (the highest grade).

THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020

Details of means tested bursary

The school has two further objectives:

- To provide continuing support of our pupils already in receipt of fee assistance through bursaries and to provide support for existing pupils through means tested bursary places, should the need arise during their education at Highfields.
- To play our part in the life of our local community through our community access and service programmes

Bursaries

This year the value of means tested bursaries totalled £22,419 and represented 2.3% of our gross fees

Review

The Governors periodically review the school's Bursary policies to ensure that children can continue to remain at School through the availability of means tested fee assistance. The school policy is designed to widen access to Highfields School. The reviews help inform the development of school policy and ensure the objective of wider access continues to be achieved.

'Teaching Links' programme

The school looks for opportunities with other local schools where we can share each other's best practice, observe other settings and share in training where possible.

Community access

The Trustees regard being part of the wider community as an important role.

Where possible, without detriment to advancing the education of our pupils, Highfields support the wider community by inviting local schools to events at Highfields and for local nurseries to use the grounds. During 2019/2020, local community groups continued to use school facilities out of hours at advantageous rates. In addition, an annual cross-country competition for local state and independent schools was held at Highfields.

Annually, numerous events are held in school to raise money for local and national charities.

Some activity was curtailed this year due to the impact of the COVID19 pandemic but will resume as soon as the School is able in 2020/2021.

IMPACT OF COVID-19

This year, the COVID19 pandemic caused all schools to close on 20th March 2020 to protect the safety of the children and staff and to reduce the spread of the infection. The school only remained open for the children of Key Workers (as defined in the guidance issued by Government) and the School supported those children on site whilst providing all the other pupils with online education via Google Classrooms and Zoom. School re-opened to Kindergarten, Navigators (reception), forms 1 and 6 on 8th June 2020 and for other forms from 22nd June, following detailed risk assessment and putting in place safety precautions to protect those on site. School closed as planned on 10th July 2020 for the summer break.

As a consequence of the pandemic, fees for summer term were reduced by 10% for all parents. This reflected some savings achieved such as on food and bought in activities such as Forest Schools and to compensate parents for children not being onsite. Advantage was taken of the job retention scheme offered by the Government to furlough staff who were not required and an interest free loan of £50k offered by the bank was applied for and granted in July, reducing the level of interest payments.

FINANCIAL REVIEW AND RESERVES POLICY

The net movement in funds for the year amounted to £(22,698), (2019: £(52,019)).

The revenue reserves of the Charity total £45,888 (2019: £68,586. This level of reserves is substantially represented by the property and other physical assets of the school, which are used for the continuing charitable objectives of the school. The Charity's balance sheet includes freehold property at historic cost. A detailed valuation of this asset was undertaken by Innes England on 27 November 2012 for the purposes of the Charity's bankers. The property was valued at £1 million based on its existing use and the valuation for vacant possession was £2.25 million. The Trustees have decided not to adjust the financial statements for this valuation until the building development project is completed.

The figure for freehold land and buildings on the balance sheet includes £145,147 in respect of the professional preparation for the construction project as stated in our plans for the future.

The Trustees' policy is to operate with a small surplus of income over resources expended to provide funds for capital expenditure improvements and working capital.

The main source of funding of the Charity is the fees received from the parents and grants from the local authorities for nursery fees. These funds are expended on the running and upkeep of the school in order to provide the high quality educational service needed to meet the objectives of the Charity.

THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED

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

FINANCIAL REVIEW AND RESERVES POLICY - continued

Annual budgets and cash flow forecasts are prepared as part for the Charity's development plan and these are monitored against the actual financial performance on a regular basis. The Trustees consider that the school has sufficient resources to continue to operate for the foreseeable future, and therefore continue to adopt the going concern basis in the preparation for financial statements

PLANS FOR THE FUTURE

Progress, albeit slow, has been made with the builder, Avant Homes, and third party landowners, on a revised scheme. The School will provide the access road (along the south and eastern boundaries as before) to the housing development which will all be solely on third party land behind the school grounds. The latest scheme has been developed in consultation with Newark and Sherwood District Council planners and seeks to address the reasons for refusal of the previous application. It is hoped a new planning application will be submitted in the first quarter of 2021.

INVESTMENT POWERS AND POLICY

There are no restrictions on the company's powers of investment. The Trustees' policy is to invest surplus funds in interest-bearing bank deposits.

AUDIT INFORMATION

So far as each of the trustees at the time this report is approved are aware:

- There is no relevant audit information as defined by S418 of the Companies Act 2006 of which the auditors are unaware; and
- Trustees have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

RISK MANAGEMENT

The Trustees continue to keep the school's activities under review, particularly with regard to any major risks that may arise from time to time. They monitor the effectiveness of the system of internal control and use other viable means, including insurance cover where appropriate, to best mitigate those risks identified.

The Trustees believe the major risks to the school are;

- The impact on staff and pupils due to the COVID19 pandemic;
- The retention of key staff;
- The economy. As the school is a private school, the trustees are aware the economy will directly impact on the school enrolment numbers and are monitoring and reviewing the situation regularly.

The Trustees mitigate the above risk by ensuring that the quality of service remains high through continuous staff training and professional development.

The school has put in place a detailed risk assessment to handle the COVID19 pandemic which is regularly reviewed and updated.

AUDITORS

The auditors, TCP (GB) Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
W E B Bicknell - Trustee Date: 02/02/2021

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED**

Opinion

We have audited the financial statements of The Newark Preparatory School Company Limited (the 'company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 company's affairs as at 31 August 2020 and of its loss 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information in the Report of the Trustees, but does not include the financial statements and our Report of the Auditors 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.

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

Matters on which we are required to report by exception

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

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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the 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 company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mrs Rachel Wheldon (Senior Statutory Auditor)
For and on behalf of TCP (GB) Audit LLP
10 The Triangle
NG2 Business Park
Nottingham
NG2 1AE

Date: 02/02/2021

THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED
STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020	2019
		£	£
INCOMING RESOURCES			
Incoming resources from generated funds			
Investment income			
Rent		6,925	9,405
Interest		-	-
		6,925	9,405
Incoming resources from charitable activities			
Parent Association donation		356	11,429
Tuition and nursery fees		943,034	1,028,462
Other income	5	27,888	33,516
		971,278	1,073,407
Total incoming resources		978,203	1,082,812
CHARITABLE ACTIVITIES	6	1,000,901	1,134,831
NET OUTGOING/INCOMING RESOURCES FOR THE YEAR		(22,698)	(52,019)
BALANCE BROUGHT FORWARD AT 1 SEPTEMBER 2019		68,586	120,605
BALANCE CARRIED FORWARD AT 31 AUGUST 2020		45,888	68,586

The notes form part of these financial statements

THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED
(REGISTERED NUMBER: 0396309)

BALANCE SHEET
31 AUGUST 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	7	608,964	622,818
CURRENT ASSETS			
Debtors	8	78,826	96,939
Cash at bank and in hand		<u>118</u>	<u>116</u>
		78,944	97,055
CREDITORS			
Amounts falling due within one year	9	<u>591,190</u>	<u>648,790</u>
NET CURRENT LIABILITIES		(512,445)	(551,735)
TOTAL ASSETS LESS CURRENT LIABILITIES		96,718	71,083
CREDITORS			
Amounts falling due after more than one year		<u>48,333</u>	-
NET ASSETS		<u>48,385</u>	<u>71,083</u>
FUNDS			
Called up share capital	11	700	700
Other funds	12	120	120
Founder Governor prize fund	12	1,677	1,677
General funds	12	<u>45,888</u>	<u>68,586</u>
SHAREHOLDERS' FUNDS		<u>48,385</u>	<u>71,083</u>

The financial statements were approved by the Board of Trustees on 02/02/21 and were signed on its behalf by:



.....
W E B Bicknell - Trustee

The notes form part of these financial statements

THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED

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

1. ACCOUNTING POLICIES

Accounting convention

The Newark Preparatory School Limited is a charitable company registered in England / Wales. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities are that of an independent school.

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The charity does not include a cash flow statement on the grounds that it is applying FRS102 section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- Variable amount on cost
Car park and play area	- 20% on cost
Motor vehicles	- 25% on cost
IT room and equipment	- 25% on cost

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the income and expenditure account over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs

The Company contributes to a defined benefit pension scheme operated by the Teachers Pension Authority. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension costs charge represents contributions payable for the year by the Company to the fund. The school also contributes to the NEST pension scheme for eligible, non-teaching staff

Incoming resources

Income is generally recognised on a receivable basis and is reported gross of related expenditure, where the amount is reasonably certain or when there is adequate certainty of receipt. The specific bases used are as follows.

- Tuition and nursery fees consist of invoiced fees and charges accruing in the year. Amount relating to the future periods are recognised as payments on account within creditors.
- Rental income is recorded when receivable
- Investment income is recorded when receivable
- Grants are recognised once entitlement and value have been confirmed in writing.

Total incoming resources are attributable to the principal activity of the charitable company, all of which arise in the United Kingdom.

Charitable activities

Expenditure is summarised under the functional headings either on a direct cost basis or, for overhead costs, apportioned according to time spent. The irrecoverable element of VAT is included within the item of expense to which it relates. Liabilities for expenditure are recognised on receipt of the goods or service supplied.

Charitable activity expenditure relates to expenditure on the Charity's educational objectives.

Fund accounting

General Fund - these are funds which can be used in accordance with the Charity's charitable objects at the discretion of the Trustees.

Designated Funds - these are funds set aside by the Trustees from unrestricted funds for specific purposes or projects.

THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED

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

2. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	618,875	726,097
Social security costs	31,771	52,070
Other pension costs	75,052	56,182
	<u>725,698</u>	<u>834,349</u>

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

	2020	2019
Teaching	23	29
Non Teaching	21	20
	<u>44</u>	<u>49</u>

Remuneration paid to key personnel in the year was £212,534.
No employee received emoluments greater than £60,000 in the year.
None of the Trustees received any remuneration in the year.

3. OPERATING DEFICIT

The operating deficit is stated after charging:

	2020	2019
	£	£
Depreciation - owned assets	37,627	34,891
Auditors remuneration	2,640	2,600
Pension costs	75,052	56,182

4. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 August 2020 nor for the year ended 31 August 2019.

5. OTHER INCOME

	2020	2019
	£	£
Supervision	39,902	35,248
Music	(598)	964
Swimming - net	(5,595)	(3,865)
Registration fees	1,720	1,600
School trips – net	(6,779)	961
Clubs	(3,396)	(236)
Insurance recharged – net	(1,796)	(1,601)
Miscellaneous income	4,430	445
	<u>27,888</u>	<u>33,516</u>

6. CHARITABLE ACTIVITIES

	2020	2019
	£	£
Education services	620,275	722,593
Catering	100,125	98,219
Cleaning and ancillary costs	82,896	67,340
Management and administration costs		
Wages	76,507	113,371
Administration costs	55,056	66,194
Bad Debts	8,557	(6,309)
Professional fees	4,299	23,321
Depreciation	37,627	34,891
Finance costs	12,919	12,611
Governance costs		
Auditors remuneration	2,640	2,600
	<u>1,000,901</u>	<u>1,134,831</u>

THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED

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

7. TANGIBLE FIXED ASSETS

	Freehold property £	Car park and play area £	Motor vehicles £	IT room and equipment £	Totals £
COST OR VALUATION					
At 1 September 2019	664,921	117,108	3,000	202,612	987,641
Additions	19,353	-	-	4,421	23,774
Disposals	-	-	-	-	-
At 31 August 2020	<u>684,274</u>	<u>117,108</u>	<u>3,000</u>	<u>207,033</u>	<u>1,011,414</u>
DEPRECIATION					
At 1 September 2019	123,905	64,263	750	175,905	364,823
Charge for year	15,403	4,219	750	17,255	37,627
Eliminated on disposal	-	-	-	-	-
At 31 August 2020	<u>139,308</u>	<u>68,482</u>	<u>1,500</u>	<u>193,160</u>	<u>402,450</u>
NET BOOK VALUE					
At 31 August 2020	<u>544,966</u>	<u>48,626</u>	<u>1,500</u>	<u>13,872</u>	<u>608,964</u>
At 31 August 2019	<u>541,015</u>	<u>52,845</u>	<u>2,250</u>	<u>26,707</u>	<u>622,817</u>

Included in cost of land and buildings is freehold land of £100,000 (2019 - £100,000) which is not depreciated.

Freehold land and buildings includes £145,147 in respect of the professional preparation for a construction project as referred to in the Trustees' annual report. This expenditure has not been depreciated.

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	62,042	69,630
Prepayments	<u>16,784</u>	<u>27,309</u>
	<u>78,826</u>	<u>96,939</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Bank loans and overdrafts	267,474	337,308
Trade creditors	18,530	31,191
Social security and other taxes	10,193	12,147
Other creditors	73,679	55,420
Trustees' loan account	10,000	10,000
Accrued expenses	<u>211,314</u>	<u>202,724</u>
	<u>591,190</u>	<u>648,790</u>

10. SECURED DEBTS

The following secured debts are included within creditors:

	2020 £	2019 £
Bank overdraft	<u>265,808</u>	<u>337,308</u>

The overdraft, held by the Yorkshire Bank plc, is secured by a fixed and floating charge over the assets of the company and a first charge over The Newark Preparatory School Company Limited.

11. CALLED UP SHARE CAPITAL

Allotted and issued:				
Number:	Class:	Nominal	2020	2019
value:	£	£		
700	Ordinary	£1	<u>700</u>	<u>700</u>

THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED

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

12. FUNDS

	General Funds £	Other Funds £	Founder Governor Prize Fund £	Totals £
At 1 September 2019	68,586	120	1,677	70,383
Deficit for the year	<u>(22,698)</u>	<u>-</u>	<u>-</u>	<u>(22,698)</u>
At 31 August 2020	<u>45,888</u>	<u>120</u>	<u>1,677</u>	<u>45,888</u>

13. TRUSTEES' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a trustee subsisted during the year ended 31 August 2020 and the year ended 31 August 2019:

	2020 £	2019 £
W J Staunton		
Balance outstanding at the start and end of period	<u>10,000</u>	<u>10,000</u>

The terms of the loan is that capital is to be repaid monthly at a minimum payment of £400 a month, although this has been suspended until the company is in a better financial position. The loan was from a Trustee W Staunton and there is no immediate repayment required for the money to be repaid. No interest is payable on the amount advanced.