

**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

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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.