

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019  
FOR  
THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED**

**THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED**

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FOR THE YEAR ENDED 31 AUGUST 2019**

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**THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**TRUSTEES:**

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

**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 2019

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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 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 whole of the period from 1 September 2018 to the date of this report.

D M Ackroyd  
W E B Bicknell  
Mrs S L Cameron  
Mrs C B Jupp  
J Robinson  
W J Staunton

Other changes in trustees holding office are as follows:

Mrs J M Beaumont - resigned 27 November 2018  
J A Dennis - appointed 8 January 2019  
Mrs C A Morrison - resigned 31 July 2019  
Mrs J E Mumby - appointed 26 June 2019  
R W South - appointed 1 September 2019

#### 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
- PTA/Parents

All meetings are minuted

## THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2019

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#### 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 is entrusted to the acting Headteacher, Mr R Thomson, who was appointed in September 2015, and left school at the end of August 2019, and who reported regularly to the Governors and Trustees. A new Headteacher, Mrs S Lyons, was appointed and, following a handover during the summer term, has taken over the role on 1<sup>st</sup> September 2019. 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.

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;
- Continue 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).

#### 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 £21,612 and represented 2.4 % of our gross fees.

## THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2019

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#### Review

The Governors periodically review our Bursary policies to ensure that children can continue to remain at our School through the availability of means tested fee assistance. Our policy is designed to widen access to our School. The reviews help inform the development of our 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

We see Highfields as a part of a wider community and where we can assist the community without detriment to advancing the education of our pupils, we are delighted so to do. For example, we invite local schools to events at Highfields and for a local nursery to use our grounds for a picnic.

We provide access to local community groups to use our facilities out of school hours at advantageous rates. In addition, we host the Newark & District schools chess tournament and an annual cross-country competition for local independent and state maintained schools.

In addition, we hold numerous events in school to raise money for local and national charities

#### FINANCIAL REVIEW AND RESERVES POLICY

The net movement in funds for the year amounted to £(52,019), (2018: £32,694).

The revenue reserves of the Charity total £68,586 (2018: £120,605). 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.

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

The last planning application (ref.17/00357/FULM) for housing development, largely on land behind the School grounds, was refused on appeal earlier this year.

In conjunction with the builder, Avant Homes, and third party landowners, the Trustees are working on a revised scheme in light of the planning inspector's findings. The principle of housing development has been established, but the previous development was refused on the grounds of insufficient financial planning gain contributions to the Council and tree loss. Both these areas will be addressed in any future planning application.

#### 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.

**THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**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 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.

**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: 6 May 2020

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

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**Opinion**

We have audited the financial statements of The Newark Preparatory School Company Limited (the 'company') for the year ended 31 August 2019 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 2019 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**

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**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](http://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: 6 May 2020

**THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 AUGUST 2019**

	Notes	2019	2018
		£	£
<b>INCOMING RESOURCES</b>			
<b>Incoming resources from generated funds</b>			
Investment income			
Rent		9,405	11,132
Interest		-	-
		<b>9,405</b>	11,132
<b>Incoming resources from charitable activities</b>			
Parent Association donation		11,429	-
Tuition and nursery fees		1,028,462	1,125,883
Other income	5	33,516	37,178
		<b>1,073,407</b>	1,163,061
<b>Total incoming resources</b>		<b>1,082,812</b>	1,174,193
<b>RESOURCES EXPENDED</b>			
<b>Charitable activities</b>			
Education services		722,593	736,141
Catering		98,219	92,283
Cleaning and ancillary costs		67,340	74,598
Management and administration	6	173,256	171,307
		<b>1,061,408</b>	974,329
<b>Governance costs</b>	7	73,423	67,170
		<b>73,423</b>	67,170
<b>Total resources expended</b>		<b>1,134,831</b>	1,141,499
<b>NET OUTGOING/INCOMING RESOURCES FOR THE YEAR</b>		<b>(52,019)</b>	32,694
<b>BALANCE BROUGHT FORWARD AT 1 SEPTEMBER 2018</b>		<b>120,605</b>	87,911
<b>BALANCE CARRIED FORWARD AT 31 AUGUST 2019</b>		<b>68,586</b>	120,605

The notes form part of these financial statements

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

**BALANCE SHEET**  
**31 AUGUST 2019**

	Notes	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible assets	8	622,818	634,949
<b>CURRENT ASSETS</b>			
Debtors	9	96,939	20,075
Cash at bank and in hand		<u>116</u>	<u>137</u>
		97,055	20,212
<b>CREDITORS</b>			
Amounts falling due within one year	10	<u>648,790</u>	<u>532,059</u>
<b>NET CURRENT LIABILITIES</b>		<b>(551,735)</b>	<b>(511,847)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>71,083</b>	<b>123,102</b>
<b>CREDITORS</b>			
Amounts falling due after more than one year		-	-
<b>NET ASSETS</b>		<b><u>71,083</u></b>	<b><u>123,102</u></b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	700	700
Other reserves	13	120	120
Founder Governor prize fund	13	1,677	1,677
Revenue reserves	13	<u>68,586</u>	<u>120,605</u>
<b>SHAREHOLDERS' FUNDS</b>		<b><u>71,083</u></b>	<b><u>123,102</u></b>

The financial statements were approved by the Board of Trustees on 6 May 2020 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 2019

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#### 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 1 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 on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), 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 as it applies from 1 January 2015.

The charity has applied update bulletin 1 as published on 2 February 2016 and 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.

##### **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.

##### **Resources expended**

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.

##### **Governance costs**

Governance costs relate to the general running of the Charity as opposed to direct management functions inherent in service delivery. They include external audit and accountancy fees, other professional advice and an allocation of 15% of administrative and related office costs.

##### **Fund accounting**

General Fund - (Revenue Reserves) - 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 2019**

**2. STAFF COSTS**

	<b>2019</b>	2018
	£	£
Wages and salaries	<b>726,097</b>	728,968
Social security costs	<b>52,070</b>	52,142
Other pension costs	<b>56,182</b>	56,355
	<b><u>834,349</u></b>	<u>837,465</u>

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

	<b>2019</b>	2018
Teaching	<b>29</b>	29
Non Teaching	<b>20</b>	20
	<b><u>49</u></b>	<u>49</u>

No employee received emoluments greater than £60,000 in the year.

None of the Trustees received any remuneration in the year.

**3. OPERATING SURPLUS**

The operating surplus/(deficit) is stated after charging:

	<b>2019</b>	2018
	£	£
Depreciation - owned assets	<b>34,891</b>	38,787
Auditors remuneration	<b>2,600</b>	2,600
Pension costs	<b>56,182</b>	56,355

**4. TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 August 2019 nor for the year ended 31 August 2018.

**5. OTHER INCOME**

	<b>2019</b>	2018
	£	£
Supervision	<b>35,248</b>	30,717
Music	<b>964</b>	2,682
Swimming - net	<b>(3,865)</b>	(493)
Registration fees	<b>1,600</b>	2,460
School trips – net	<b>961</b>	674
Clubs	<b>(236)</b>	853
Insurance recharged – net	<b>(1,601)</b>	(2,131)
Miscellaneous income	<b>445</b>	2,416
	<b><u>33,516</u></b>	<u>37,178</u>

**6. MANAGEMENT AND ADMINISTRATION COSTS**

	<b>2019</b>	2018
	£	£
Wages	<b>113,371</b>	98,223
Administration costs	<b>66,194</b>	50,928
Bad Debts	<b>(6,309)</b>	21,739
Rental costs	<b>-</b>	417
	<b><u>173,256</u></b>	<u>171,307</u>

**7. GOVERNANCE COSTS**

	<b>2019</b>	2018
	£	£
Professional fees	<b>23,321</b>	14,273
Auditors remuneration	<b>2,600</b>	2,600
Depreciation	<b>34,891</b>	38,786
Finance costs	<b>12,611</b>	11,511
	<b><u>73,423</u></b>	<u>67,170</u>

THE NEWARK PREPARATORY SCHOOL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2019

8. TANGIBLE FIXED ASSETS

	Freehold property £	Car park and play area £	Motor vehicles £	IT room and equipment £	Totals £
<b>COST OR VALUATION</b>					
At 1 September 2018	656,299	117,108	18,802	188,475	980,684
Additions	8,622	-	-	14,137	22,759
Revaluations	-	-	(15,802)	-	(15,802)
At 31 August 2019	664,921	117,108	3,000	202,612	987,641
<b>DEPRECIATION</b>					
At 1 September 2018	105,566	60,044	18,802	161,323	345,735
Charge for year	18,339	4,219	750	14,582	37,890
Revaluation adjustments	-	-	(18,802)	-	(18,802)
At 31 August 2019	123,905	64,263	750	175,905	364,823
<b>NET BOOK VALUE</b>					
At 31 August 2019	541,016	52,845	2,250	26,707	622,818
At 31 August 2018	550,733	57,064	-	27,152	634,949

Included in cost of land and buildings is freehold land of £100,000 (2018 - £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.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	69,630	10,461
Prepayments	27,309	9,614
	<u>96,939</u>	<u>20,075</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Bank loans and overdrafts	337,308	321,508
Trade creditors	31,191	42,339
Social security and other taxes	12,147	13,721
Other creditors	55,420	56,537
Trustees' loan account	10,000	10,000
Accrued expenses	14,943	16,190
Fees received in advance	187,781	71,764
	<u>648,790</u>	<u>532,059</u>

Due to the change in accounting software during the year, fees are now invoiced in July for the Autumn term. This has been adjusted for by removing the fees in advance etc from revenue and providing against them in debtors/creditors to make sure they are accounted for in the correct period.

11. SECURED DEBTS

The following secured debts are included within creditors:

	2019 £	2018 £
Bank overdraft	<u>337,308</u>	<u>321,508</u>

12. CALLED UP SHARE CAPITAL

Allotted and issued:				
Number:	Class:	Nominal	2019	2018
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 2019

13. RESERVES

	Revenue Reserve £	Other Reserves £	Founder Governor Prize Fund £	Totals £
At 1 September 2018	120,605	120	1,677	122,402
Surplus for the year	<u>(52,019)</u>	<u>-</u>	<u>-</u>	<u>(52,019)</u>
At 31 August 2019	<u>68,586</u>	<u>120</u>	<u>1,677</u>	<u>70,383</u>

14. TRUSTEES' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a trustee subsisted during the year ended 31 August 2019 and the year ended 31 August 2018:

	2019 £	2018 £
<b>W J Staunton</b>		
Balance outstanding at start of period	10,000	10,000
Amounts advanced to the Company	-	-
Balance outstanding at 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.

15. ULTIMATE CONTROLLING PARTY

The company is controlled by the directors, who are also the trustees.