

Charity Registration No. 1142325

Company Registration No. 07577822 (England and Wales)

BOWDON PREPARATORY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

Haines Watts

Chartered Accountants
Bridge House
157A Ashley Road
Hale
Altrincham
Cheshire
WA14 2UT

BOWDON PREPARATORY SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Dr T Myatt
Mrs J Duschenes
Mr J Stevenson
Mrs M Bocquet (Resigned 7 October 2020)
Mr M Haywood
Mrs S Rylands (Resigned 30 September 2020)
Dr H Zhao
Dr N Tighe
Mr G Hemming
Mr G Lines (Appointed 7 October 2019)
Mrs E Howard (Appointed 7 October 2019)
Mrs C Birkett (Resigned 2 December 2019)
Mr I Pinnington (Resigned 30 December 2019)
Ms R Murphy (Appointed 30 September 2020)

Secretary

Ms K Pheasant

Charlty number

1142325

Company number

07577822

Registered office

Ashley Road
Altrincham
Cheshire
WA14 2LT

BOWDON PREPARATORY SCHOOL

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BOWDON PREPARATORY SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their report and the financial statements of the company for the year ended 31 August 2020.

Reference and administrative information

Reference and administrative details are shown in the schedule of company information on the first page of the financial statements.

The trustees

The trustees who served the company during the period were as follows:

| | |
|-----------------|------------------------------|
| Dr T Myatt | |
| Mrs J Duschenes | |
| Mr J Stevenson | |
| Mrs M Bocquet | (Resigned 7 October 2020) |
| Mr M Haywood | |
| Mrs S Rylands | (Resigned 30 September 2020) |
| Dr H Zhao | |
| Dr N Tighe | |
| Mr G Hemming | |
| Mr G Lines | (Appointed 7 October 2019) |
| Mrs E Howard | (Appointed 7 October 2019) |
| Mrs C Birkett | (Resigned 2 December 2019) |
| Mr I Pinnington | (Resigned 30 December 2019) |

Ms R Murphy was appointed as a trustee on 30 September 2020.

Structure, governance and management

The Governors, who are also the charity trustees, are responsible for the overall management and control of Bowdon Preparatory School and meet in full at least four times a year. The work of implementing most of their policies is carried out by the Headmistress and the Senior Management Team. The Finance Committee, which also meets at least four times a year, works under the chairmanship of a Governor appointed at the first Governors' meeting each academic year. The Bowdon Preparatory School Bursar is responsible for co-ordinating the work of the Governors and their Committees.

Organisational management

The Directors determined the general policy of the School. The day-to-day running of the School was delegated to Mrs Gee, supported by senior educational staff. Mrs Gee undertook the key leadership role, overseeing educational, pastoral and administrative functions. The day-to-day administration of the School was undertaken within the policies and procedures approved by the Directors. Mrs Gee oversaw the recruitment of all education and other staff. Mrs Gee attended all Directors' meetings.

Risk management

The Directors were collectively responsible for overseeing the risks faced by the School. Detailed considerations of risk were considered by sub-groups of the Directors and day-to-day operations were delegated to appropriate staff at the School. Risks were identified and assessed and controls were established throughout the year, and steps were taken to mitigate risks, including insurance cover where appropriate. A formal review of the charity's risk management processes was ongoing during the year, in response to the COVID-19 pandemic.

Risks were managed under the headings of:

- (a) Health & Safety, Safeguarding/Child protection
- (b) Property/Bulldings
- (c) Education/Teaching
- (d) Financial Sustainability Governance & Management
- (e) Human Resources/Employment.

Through the risk management processes, the Directors were satisfied that the major risks identified had been adequately mitigated where necessary. It was recognised that systems can only provide reasonable but not absolute assurance that major risks had been adequately managed. The key controls include formal agendas for board meetings, minutes of all meetings and follow-up action points, and formal written policies.

BOWDON PREPARATORY SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Director recruitment and training

Directors were appointed at the full Directors' meetings by the existing Directors.

The Board of Directors required breadth and depth of experience to carry out its duties effectively and efficiently. When recruiting new Directors, as well as appropriate skills and experience, the Directors sought people with a high commitment to the School's ethos. The Directors are looking for additional officers to add to the skills of the existing board and are likely to seek to make further appointments in the coming school year.

Group structure and relationships

The School's activities and trading performance are included in these accounts. The School has no subsidiaries but benefits from the generosity of an active Parent Teacher Association whose support is greatly appreciated and acknowledged.

The School and its community benefit greatly from the work of the Parent Teacher Association, through fundraising events that finance enrichment activities and opportunities for the pupils and also strengthen the School's ethos through the family community events.

Our parents help with many community projects and fundraising activities, which in the past year have included:

- Running a second-hand uniform shop
- Charity fundraising
- Organising Christmas Fairs
- Funding of outdoor activities
- Coach hire, sports and music
- Funding library resources
- Funding specialist curriculum workshops
- Funding the entertainment for Early Years and KS1 Christmas parties
- Funding a Quidditch day for the Prep pupils

BOWDON PREPARATORY SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

Our aims

The School operates under the terms of the Memorandum and Articles of Association. The Objects of the School, as defined in the Articles, are the advancement of education for the public benefit at Altrincham in Cheshire, through an independent preparatory school for girls and boys, in which pupils are taught the duties and doctrines of Christianity. The School is non-selective. Although the Objects allow for the education of boys, there is no intention of doing so at the present time and the school remains committed to girls rather than mixed education.

We aim, through the Pre-Prep and Prep Departments, to provide an excellent education to girls aged 3-11. We seek to enable the attainment of the highest academic levels, through an academic curriculum and attentive pastoral care, whilst promoting the physical, moral and social development of pupils. Pupils are encouraged to benefit from the extra-curricular programme providing opportunities for creativity and self-expansion.

Our objectives

Our objectives reflect the educational aims and the ethos of the School. With academic success comes choice. We are committed to producing well-balanced, rounded and confident individuals. The Directors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee charging.

Our key objectives for the year included:

- To sustain pupil numbers to a self-supporting and sustainable level
- To enable all pupils to achieve their academic potential
- To offer a specialist education where all pupils access a tailored education which reflects how girls learn best
- To continue the School's excellent pastoral care for pupils
- To promote sport, music and drama within the school and the wider community
- To maintain a purposeful learning environment within which girls explore their identities, have opportunities to lead and influence, take risks and develop positive values
- To smooth the transition of pupils to secondary schools, by developing important life skills that prepare pupils for their next steps
- To develop ideas of wellbeing and leadership
- To work in partnership with parents to enable our girls to thrive within a secure and nurturing environment
- To engender enthusiasm, a genuine love of learning, good work habits and the ability to think and speak for themselves
- To provide support for pupils with additional needs
- To maintain the provision of means-tested bursaries
- To widen our links with our local community and increase community access to our facilities
- To secure the financial viability of the School

BOWDON PREPARATORY SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Our ethos, strategy and policies

Our ethos can be summed up as a school that enables each pupil to achieve their potential, identifying and building on their areas of strength, be they academic, sporting, artistic or other. Our vision is to empower girls to believe in themselves, and to persevere and succeed in all that they do. All pupils are encouraged to adopt the traditional values of hard work, self-discipline and respect for others.

The Company is a registered charity that seeks to benefit the public through the pursuit of its stated aims.

Policies:

- Our school welcomes pupils from all backgrounds. Entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential pupils would benefit from the educational offer and supportive environment that the School provides. An individual's economic status, ethnicity, race, religion or disability does not form part of the assessment processes.
- We are an equal-opportunity organisation and are committed to a working environment that is free from any form of discrimination on grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability.
- Our school is committed to safeguarding and promoting the welfare of pupils and requires all staff and volunteers to share this commitment. Parents are given regular feedback on their children's social and academic progress through regular parents' evenings and written reports. In addition, our staff maintain informal contact with parents as required.
- Our school is committed to ensuring that access to the education that we offer is not restricted to those who can afford our fees. The funds of the School need to be built up first, but several bursaries have been made to relieve hardship where a pupil's education would be at risk owing to, for example, business failure or redundancy. In assessing means, we took into account a number of factors, including family income, savings, assets and investments, and dependant relatives. The School does not, however, have a capital endowment and we have to be careful to maintain a balance between fee-paying parents, many of whom made considerable sacrifices to pay fees, and those who benefit from awards. The Bursary awards ranged from 50% to 100% remission of fees. Details of how to apply are included in information packs provided to parents applying to the School. The success of our Bursary Scheme is explained in our review of activities and achievements below.
- The school also offers discounts where parents have more than one child at the School, which we believe assists larger families' access to our school.
- We seek to attract and retain high-calibre staff; there is a contributory pension scheme available to all staff, both teaching and non-teaching.

Review of activities and achievements for the year

Review of activities

Public benefit

Bursaries/family support

- Bursaries have been provided during the year, particularly in support of families impacted by COVID-19
- Three morning clubs are available – namely Wake up Shake up, Workout and Story Time
- Afterschool club is offered, along with at least two activity clubs each night – attendances at the clubs are high
- Staff training to support vulnerable families
- Increased wellbeing provision for pupils
- Holiday Club is offered for all half-term and full holidays

BOWDON PREPARATORY SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Extra-curricular local involvement

Fundraising – The school supported the following charities:

In house:

- Save the Children
- British Legion Poppy Appeal
- Sport Relief

General:

- Trafford South Food Bank – donation of harvest food
- Year 6 Carol singing at two residential homes and Sainsbury's
- Sponsorship of a giraffe at Chester Zoo
- Promoting local community

Career support and professional development:

Our activity was curtailed due to the Summer Term closure. Training opportunities offered:

- Two ITT placements offered (Edge Hill University)
- Three teacher training opportunities for teaching assistants on the staff to work towards a Level 5 qualification

Facilities

- Use of car park by local community (Altrincham Baptist Church)
- Reunion events for previous pupils of Culcheth Hall School
- Cheshire Sports for Schools

BOWDON PREPARATORY SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Achievements for the year

Teaching and learning

- Much investment into initiatives and procedures to build home school partnership and enable pupils to benefit from support and an educational provision package which has been tailored more directly to their needs as a result of the growth in parental involvement.
- Specialist support for pupils with additional needs has continued to develop. As a result the higher levels of understanding, expertise has facilitated high quality resources with excellent outcomes for these learners (including support for pupils with emotional and wellbeing needs – both short and long term).
- Developments to the PSHE programmes throughout all areas of school support the growth and maintenance of positive mental health and wellbeing for staff and pupils.
- Further development to outdoor learning provision including resources and the 'nature area', training and updates to outdoor learning programmes.
- The introduction of the school motto and initiatives such as Girls on Board have given rise to increases in key skills for life in both social and academic areas.
- Updates and revisions to the 'entrance exam' preparation programme, including revised schemes of work, update of all teaching resources from Year 3-6 and in non-academic areas, ensures girls are best prepared for the examination and selection process, with both the state and independent sector.
- A substantial investment in reading text and resources supports general skills, motivation and enthusiasm, along with increased attainment in comprehension and critical thinking.
- Highly successful introduction of additional languages. In addition to French – Kindergarten to Year 6 – pupils in Year 6 to learn Spanish and Years 1 and 2 can attend Mandarin club.
- Pupils enjoy a rich and varied extra-curricular programme which continues to be added to and updated in view of parent and pupil input.
- Mobility within the school is high as a result of growing pressure from selective schools to take up Prep placements to secure senior places. We have a robust induction programme in school to ensure new pupils joining settle quickly and make good progress.

Success and achievements

Pupils achieved exceptional results in the state and independent entrance assessments along with outstanding results in the Greater Manchester Mathematics Challenge and ISA essay writing competition. Over 50% of Year 6 pupils passed the Trafford entrance examinations.

As well as its academic excellence, the school is proud of its record in encouraging its pupils to get involved in the wider opportunities and to aim high. These activities are numerous and extensive, some of the highlights were:

- Runners Up at ISA Regional Team Swimming Gala
- 1 Gold and 4 Silvers at ISA National Swimming Competition at London's Aquatic Centre
- Qualified for Greater Manchester Games to represent Trafford in Sports Hall Athletics with St Ambrose (third consecutive year)
- 2 Year 4s through to ISA National Cross Country Championships
- ISA U11 Regional Netball Champions
- ISA U11 National Netball Plate Champions - 5th overall/26 schools
- U11 Winner of the ISA National Art Competition
- 2 second places in the ISA Musical Theatre competition and one runner up
- 3rd place and Runners Up at the Bowdon Music Festival
- RHS Gardening Award Level 2
- 56 pupils awarded merit and distinction passes in LAMDA examinations

BOWDON PREPARATORY SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Pupil numbers and fees

Our educational activities were carried out through our Prep Reception and Prep Year 1– 6 Departments.

The average number of pupils at the School during the year was as follows:

| | 2020 | 2019 |
|-----------------|------|------|
| Pre-Preparatory | 46 | 62 |
| Preparatory | 213 | 225 |
| Total | 259 | 287 |

Our fee increase in January 2021 was 3.5%. Our fees for the year to August 2021 before the deduction of any bursaries or discounts are an average of £2,652 per term.

Public benefit

In setting its aims, the Governors have carefully considered and complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance on public benefit and, in particular, to the guidance on the advancement of education and fee charging. The School fulfils its public benefit requirement in various ways, including:

- (a) Bursaries – the School operates bursaries to 11 children ranging from 50% to 100% for pupils who would otherwise be unable to take up a place. There is no current bursary fund and the bursaries need to be paid out of the income achieved for the year. The School must balance the awarding of bursaries against the long-term sustainability of the School in general. Where possible, the School will award bursaries in cases of hardship and especially to children who will benefit and flourish from the environment the School has to offer. Bursaries are offered only to existing pupils and that forms part of the bursaries policy.
- (b) Facilities – local residents have used the car park regularly, including Altrincham Baptist Church every Sunday. All the external club providers are allowed to use the school facilities free of charge.
- (c) Volunteers – parents of pupils helped with various activities at the School, including the Christmas fair, and the Governors would like to express their gratitude for the continuing and valuable support.

Financial review and results for the year

- 1. Operating performance overview – the School reported a deficit of £414,799 after a £59,107 contribution to the bursary fund, which the Governors regard as concerning, despite the current conditions. However, the School has no current debt, and maintains strong cash reserves, enabling it to absorb the loss and plan a recovery.
- 2. Numbers – the School, like other preparatory schools, faces considerable pressure on roll numbers, owing to increased competition, the general downward trend in demographic numbers and problems with the wider economy. This was exacerbated by the COVID-19 pandemic, which led to the withdrawal of a number of pupils for the summer term. The Governors are not complacent about the need to carefully monitor cash flow and expenditure in this environment. That said, the school is at capacity in a number of year groups. This is thanks to the hard work of Mrs Gee and all the staff at the school.
- 3. Income – total fee income of £1,923,786 has been achieved this year, after rebates of between 10% and 20% for the summer term due to the closure of the school during the national lockdown.
- 4. Expenditure – whilst there have been a number of material increases in expenditure this year, the careful control of expenditure has meant that overall resources expended has remained relatively constant at just under £2.6million. The level of expenditure includes a strategic investment in marketing which is expected to attract increased pupil numbers during 2020/21. The average number of staff increased from 60 to 63. Taken in conjunction with a mandatory 43% increase in Teachers Pension Scheme employer contributions, total staff costs increased by 11.1% to £1.91m. We remain focused on keeping costs under tight control and in line with budget projections.
- 5. Fixed Asset Additions – work on installing four all-weather multi-sport courts on the school field was completed at a cost of £256,000.

BOWDON PREPARATORY SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

6. Reserves policy – the School has invested in upgrading its buildings and facilities, but it has no free unrestricted reserves. The Governors wish to build up a capital fund for use should parts of the building fall, although this requirement is being carefully balanced with the more immediate educational needs of the school.
7. Investment policy and objectives – the Memorandum and Articles of Association authorise the Governors to make and hold investments and to operate an overdraft facility and take loans. At present, the Governors have not needed to run an overdraft or take out any such loan. At present, the Governors consider they have sufficient cash reserves for emergency requirements.

Plans for future periods

Future plans – the School's current financial and premises plans continue to be reviewed by the Governors. The key objectives for the coming year are to:

- Raise standards by embedding teaching of phonics in Early Years and Pre-Prep.
- Improve ICT facilities.
- Prepare for the accreditation and reaccreditation on identified awards to ensure reflection of the school's provision.
- Ensure high profile of pupil mental health. To reinforce current school systems and recently developed PSHE programme to secure effective transition back to school and positive mental health of all pupils.
- Embed community-wide programmes to support G&T learners and enable them access to specialist resources.
- Further develop pupils as leaders.
- Build on the increased use of technology as a result of school closure and forward plan for a blended learning model to ensure consistency in accessible learning opportunities.
- Ensure effective operational leadership is sustained with capacity to facilitate excellent outcomes for pupils.

Auditor

Haines Watts is deemed to be re-appointed as auditors under section 485 of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office:
Ashley Road
Altrincham
Cheshire
WA14 2LT

Signed by order of the trustees



Ms K Pheasant
Company Secretary

Date: 26/4/21

BOWDON PREPARATORY SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

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

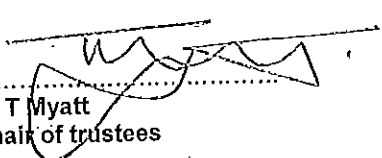
Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

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

Approved by order of the board of trustees on 26/4/21 and signed on its behalf by:


Dr T Myatt
Chair of trustees

BOWDON PREPARATORY SCHOOL

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF BOWDON PREPARATORY SCHOOL

Opinion

We have audited the financial statements of Bowdon Preparatory School (the 'charity') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 charity'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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the company's trade, customers, supplier and wider economy.

Other information

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

BOWDON PREPARATORY SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BOWDON PREPARATORY SCHOOL

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

James Watt

John Whittick BSc FCA (Senior Statutory Auditor)

for and on behalf of

Chartered Accountants

Statutory Auditor

Bridge House

Ashley Road

Hale

Altrincham

Cheshire

WA14 2UT

Date: *26/4/21*

BOWDON PREPARATORY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

| | Notes | Unrestricted funds £ | Total 2019 £ |
|--|-------|----------------------------|--------------------|
| <u>Income from:</u> | | | |
| Charitable activities | 3 | 2,182,525 | 2,407,548 |
| Investments | 4 | 1,918 | 1,934 |
| Total income | | <u>2,184,443</u> | <u>2,409,482</u> |
| <u>Expenditure on:</u> | | | |
| Charitable activities | 5 | 2,599,242 | 2,488,720 |
| Total resources expended | | <u>2,599,242</u> | <u>2,488,720</u> |
| Net expenditure for the year/ Net movement in funds | | (414,799) | (79,238) |
| Fund balances at 1 September 2019 | | <u>2,947,339</u> | <u>3,026,577</u> |
| Fund balances at 31 August 2020 | | <u>2,532,540</u> | <u>2,947,339</u> |

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

BOWDON PREPARATORY SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2020

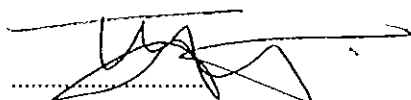
| | Notes | 2020 £ | £ | 2019 £ | £ |
|--|-------|-----------|-----------|-----------|-----------|
| Fixed assets | | | | | |
| Tangible assets | 10 | | 1,959,397 | | 1,778,544 |
| Current assets | | | | | |
| Debtors | 11 | 555,437 | | 546,965 | |
| Cash at bank and in hand | | 929,752 | | 1,581,489 | |
| | | 1,485,189 | | 2,128,454 | |
| Creditors: amounts falling due within one year | 13 | (897,790) | | (938,275) | |
| Net current assets | | | 587,399 | | 1,190,179 |
| Total assets less current liabilities | | | 2,546,796 | | 2,968,723 |
| Creditors: amounts falling due after more than one year | 14 | | (14,256) | | (21,384) |
| Net assets | | | 2,532,540 | | 2,947,339 |
| Income funds | | | | | |
| Unrestricted funds | | | 2,532,540 | | 2,947,339 |
| | | | 2,532,540 | | 2,947,339 |

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

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

The financial statements were approved by the trustees on 26/4/21


 Dr T Myatt
 Chair of Trustees

Company Registration No. 07577822

BOWDON PREPARATORY SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|-----------|-----------|-----------|-----------|
| Cash flows from operating activities | | | | | |
| Cash absorbed by operations | 17 | | (355,638) | | (21,450) |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (290,889) | | (84,571) | |
| Proceeds on disposal of tangible fixed assets | | - | | 19,602 | |
| Investment income received | | 1,918 | | 1,934 | |
| Net cash used in investing activities | | | (288,971) | | (63,035) |
| Financing activities | | | | | |
| Payment of obligations under finance leases | | (7,128) | | 7,128 | |
| Net cash (used in)/generated from financing activities | | | (7,128) | | 7,128 |
| Net decrease in cash and cash equivalents | | | (651,737) | | (77,357) |
| Cash and cash equivalents at beginning of year | | | 1,581,489 | | 1,658,846 |
| Cash and cash equivalents at end of year | | | 929,752 | | 1,581,489 |

BOWDON PREPARATORY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Charity information

Bowdon Preparatory School is a private company limited by guarantee incorporated in England and Wales. The registered office is Ashley Road, Altrincham, Cheshire, WA14 2LT.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

1.4 Income

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

Fees receivable are accounted for in the period in which the service is provided, and as such, consist of charges for the school year ending 31st August 2020.

Other fixed assets and net current liabilities from Culcheth Hall School were previously introduced as donations at market value.

1.5 Expenditure

Resources expended are accounted for on an accruals basis. The irrecoverable element of VAT is included with the item of expense to which it relates. Expenditure is allocated to expense headings either on a direct cost basis, or apportionment according to time spent.

Costs of charitable activities include expenditure associated with the running of the school and include both direct and support costs.

Supplies of games equipment, books, stationery and sundry materials are written off when the expenditure is incurred.

Governance costs represent the costs of audit, accounting, legal and professional fees incurred during the incorporation and maintenance of the charity.

BOWDON PREPARATORY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---------------------|---------------------------------|
| Land and buildings | 2% on a straight line basis |
| Other assets | 15% - 25% of written down value |
| Plant and machinery | 25% of written down value |
| Office equipment | 25% of written down value |
| School equipment | 25% of written down value |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

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

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

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

Basic financial assets

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

BOWDON PREPARATORY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

For eligible employees, the school contributes to the Teachers' Pension Agency, a superannuation scheme which provides benefits based on final pensionable salary.

There is also a group contributory scheme for non-teaching staff, with the contribution rates set by the school.

The pension costs charged in the accounts represents the amount of contributions payable to the schemes in respect of the accounting period.

1.11 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

BOWDON PREPARATORY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

3 Charitable activities

| | School fees received | Income from extra-curricular activities | Income from lunches | Total 2020 | School fees received | Income from extra-curricular activities | Income from lunches | Total 2019 |
|------------------------------------|----------------------|---|---------------------|-------------------|----------------------|---|---------------------|-------------------|
| | 2020 £ | 2020 £ | 2020 £ | £ | 2019 £ | 2019 £ | 2019 £ | £ |
| Sales within charitable activities | 1,923,786 | 170,635 | 88,104 | 2,182,525 | 2,098,152 | 165,413 | 143,983 | 2,407,548 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

4 Investments

| | Unrestricted funds | Unrestricted funds |
|---------------------|--------------------|--------------------|
| | 2020 £ | 2019 £ |
| Interest receivable | 1,918 | 1,934 |
| | <u> </u> | <u> </u> |

BOWDON PREPARATORY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

5 Charitable activities

| | Teaching costs | Welfare costs | Premises costs | Support costs | Governance costs | Total | 2019 |
|--|------------------|----------------|----------------|----------------|------------------|------------------|------------------|
| | £ | £ | £ | £ | £ | £ | £ |
| Staff costs | 1,468,238 | 71,081 | 69,005 | 298,806 | - | 1,907,130 | 1,716,871 |
| Depreciation | 4,739 | - | 97,718 | 7,580 | - | 110,037 | 82,553 |
| Establishment costs | 48,212 | 4,849 | 49,142 | 24,397 | - | 126,600 | 181,549 |
| Teaching costs | 126,028 | - | - | - | - | 126,028 | 164,684 |
| Catering consumables | - | 49,630 | - | - | - | 49,630 | 74,864 |
| Cleaning | - | - | 56,555 | - | - | 56,555 | 74,299 |
| Administration - Sundry costs | - | - | - | 178,108 | - | 178,108 | 170,942 |
| Governance costs | - | - | - | - | 45,154 | 45,154 | 22,958 |
| | <u>1,647,217</u> | <u>125,560</u> | <u>272,420</u> | <u>508,891</u> | <u>45,154</u> | <u>2,599,242</u> | <u>2,488,720</u> |
| | <u>1,647,217</u> | <u>125,560</u> | <u>272,420</u> | <u>508,891</u> | <u>45,154</u> | <u>2,599,242</u> | <u>2,488,720</u> |
| Analysis by fund | | | | | | | |
| Unrestricted funds | <u>1,647,217</u> | <u>125,560</u> | <u>272,420</u> | <u>508,891</u> | <u>45,154</u> | <u>2,599,242</u> | |
| | <u>1,647,217</u> | <u>125,560</u> | <u>272,420</u> | <u>508,891</u> | <u>45,154</u> | <u>2,599,242</u> | |
| For the year ended 31 August 2019 | | | | | | | |
| Unrestricted funds | <u>1,582,630</u> | <u>149,889</u> | <u>291,053</u> | <u>442,190</u> | <u>22,958</u> | | <u>2,488,720</u> |
| | <u>1,582,630</u> | <u>149,889</u> | <u>291,053</u> | <u>442,190</u> | <u>22,958</u> | | <u>2,488,720</u> |

6 Support costs

| | Support costs | Governance costs | 2020 | 2019 | Basis of allocation |
|------------------------|---------------|------------------|---------------|---------------|---------------------|
| | £ | £ | £ | £ | |
| Audit fees | - | 6,700 | 6,700 | 6,600 | Governance |
| Accountancy | - | 1,743 | 1,743 | 2,591 | Governance |
| Legal and professional | - | 36,711 | 36,711 | 13,767 | Governance |
| | <u>-</u> | <u>45,154</u> | <u>45,154</u> | <u>22,958</u> | |

BOWDON PREPARATORY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

| | | | |
|----------|------------------------------|-------------|-------------|
| 7 | Net movement in funds | 2020 | 2019 |
| | | £ | £ |

Net movement in funds is stated after charging/(crediting)

| | | |
|---|---------|--------|
| Fees payable to the company's auditor for the audit of the company's financial statements | 6,700 | 6,600 |
| Depreciation of owned tangible fixed assets | 103,155 | 73,197 |
| Depreciation of tangible fixed assets held under finance leases | 6,882 | 9,356 |

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration/reimbursed expenses during the year.

9 Employees

Number of employees

The average monthly number of employees during the year was:

| | 2020 | 2019 |
|--|---------------|---------------|
| | Number | Number |
| Number of full-time teaching staff | 15 | 16 |
| Number of part-time teaching staff | 12 | 11 |
| Number of full-time teaching support staff | 8 | 7 |
| Number of part-time teaching support staff | 7 | 7 |
| Number of full-time pupil support staff | 2 | 2 |
| Number of part-time pupil support staff | 6 | 4 |
| Number of full-time administration staff | 5 | 3 |
| Number of part-time administration staff | 2 | 3 |
| Number of full-time welfare staff | 3 | 3 |
| Number of full-time premises staff | 2 | 2 |
| Number of part-time premises staff | 1 | 2 |
| | 63 | 60 |

| | | |
|-------------------------|------------------|------------------|
| Employment costs | 2020 | 2019 |
| | £ | £ |
| Wages and salaries | 1,545,358 | 1,434,567 |
| Social security costs | 141,434 | 131,604 |
| Other pension costs | 220,338 | 150,700 |
| | 1,907,130 | 1,716,871 |

The key management personnel of the charity comprise the member of the Executive Leadership Team. The total amount of employee benefits received by key management personnel for their services to the charity was £312,000 (2019: £285,848).

BOWDON PREPARATORY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Employees

The number of employees whose annual remuneration was £60,000 or more were:

| | 2020 Number | 2019 Number |
|-------------------|----------------|----------------|
| £60,001 - £70,000 | - | 1 |
| £70,001 - £80,000 | 1 | - |

Of the employees whose emoluments exceed £60,000, 1 (2019: 1) have retirement benefits accruing under defined benefit pension schemes.

10 Tangible fixed assets

| | Land and buildings | Other assets | Plant and machinery | School equipment | Office equipment | Total |
|------------------------------------|-----------------------|-----------------|------------------------|---------------------|---------------------|-----------|
| | £ | £ | £ | £ | £ | £ |
| Cost | | | | | | |
| At 1 September 2019 | 1,800,000 | 340,250 | 24,821 | 60,564 | 59,717 | 2,285,352 |
| Additions | - | 287,765 | - | 3,124 | - | 290,889 |
| At 31 August 2020 | 1,800,000 | 628,015 | 24,821 | 63,688 | 59,717 | 2,576,241 |
| Depreciation and impairment | | | | | | |
| At 1 September 2019 | 216,000 | 202,780 | 15,782 | 42,846 | 29,399 | 506,807 |
| Depreciation charged in the year | 27,000 | 68,458 | 2,260 | 4,739 | 7,580 | 110,037 |
| At 31 August 2020 | 243,000 | 271,238 | 18,042 | 47,585 | 36,979 | 616,844 |
| Carrying amount | | | | | | |
| At 31 August 2020 | 1,557,000 | 356,777 | 6,779 | 16,103 | 22,738 | 1,959,397 |
| At 31 August 2019 | 1,584,000 | 137,469 | 9,039 | 17,718 | 30,318 | 1,778,544 |

BOWDON PREPARATORY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Tangible fixed assets

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £6,882 (2019 - £8,910) for the year.

| | 2020 £ | 2019 £ |
|------------------|-----------|-----------|
| Office equipment | 19,848 | 26,730 |

11 Debtors

| | 2020 £ | 2019 £ |
|--------------------------------------|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 514,642 | 532,219 |
| Prepayments and accrued income | 40,795 | 14,746 |
| | 555,437 | 546,965 |

12 Finance lease commitments

Future minimum lease payments due under finance leases:

| | 2020 £ | 2019 £ |
|---------------------------|-----------|-----------|
| Within one year | 7,128 | 7,128 |
| Within two and five years | 14,256 | 21,384 |
| | 21,384 | 28,512 |

Finance lease payments represent rentals payable by the company for an item of office equipment. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The lease is on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

13 Creditors: amounts falling due within one year

| | Notes | 2020 £ | 2019 £ |
|------------------------------------|-------|-----------|-----------|
| Obligations under finance leases | 12 | 7,128 | 7,128 |
| Other taxation and social security | | 36,528 | 31,450 |
| Deferred income | 16 | 631,479 | 684,221 |
| Trade creditors | | 18,913 | 37,166 |
| Other creditors | | 29,525 | 22,970 |
| Accruals and deferred income | | 174,217 | 155,340 |
| | | 897,790 | 938,275 |

BOWDON PREPARATORY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

14 Creditors: amounts falling due after more than one year

| | Notes | 2020 £ | 2019 £ |
|----------------------------------|-------|-----------|-----------|
| Obligations under finance leases | 12 | 14,256 | 21,384 |

15 Retirement benefit schemes

As detailed in Note 1, for eligible employees, the company contributes to the Teachers' Pension Agency scheme, for all other staff there is the option to join a defined contribution pension scheme operated by the School through an independent pension provider.

The Teachers' Pension Scheme (TPS) is a statutory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 2014. These regulations apply to teachers in schools and other educational establishments in England and Wales maintained by local authorities, to teachers in many independent and voluntary aided schools and to teachers and lecturers in establishments of further and higher education. Membership is automatic for full-time and part-time teachers and lecturers. Teachers and lecturers are able to opt out of the TPS.

The pension costs of the TPS are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- Employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge) (formerly 16.48%)
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

During the year the employer contribution rate was 23.68%. The TPS valuation for 2016 determined an employer rate of 23.68% from September 2019, which is payable during the implementation period until the next valuation as at March 2020, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2023.

For the year covered by these accounts employee contribution rates ranged between 7.4% and 11.3%, depending on the member's salary.

Under the definitions set out in FRS102 (Retirement Benefits), the TPS is a multi-employer pension scheme. The school is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the school has taken advantage of the exemption under FRS102 and has accounted for its contributions as if it were a defined contribution scheme. The school has set out above the information available on the deficit in the scheme and the implications for the school in terms of anticipated contribution rates.

The employer's contributions payable for the year, for both schemes, were £220,338 (2019 - £150,700) and the amount outstanding at the year end was £28,291 (2019 - £21,490).

BOWDON PREPARATORY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

16 Deferred income

| | 2020 £ | 2019 £ |
|-----------------------|-----------|-----------|
| Other deferred income | 631,479 | 684,221 |

Deferred income is included in the financial statements as follows:

| | 2020 £ | 2019 £ |
|---------------------|-----------|-----------|
| Current liabilities | 631,479 | 684,221 |
| | 631,479 | 684,221 |

17 Cash generated from operations

| | 2020 £ | 2019 £ |
|---|------------------|-----------------|
| Deficit for the year | (414,799) | (79,238) |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (1,918) | (1,934) |
| Depreciation and impairment of tangible fixed assets | 110,036 | 82,553 |
| Movements in working capital: | | |
| (Increase)/decrease in debtors | (8,472) | 14,329 |
| Increase in creditors | 12,257 | 15,436 |
| (Decrease) in deferred income | (52,742) | (52,596) |
| Cash absorbed by operations | (355,638) | (21,450) |

18 Analysis of changes in net funds

| | At 1 September 2019 £ | Cash flows £ | At 31 August 2020 £ |
|----------------------------------|-----------------------------|-----------------|---------------------------|
| Cash at bank and in hand | 1,581,489 | (651,737) | 929,752 |
| Obligations under finance leases | (28,512) | 7,128 | (21,384) |
| | 1,552,977 | (644,609) | 908,368 |

BOWDON PREPARATORY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

**The following pages do not form part of the statutory financial statements
which are the subject of the Independent auditor's report on pages 10-11**

BOWDON PREPARATORY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

| | 2020 £ | 2019 £ |
|--|------------------|------------------|
| Incoming resources | | |
| Voluntary income | | |
| Donations : Donated net current liabilities | — | — |
| Donations : Donated cash funds | — | — |
| | <u>—</u> | <u>—</u> |
| Investment income | | |
| Bank interest receivable | 1,918 | 1,934 |
| | <u>1,918</u> | <u>1,934</u> |
| Incoming resources from charitable activities | | |
| School fees received | 1,923,786 | 2,098,152 |
| Income from extra-curricular activities | 170,635 | 165,413 |
| Income from school book sales | — | — |
| Income from lunches | 88,104 | 143,983 |
| Income from uniform sales | — | — |
| | <u>2,182,525</u> | <u>2,407,548</u> |
| Total incoming resources | <u>2,184,443</u> | <u>2,409,482</u> |
| Resources expended | | |
| Charitable activities | | |
| Staff costs - Wages & Salaries | 1,545,358 | 1,434,567 |
| Staff costs - Employer's NIC | 141,434 | 131,604 |
| Staff costs - Pension costs | 220,338 | 150,700 |
| Operating leases - Other assets | — | — |
| Establishment - Rates & Water | 5,882 | 14,187 |
| Establishment - Light & heat | 36,692 | 33,071 |
| Establishment - Repairs & maintenance | 52,274 | 101,615 |
| Establishment - Insurance | 24,781 | 22,928 |
| Establishment - Other | 6,971 | 9,748 |
| Depreciation | 110,037 | 82,553 |
| Teaching costs - Bursaries and scholarships | 59,107 | 41,565 |
| Teaching costs - Other costs | 28,325 | 47,858 |
| Teaching costs - Extra-curricular activities costs | 21,154 | 71,917 |
| Teaching costs - Administration other costs | 3,442 | 3,344 |
| Teaching costs - Bad debt provision | 14,000 | — |
| Welfare - Catering consumables & LTO's | 49,630 | 74,864 |
| Premises - Cleaning - other costs | 56,555 | 74,299 |
| Support - Interest payable | — | — |
| Support - Administration - Sundry costs | 178,108 | 170,942 |
| Support - Donations | — | — |
| | <u>2,554,088</u> | <u>2,465,762</u> |
| Governance costs | | |
| Accountancy fees | 1,743 | 2,591 |
| Audit fees | 6,700 | 6,600 |
| Other financial costs | 36,711 | 13,767 |
| | <u>45,154</u> | <u>22,958</u> |
| Total resources expended | <u>2,599,242</u> | <u>2,488,720</u> |
| Net (outgoing) resources for the year | <u>(414,799)</u> | <u>(79,238)</u> |

BOWDON PREPARATORY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

| | 2020 £ | 2019 £ |
|--|------------------|------------------|
| Charitable activities | | |
| Teaching costs | | |
| <i>Activities undertaken directly</i> | | |
| Staff costs - Wages & Salaries | 1,171,281 | 1,121,214 |
| Staff costs - Employer's NIC | 106,274 | 102,962 |
| Staff costs - Pension costs | 190,683 | 129,287 |
| Operating leases - Other assets | - | - |
| Establishment - Light & heat | 33,023 | 29,764 |
| Establishment - Repairs & maintenance | 10,267 | 24,516 |
| Establishment - Insurance | 4,922 | 4,296 |
| Depreciation | 4,739 | 5,907 |
| Teaching costs - Bursaries and scholarships | 59,107 | 41,565 |
| Teaching costs - Other costs | 28,325 | 47,858 |
| Teaching costs - Extra-curricular activities costs | 21,154 | 71,917 |
| Teaching costs - Administration other costs | 3,442 | 3,344 |
| Teaching costs - Bad debt provision | 14,000 | - |
| | <u>1,647,217</u> | <u>1,582,630</u> |
| Welfare costs - Activities undertaken directly | | |
| Staff costs - Wages & Salaries | 64,039 | 62,365 |
| Staff costs - Employer's NIC | 5,156 | 4,873 |
| Staff costs - Pension costs | 1,886 | 1,666 |
| Establishment - Repairs & maintenance | 2,895 | 4,289 |
| Establishment - Insurance | 1,954 | 1,832 |
| Welfare - Catering consumables & LTO's | 49,630 | 74,864 |
| | <u>125,560</u> | <u>149,889</u> |
| Premises costs - Activities undertaken directly | | |
| Staff costs - Wages & Salaries | 61,701 | 58,299 |
| Staff costs - Employer's NIC | 4,916 | 4,144 |
| Staff costs - Pension costs | 2,388 | 1,981 |
| Establishment - Rates & Water | 5,882 | 14,187 |
| Establishment - Repairs & maintenance | 29,581 | 59,226 |
| Establishment - Insurance | 13,679 | 12,825 |
| Depreciation | 97,718 | 66,092 |
| Premises - Cleaning - other costs | 56,555 | 74,299 |
| | <u>272,420</u> | <u>291,053</u> |
| Support costs - Activities undertaken directly | | |
| Staff costs - Wages & Salaries | 248,337 | 192,689 |
| Staff costs - Employer's NIC | 25,088 | 19,625 |
| Staff costs - Pension costs | 25,381 | 17,766 |
| Operating leases - Other assets | - | - |
| Establishment - Light & heat | 3,669 | 3,307 |
| Establishment - Repairs & maintenance | 9,531 | 13,584 |
| Establishment - Insurance | 4,226 | 3,975 |
| Establishment - Other | 6,971 | 9,748 |
| Depreciation | 7,580 | 10,554 |
| Support - Interest payable | - | - |
| Support - Administration - Sundry costs | 178,108 | 170,942 |
| Support - Donations | - | - |
| | <u>508,891</u> | <u>442,190</u> |
| | <u>2,554,088</u> | <u>2,465,762</u> |