

Company No. 2829156

Manor Lodge School

MANOR LODGE SCHOOL

A Company Limited by Guarantee

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST AUGUST 2002



J DANIELS
Chartered Accountants & Registered Auditors

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J.A. Daniels F.C.A.

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MANOR LODGE SCHOOL

A Company Limited by Guarantee

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2002

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A Company Limited by Guarantee

DIRECTORS REPORT

FOR THE YEAR ENDED 31ST AUGUST 2002

STATUS AND ADMINISTRATION

Manor Lodge School was incorporated on 22 June 1993 and commenced activities on 19 November 1993. The Company changed its name from Forestpost Limited to Manor Lodge School Limited on 4 May 1995 and arranged pursuant to Section 30(5)(c) of the Companies Act 1985 to have the word "Limited" omitted from the Company name. The School registered as a Charity with the Charity Commissioners on 25 August 1995, number 1048874. Its registered company number is 2829156.

DIRECTORS

The Directors of the Company who are also the Charity Trustees and the Governors of the School and who served during the year were:

J Liddle (Chairman) #	C Thacker *
Mrs J Evans (Resigned 31.8.02) *	A Phipps #
Dom. S Darlington *	S Evers (Resigned 31.8.02) *
Mrs M Hawkins *	E Hatley #
M Higham *	S Patel #

** Members of the Education Subcommittee*

Members of the Finance and General Purposes Subcommittee

The Governors are appointed by the Board of Governors for a term of three years. They can be re-elected.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the state of the affairs of the Company and of the surplus or deficit of the Company for that year. In preparing those Financial Statements, the Directors are required to-

- select suitable accounting policies and then apply them consistently
- make judgements and 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 Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements comply with the Companies Act 1985. 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.

A Company Limited by Guarantee

DIRECTORS REPORT - continued

FOR THE YEAR ENDED 31ST AUGUST 2002

OFFICERS

The Head	Mrs J M Smart
Deputy Head	Mr G Dunn
The Bursar and Company Secretary and Clerk to the Governors	G P Simms
Address	Manor Lodge School Rectory Lane Ridge Hill Shenley Radlett, Herts, WD7 9BG

ADVISORS

Bankers	Allied Irish Bank 629/635 Holloway Road London N19 5SU
Solicitors	Ottaway's The Mansion 1 St Peters Street St Albans Herts AL1 3DJ
Auditors	J Daniels & Co. 1 Chase Side Crescent Enfield Middlesex, EN2 0JA
Insurance Brokers	Heath Crawford & Foster Limited 23-27 Church Road Stanmore Middlesex, HA7 4AR

OBJECTS

The objects are set out in the Memorandum and are to advance education in particular by establishing and carrying on in Great Britain (and any other countries) schools at or by means of which students may obtain education and instruction in all subjects whatsoever that may be included in a commercial, technical, scientific, classical or academic education, or may be conducive to knowledge of or skill in any trade, pursuant or calling.

ORGANISATION

The Directors determine the general policy of the School. The day-to-day management of the School is delegated to the Head and the Bursar.

POLICY

The School is a day school and provides education to both sexes from the ages of 4 - 11 years.

A Company Limited by Guarantee

DIRECTORS REPORT - continued

FOR THE YEAR ENDED 31ST AUGUST 2002

REVIEW

The academic year 2001-2002 saw the commencement of the building work to improve our facilities with an additional four classrooms and a gym. The additional space created will give us the opportunity to have two libraries and a new French Room situated within the new infant wing. We will be pleased to see the removal of all temporary accommodation from the site when all the children will be housed in bright spacious classrooms and specialist rooms, all of which will be inter-linked. The move to the temporary classrooms (known as "Minor Lodge") was extremely smooth with both staff and children pulling together as a team. Parents were delighted at the size, warmth and comfort of the new rooms.

Those children in Year 2 who sat competitive entry to major independent schools were extremely successful and we have been fortunate to replace them with equally delightful children. Year 6 results for entry to secondary school were also extremely good with 11 of the children gaining scholarships to several prestigious independent schools. Numbers on roll at the school continue to be at capacity and we have a healthy waiting list for all academic years.

The children continue to collect for charity and we were delighted to be able to contribute towards a new playground which was being built by the Prince's Trust at Mandeville School in St Albans. The children are always very keen to raise money for charity and again this year we were the top school in the country with our collection for the World Wildlife Fund. We continue to support, whenever possible, a local state school and we have been pleased to share visiting theatre groups with them and also to have them accompany us on visits to the Cinema.

Our sporting facilities were considerably restricted due to the building work. However, local schools were extremely generous and we played all our "home" matches "away". We endeavoured to keep the impact of the construction work away from our sporting life and to that end we have put in place a temporary Dance Studio which has afforded great fun and enjoyment to the whole school. It has been so successful that we have decided to provide a permanent Dance Studio in the new building.

FINANCIAL RESULTS

The School's operating surplus for the year is £158,978. The increase in fee income reflects the increase in the number of pupils attending the School. The School funds now reflect a continuing improvement of retained income to date. The accumulation of retained income is integral to our plans to further enhance the school. Our Development Plans involve significant future capital expenditure. The full results are shown in the accounts.

SALARIES

Teaching and Administration salaries increased by £131,676 over the previous year. This was caused by the final implementation of an enhanced pay scale for teachers, normal cost of living and promotion increases, and the cost of covering two long-term absences.

RESOURCES

Note 12 to the accounts sets out an analysis of the assets attributable to the various funds.


AUDITORS

In accordance with Section 384 of the Companies Act 1985 a resolution proposing the re-appointment of Messrs J Daniels & Co. as Auditors to the Company will be put to the Annual General Meeting.

REGISTERED OFFICE

Rectory Lane
Ridge Hill
Shenley
Radlett, Herts, WD7 9BG

Approved by the Board of Directors on 20.03.03 and signed on its behalf by


G P Simms Esq., Secretary

TO THE MEMBERS OF MANOR LODGE SCHOOL

FOR YEAR ENDED 31ST AUGUST 2002

We have audited the Financial Statements on Pages 5 to 11, which have been prepared under the historical cost convention and the accounting policies set out on Page 7.

Respective Responsibilities of Directors and Auditors

As described on page 1, the Directors are responsible for the preparation of Financial Statements. It is our responsibility to form an independent opinion, based on our audit on those statements and to report our opinion to you.

Basis of Opinion

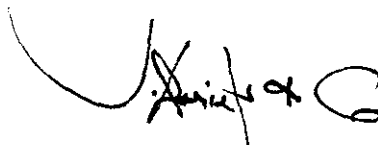
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the Financial Statements, and of whether the Accounting Policies are appropriate to the charitable Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

Opinion

In our opinion, the Financial Statements, give a true and fair view of the state of the charitable Company's affairs as at 31st August 2002 and of its incoming resources and application of resources including its income and expenditure in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**J. Daniels & Co.
1 Chase Side Crescent
Enfield
Middx
EN2 0JA**



Date : 21st May 2003

Registered Auditors

*A Company Limited by Guarantee***STATEMENT OF FINANCIAL ACTIVITIES****FOR THE YEAR ENDED 31ST AUGUST 2002**

	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2002</u> £	<u>2001</u> £
INCOMING RESOURCES					
Fees Receivable		1,931,947	-	1,931,947	1,678,421
Registrations	2	9,680	-	9,680	10,160
Miscellaneous Income		196,251	-	196,251	210,242
Bank Interest		22,109	-	22,109	23,234
Donations	1(e)	2,064	-	2,064	1,000
		-----	-----	-----	-----
Total Incoming Resources		2,162,051	-	2,162,051	1,923,057
		-----	-----	-----	-----
RESOURCES EXPENDED					
Direct Charitable Expenditure					
Teaching Costs		1,249,750	-	1,249,750	991,608
Housekeeping		147,455	-	147,455	162,260
Premises		367,591	-	367,591	119,252
Administration of the School		195,786	-	195,786	168,268
Restricted Funds - Depreciation		-	4,495	4,495	5,324
		-----	-----	-----	-----
		1,960,582	4,495	1,965,077	1,446,712
		-----	-----	-----	-----
Other Expenditure					
Finance and Other Costs		7,917	-	7,917	14,577
Management and Administration of the Charity		30,079	-	30,079	29,778
		-----	-----	-----	-----
Total Resources Expended	3,4	1,998,578	4,495	2,003,073	1,491,067
		-----	-----	-----	-----
NET INCOMING RESOURCES					
		163,473	(4,495)	158,978	431,990
Balances brought forward		1,353,260	13,036	1,366,296	934,306
		-----	-----	-----	-----
BALANCES CARRIED FORWARD		<u>1,516,733</u>	<u>8,541</u>	<u>1,525,274</u>	<u>1,366,296</u>

The attached notes form part of these Accounts.

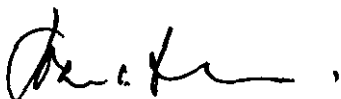
A Company Limited by Guarantee

BALANCE SHEET

AS AT 31ST AUGUST 2002

	<u>Notes</u>	<u>£</u>	<u>2002</u>	<u>£</u>	<u>2001</u>	<u>£</u>
TANGIBLE FIXED ASSETS	6		1,375,103		961,602	
CURRENT ASSETS						
Debtors	9	10,673		26,134		
Investments	8	643,012		646,260		
Cash at Bank and in hand		154,672		71,468		
		808,357		743,862		
CURRENT LIABILITIES						
Creditors : Amounts due within one year	10	366,686		136,168		
NET CURRENT ASSETS			441,671		607,694	
TOTAL ASSETS LESS CURRENT LIABILITIES			1,816,774		1,569,296	
CREDITORS : Amounts due after more than one year	10		191,500		203,000	
TOTAL NET ASSETS			1,625,274		1,366,296	
RESTRICTED FUNDS						
Friends of Manor Lodge	7(a)		8,541		13,036	
Provision for Development Costs	7(b)		100,000		-	
UNRESTRICTED FUNDS						
Retained Income	7(c)		1,516,733		1,353,260	
TOTAL FUNDS	12		1,625,274		1,366,296	

Approved by the Board on 20.03.03 and signed on its behalf by:



.....
J Liddle, Chairman

The attached notes form part of these Accounts.

*A Company Limited by Guarantee***NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31ST AUGUST 2002****1. ACCOUNTING POLICIES****a. Basis of Preparation**

The accounts are prepared under the historical cost convention and in accordance with applicable standards and the Statement of Recommended Practice for Accounting by Charities.

b. Tangible Fixed Assets

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost over its expected useful life, as follows:

Freehold buildings	2% straight line
Furniture and equipment	20% straight line
Computer equipment	25% straight line

c. Cash Flow Statement

The company has taken advantage of the exemption in financial reporting standard No.1 from producing a cash flow statement on the grounds that it is a small company.

d. Pension Schemes

The school contributes to the Teachers' Superannuation Scheme at rates set by the scheme actuary. The school also contributes to personal pension schemes for non-teaching staff.

e. Donations

Donations subject to specific wishes of the donors are treated as restricted funds. Donations received for the general purpose of the school are treated as unrestricted funds.

2. OTHER INCOME	<u>2002</u>	<u>2001</u>
	£	£
Registration Fees	<u>9,680</u>	<u>10,160</u>
3. EXPENDITURE	<u>2002</u>	<u>2001</u>
Other expenditure includes:	£	£
Auditors Remuneration	3,819	3,600
Directors Insurance	1,313	1,226
Life Assurance	4,238	4,739
	=====	=====

*A Company Limited by Guarantee***NOTES TO THE ACCOUNTS - continued****FOR THE YEAR ENDED 31ST AUGUST 2002****4. ANALYSIS OF RESOURCES EXPENDED**

	<u>Staff Costs</u> £	<u>Other</u> £	<u>Depreciation</u> £	<u>Total</u> £
Direct Charitable Expenditure:				
Teaching Costs	1,134,330	115,420	-	1,249,750
Housekeeping	24,311	123,144	-	147,455
Premises	36,234	309,632	21,725	367,591
Administration of the School	86,392	69,361	40,033	195,786
Restricted Funds	-	-	4,495	4,495
	<hr/>	<hr/>	<hr/>	<hr/>
	1,281,267	617,557	66,253	1,965,077
Other Expenditure:				
Finance and Other Costs	-	7,917	-	7,917
Management and Administration of the Charity	30,079	-	-	30,079
	<hr/>	<hr/>	<hr/>	<hr/>
	1,311,346	625,474	66,253	2,003,073
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

5. STAFF COSTS

	<u>2002</u> £	<u>2001</u> £
Social Security Costs	78,612	73,189
Wages and Salaries	1,064,803	922,651
Pension Costs	157,900	58,802
Other Staff Costs	10,031	9,147
	<hr/>	<hr/>
	1,311,346	1,063,789
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The average number of employees during the year was made up as follows:

	<u>2002</u> <u>No.</u>	<u>2001</u> <u>No.</u>
Teaching and Administration	<u>44</u>	<u>44</u>

*A Company Limited by Guarantee***NOTES TO THE ACCOUNTS - continued****FOR THE YEAR ENDED 31ST AUGUST 2002**

6. TANGIBLE FIXED ASSETS	<u>Computer Equipment</u>	<u>Equipment, Fixtures and Fittings</u>	<u>Freehold Property</u>	<u>Total</u>
	£	£	£	£
Cost or Valuation				
As at 1st September 2001	-	323,499	983,104	1,306,603
Additions	65,857	21,648	392,249	479,754
	-----	-----	-----	-----
At 31st August 2002	65,857	345,147	1,375,353	1,786,357
	-----	-----	-----	-----
Depreciation				
As at 1st September 2001	-	213,693	131,308	345,001
Charge for Year	3,079	41,366	21,808	66,253
	-----	-----	-----	-----
At 31st August 2002	3,079	255,059	153,116	411,254
	-----	-----	-----	-----
Net Book Value				
At 31st August 2002	<u>62,778</u>	<u>90,088</u>	<u>1,222,237</u>	<u>1,375,103</u>
At 31st August 2001	<u>-</u>	<u>109,806</u>	<u>851,796</u>	<u>961,602</u>
	-----	-----	-----	-----
7. FUNDS				
a) Restricted Funds	<u>Balance at 1-9-01</u>	<u>Incoming Resources</u>	<u>Depreciation</u>	<u>Balance at 31-8-02</u>
	£	£	£	£
Friends of Manor Lodge School:				
Football Pitch	3,546	-	83	3,463
Staging	349	-	349	-
Library Equipment	846	-	846	-
Playground Equipment	534	-	534	-
Infant Play Equipment	264	-	264	-
Yamaha Piano	405	-	371	34
Computer	246	-	226	20
Computer	155	-	122	33
Printer	45	-	30	15
Shed	173	-	93	80
Sewing Machine	227	-	114	113
Playground Benches	1,078	-	349	729
Playmats	842	-	247	595
Keyboards	376	-	107	269
Playground Benches	1,674	-	467	1,207
Digital Camera	211	-	59	152
Book Making Stapler	838	-	234	604
FOML Closing Balance	227	-	-	227
P Kirkland Donation	1,000	-	-	1,000
	-----	-----	-----	-----
	<u>13,036</u>	<u>-</u>	<u>4,495</u>	<u>8,541</u>

"Restricted Funds" are subject to specific trusts which arise from a donor's wishes or from the terms of an appeal.

*A Company Limited by Guarantee***NOTES TO THE ACCOUNTS - continued****FOR THE YEAR ENDED 31ST AUGUST 2002****7. FUNDS Continued**

b) A provision of £100,000 has been made for future Building Development Costs.

	<u>2002</u> £	<u>2001</u> £
c) Unrestricted Funds	<u>1,516,733</u>	<u>1,353,260</u>

The unrestricted funds are retained as necessary to cover working capital.

8. INVESTMENTS

	<u>2002</u> £	<u>2001</u> £
Bank - Deposit Account	451,512	486,260
Bank - Treasury Deposit	-	160,000
Bank - Parents Deposit	191,500	-
	<u>643,012</u>	<u>646,260</u>

9. DEBTORS

	<u>2002</u> £	<u>2001</u> £
Amounts falling due within one year:		
Fees Receivable	161	274
Prepayments	10,512	22,860
Other Debtors	-	3,000
	<u>10,673</u>	<u>26,134</u>

10. CREDITORS

	<u>2002</u> £	<u>2001</u> £
Amounts falling due within one year:		
Social Security payable and other Taxation	23,995	22,278
Other Creditors and Accruals	281,740	41,905
Fees Paid in Advance	60,951	71,985
	<u>366,686</u>	<u>136,168</u>

A Company Limited by Guarantee

NOTES TO THE ACCOUNTS - continued

FOR THE YEAR ENDED 31ST AUGUST 2002

10. CREDITORS - continued

	<u>2002</u>	<u>2001</u>
	£	£
Amounts falling due after one year:		
Deposits Held	191,500	203,000
	<u> </u>	<u> </u>

11. CHARITABLE STATUS

On 25th August 1995 the Company was registered as a Charity.

12. ALLOCATION OF THE CHARITY NET ASSETS

The net assets are held for the various funds as follows:

	<u>Fixed</u>	<u>Net</u>	<u>Long Term</u>	<u>Provision for</u>	
	<u>Assets</u>	<u>Current</u>	<u>Liabilities</u>	<u>Development</u>	<u>Total</u>
	£	£	£	Costs	£
				£	
Restricted Funds:					
Friends of Manor Lodge School	7,314	1,227	-		8,541
Provision for Development costs	-	-	-	100,000	100,000
Unrestricted Funds:					
Retained Income	1,367,789	440,444	(191,500)	(100,000)	1,516,733
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	1,375,103	441,671	(191,500)	-	1,625,274
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>