

MANOR LODGE SCHOOL
A Company Limited by Guarantee
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST JULY 1999



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COMPANIES HOUSE 22/03/00

J DANIELS
Chartered Accountants & Registered Auditors

& CO

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J.A. Daniels F.C.A.

MANOR LODGE SCHOOL

A Company Limited by Guarantee

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JULY 1999

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A Company Limited by Guarantee

DIRECTORS REPORT

FOR THE YEAR ENDED 31ST JULY 1999

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) #	Prof. R Bennett (Vice Chairman) *
J A Corbett # (resigned 27.5.99)	Mrs J Jenkins #
A Grant * (resigned 31.8.99)	Mrs J Evans *
Miss M de Villiers *	A Phipps #
S Evers *	

* *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.

Appointed by the main Governing Body:

Miss M de Villers	J Liddle
A Phipps	S Evers

Appointed by parents:

Prof. R Bennett	Mrs J Jenkins
Mrs J Evans	

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 JULY 1999

OFFICERS

The Head	Mrs J M Smart
Deputy Head	Miss A Goodson
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	Barclays Bank Plc The Hampstead Group Business Centre PO Box 2764 London, NW3 6JD
Solicitors	Turner & Debenhams 48 Watling Street Radlett Herts, WD7 7NN
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 JULY 1999

REVIEW

In 1999, Manor Lodge School had 350 pupils, with registrations for entry to Reception increasing. The end of year results for Years 2 and 6 once again exceeded those of previous years. Curriculum Co-ordinators are now in place, working with specific areas of the curriculum throughout the school.

The main focus of development within the school has been one extra class in Years 3 and 4. Traditionally the three classes of 18 children in the Infant Department (Year 2, 54 children) have become two classes of 22 children in the Junior Department as a result of exam successes for other schools at the end of Year 2. Interest and firm registrations at the end of Year 2 have resulted in these places being filled and we are able to maintain three classes of 18 - not only in Year 3 but also in Year 4. It is hoped that these classes will be a steady state throughout the school and by September 2001 the three-form entry in Reception will be maintained throughout the school i.e. 21 classes of 18 children.

Refurbishment of the house and grounds continues, the main house now being returned to its original glory on a room by room basis. We invested heavily in new computers for the children this academic year with a complete refurbishment of the Computer Suite. The grounds have been enhanced by a new tennis and netball court and the car park has been completed a year ahead of schedule.

THE FINANCIAL RESULTS

The School's operating surplus of £307,460 for the year was higher than projected and is stated after charging interest of £94,956 on the long term bank loan. 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 and service the existing debt. Our Development Plans involve significant future capital expenditure. The full results are shown in the accounts.

RESOURCES

Note 15 to the accounts sets out an analysis of the assets attributable to the various funds.

The School's tangible assets are all held for use by the School. In the present property market the Directors are unable to estimate whether their value is materially different from that shown in the accounts.

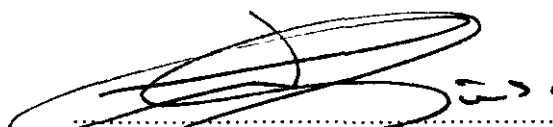
AUDITORS

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 17th Febraury 2000 and signed on its behalf by


.....
G P Simms Esq, Secretary

TO THE MEMBERS OF MANOR LODGE SCHOOL

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

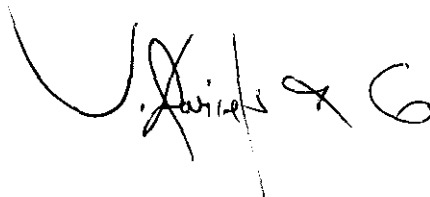
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements 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 July 1999 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**

A handwritten signature in black ink, appearing to read 'J. Daniels & Co.', with a large, stylized flourish at the end.

Date : 18th February 2000

Registered Auditors

*A Company Limited by Guarantee***STATEMENT OF FINANCIAL ACTIVITIES****FOR THE YEAR ENDED 31ST JULY 1999**

	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 1999</u> £	<u>1998</u> £
INCOMING RESOURCES					
Fees Receivable	1(c)	1,634,908	-	1,634,908	1,500,302
Other Income	2	7,815	-	7,815	4,975
Bank Interest		42,993	-	42,993	45,066
Donations	1(f),8	300	6,736	7,036	10,100
Total Incoming Resources		1,686,016	6,736	1,692,752	1,560,443
RESOURCES EXPENDED					
Direct Charitable Expenditure					
Teaching Costs		811,762	-	811,762	758,383
Welfare		136,745	-	136,745	122,056
Premises		156,390	-	156,390	159,614
Administration of the School		142,550	-	142,550	138,808
Restricted Funds - Depreciation		-	3,506	3,506	3,124
- Fête Expenses		-	167	167	2,674
		1,247,447	3,673	1,251,120	1,184,659
Other Expenditure					
Finance and Other Costs		109,779	-	109,779	116,083
Management and Administration of the Charity		24,393	-	24,393	22,788
Total Resources Expended	3,4	1,381,619	3,673	1,385,292	1,323,530
NET INCOMING RESOURCES					
Balances brought forward		304,397	3,063	307,460	236,913
		431,447	19,021	450,468	213,555
BALANCES CARRIED FORWARD		<u>735,844</u>	<u>22,084</u>	<u>757,928</u>	<u>450,468</u>

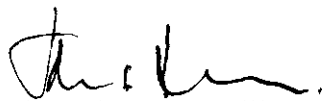
The attached notes form part of these Accounts.

*A Company Limited by Guarantee***BALANCE SHEET****AS AT 31ST JULY 1999**

	<u>Notes</u>	<u>£</u>	<u>1999</u>	<u>£</u>	<u>1998</u>	<u>£</u>
TANGIBLE FIXED ASSETS	7		881,145		819,877	
CURRENT ASSETS						
Stocks	9	544		2,720		
Debtors	11	18,612		20,796		
Investments	10	1,045,262		877,359		
Cash at Bank and in hand		2,681		2,502		
			-----		-----	
		1,067,099		903,377		
CURRENT LIABILITIES						
Creditors : Amounts due within one year	12	280,807		152,746		

NET CURRENT ASSETS			786,292		750,631	
TOTAL ASSETS LESS CURRENT LIABILITIES			-----		-----	
			1,667,437		1,570,508	
CREDITORS : Amounts due after more than one year	12		909,509		1,120,040	
			-----		-----	
TOTAL NET ASSETS			757,928		450,468	
RESTRICTED FUNDS	8(a)		22,084		19,021	
UNRESTRICTED FUNDS						
Retained Income	8(b)		735,844		431,447	
			-----		-----	
TOTAL FUNDS	15		757,928		450,468	
			=====		=====	

Approved by the Board on 17th February 2000 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 JULY 1999

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

c. Fees

Fees receivable are stated after deducting contribution allowances.

d. 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.

e. 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.

f. 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>1999</u>	<u>1998</u>
	£	£
Registration Fees	<u>7,815</u>	<u>4,375</u>

3. EXPENDITURE

	<u>1999</u>	<u>1998</u>
	£	£
Other expenditure includes:		
Auditors Remuneration	3,600	3,950
Directors Insurance	1,453	1,456
Life Assurance	3,779	2,052
	<u> </u>	<u> </u>

*A Company Limited by Guarantee***NOTES TO THE ACCOUNTS - continued****FOR THE YEAR ENDED 31ST JULY 1999****4. ANALYSIS OF RESOURCES EXPENDED**

	<u>Staff Costs</u> £	<u>Other</u> £	<u>Depreciation</u> £	<u>Total</u> £
Direct Charitable Expenditure:				
Teaching Costs	720,902	90,860	-	811,762
Housekeeping	15,811	120,934	-	136,745
Premises	36,957	102,839	16,594	156,390
Administration of the School	72,177	32,878	37,495	142,550
Restricted Funds	-	167	3,506	3,673
	<hr/>	<hr/>	<hr/>	<hr/>
	845,847	347,678	57,595	1,251,120
Other Expenditure:				
Finance and Other Costs	-	109,779	-	109,779
Management and Administration of the Charity	24,393	-	-	24,393
	<hr/>	<hr/>	<hr/>	<hr/>
	870,240	457,457	57,595	1,385,292
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

5. STAFF COSTS

	<u>1999</u> £	<u>1998</u> £
Social Security Costs	60,440	56,675
Wages and Salaries	763,403	699,414
Pension Costs	46,397	41,366
	<hr/>	<hr/>
	870,240	797,455
	<hr/> <hr/>	<hr/> <hr/>

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

	<u>1999</u> <u>No.</u>	<u>1998</u> <u>No.</u>
Teaching and Administration	<u>40</u>	<u>37</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>1999</u> £	<u>1998</u> £
On Bank Overdraft and Loans	<u>94,956</u>	<u>104,332</u>

*A Company Limited by Guarantee*NOTES TO THE ACCOUNTS - continuedFOR THE YEAR ENDED 31ST JULY 1999

7.	TANGIBLE FIXED ASSETS	<u>Equipment, Fixtures and Fittings</u>	<u>Freehold Property</u>	<u>Total</u>	
		£	£	£	
	<u>Cost or Valuation</u>				
	As at 1st August 1998	178,850	811,660	990,510	
	Additions	70,126	45,231	115,357	
	At 31st July 1999	248,976	856,891	1,105,867	
	<u>Depreciation</u>				
	As at 1st August 1998	95,939	74,694	170,633	
	Charge for Year	37,495	16,594	54,089	
	At 31st July 1999	133,434	91,288	224,722	
	<u>Net Book Value</u>				
	At 31st July 1999	<u>115,542</u>	<u>765,603</u>	<u>881,145</u>	
	At 31st July 1998	<u>82,911</u>	<u>736,966</u>	<u>819,877</u>	
8.	FUNDS				
	a) Restricted Funds	<u>Balance at 1-8-98</u>	<u>Incoming Resources</u>	<u>Resources Expended</u>	<u>Balance at 31-7-99</u>
		£	£	£	£
	Friends of Manor Lodge School:				
	Football Pitch	3,789	-	(77)	3,712
	Staging	1,679	-	(420)	1,259
	Library Equipment	4,050	-	(1,012)	3,038
	Playground Equipment	2,554	-	(638)	1,916
	Infant Play Equipment	1,278	-	(320)	958
	Yamaha Piano	1,685	-	(404)	1,281
	Computer	1,024	-	(246)	778
	Computer	573	-	(132)	441
	Printer	139	-	(30)	109
	Shed	500	-	(103)	397
	Digital Camera	1,200	-	-	1,200
	Sewing Machine	550	69	(124)	495
	FOML Closing Balance	-	4,762	(166)	4,596
	Playground Benches	-	1,905	(1)	1,904
		<u>19,021</u>	<u>6,736</u>	<u>3,673</u>	<u>22,084</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 JULY 1999****8. FUNDS Continued**

b) Unrestricted Funds

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

9. STOCKS**1999****1998**

£

£

Stocks comprise of the following -

Consumables

5442,720**10. INVESTMENTS****1999****1998**

£

£

Bank - Deposit Account

-

143,250

Bank - Premium Account

1,294

86,792

Bank - High Interest Account

883,968

647,317

Bank - Treasury Deposit

160,000

-

1,045,262877,359**11. DEBTORS****1999****1998**

£

£

Amounts falling due within one year:

Fees Receivable

1,700

783

Prepayments

9,434

12,832

Other Debtors

7,478

7,181

18,61220,796**12. CREDITORS****1999****1998**

£

£

Amounts falling due within one year:

Social Security payable and other Taxation

19,431

18,685

Other Creditors and Accruals

92,652

37,931

Bank Overdraft - Secured (Note 13)

62,608

6,014

Bank Loan - Current Instalment (Note 13)

106,116

90,116

280,807152,746

*A Company Limited by Guarantee***NOTES TO THE ACCOUNTS - continued****FOR THE YEAR ENDED 31ST JULY 1999****12. CREDITORS - continued**

	<u>1999</u>	<u>1998</u>
	<u>£</u>	<u>£</u>
Amounts falling due after one year:		
Deposits Held	160,500	144,750
Parents' Contributions	-	109,000
Bank Loan - Repayable 22.11.2008 (Note 13)	749,009	866,290
	<hr/>	<hr/>
	909,509	1,120,040
	<hr/> <hr/>	<hr/> <hr/>

13. BANK BORROWING

The company's bank borrowing facilities are secured by way of a first charge over the freehold deeds of Manor Lodge School on bank form 552, dated 19th November 1993.

14. CHARITABLE STATUS

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

15. ALLOCATION OF THE CHARITY NET ASSETS

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

	<u>Fixed</u>	<u>Net Current</u>	<u>Long Term</u>	<u>Total</u>
	<u>Assets</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Restricted Funds	17,488	4,596	-	22,084
General Funds:				
Retained Income	863,657	781,696	(909,509)	735,844
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>881,145</u>	<u>786,292</u>	<u>(909,509)</u>	<u>757,928</u>