

2829156

MANOR LODGE SCHOOL

A Company Limited by Guarantee

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST JULY 1998



J DANIELS
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& CO

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FOR THE YEAR ENDED 31ST JULY 1998

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A Company Limited by Guarantee**DIRECTORS REPORT****FOR THE YEAR ENDED 31ST JULY 1998****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) #
P Marcuse # (resigned 12.06.98)
G Davies # (resigned 10.10.97)
Mrs J Jenkins #
Mrs J Evans (appointed 09.12.97)
A Phipps # (appointed 26.01.98)

Prof. R Bennett (Vice Chairman) *
J A Corbett # (re-appointed 25.06.98 at AGM)
A Grant * (re-appointed 25.06.98 at AGM)
Miss M de Villiers * (re-appointed 25.06.98 at AGM)
S Evers * (appointed 09.10.97)

** 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:

G Davies
J A Corbett
A Grant
S Evers

Miss M de Villiers
J Liddle
A Phipps

Appointed by parents:

P Marcuse
Mrs J Jenkins

Prof. R Bennett
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 1998

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 1998

REVIEW

In 1998, Manor Lodge School had 335 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. This has been due to our continued evaluation of the curriculum and our constant endeavours to improve the focus of the teaching we offer.

During this academic year we have completed the first phase of our whole school curriculum planning. Music within the school continues to develop and we now have a large number of children learning to play string, woodwind and brass instruments. Our choir sang again this year at St Albans Abbey as part of the fundraising for Barnado's, whilst our own nominated charity was ASPIRE, the charitable arm of Stanmore Orthopaedic Hospital, which raises money to help adults and children with spinal injuries.

The Library has now been completely refurbished, the final phase having been completed during the Summer term and this is now an excellent resource for all the children within the school. Further work has taken place on the sports pitches to improve drainage and thus ensuring their use throughout the winter months. The exterior of the main school house was completely re-rendered and we are delighted with the result.

THE FINANCIAL RESULTS

The School's operating surplus of £236,913 for the year was higher than projected and is stated after charging interest of £104,332 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 18.1.99 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

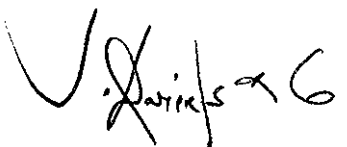
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements 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 1998 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 : 22nd January 1999

Registered Auditors

*A Company Limited by Guarantee***STATEMENT OF FINANCIAL ACTIVITIES****FOR THE YEAR ENDED 31ST JULY 1998**

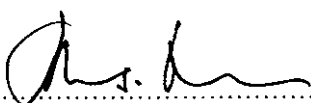
	<u>Notes</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>1997</u>
	<u>£</u>	<u>Funds</u>	<u>Funds</u>	<u>1998</u>	<u>£</u>
		<u>£</u>	<u>£</u>	<u>£</u>	
INCOMING RESOURCES					
Fees Receivable	1(c)	1,500,302	-	1,500,302	1,356,427
Other Income	2	4,975	-	4,975	4,375
Bank Interest		45,066	-	45,066	32,119
Donations	1(f),8	-	10,100	10,100	-
Total Incoming Resources		<u>1,550,343</u>	<u>10,100</u>	<u>1,560,443</u>	<u>1,392,921</u>
RESOURCES EXPENDED					
Direct Charitable Expenditure					
Teaching Costs		758,383	-	758,383	696,549
Welfare		122,056	-	122,056	107,128
Premises		159,614	-	159,614	153,677
Administration of the School		138,808	-	138,808	119,470
Restricted Funds - Depreciation		-	3,124	3,124	2,009
- Educational Supplies		-	2,674	2,674	1,998
		<u>1,178,861</u>	<u>5,798</u>	<u>1,184,659</u>	<u>1,080,831</u>
Other Expenditure					
Finance and Other Costs		116,083	-	116,083	127,838
Management and Administration of the Charity		22,788	-	22,788	20,201
Total Resources Expended	3,4	<u>1,317,732</u>	<u>5,798</u>	<u>1,323,530</u>	<u>1,228,870</u>
NET INCOMING RESOURCES		232,611	4,302	236,913	164,051
Balances brought forward		198,836	14,719	213,555	49,504
BALANCES CARRIED FORWARD		<u>431,447</u>	<u>19,021</u>	<u>450,468</u>	<u>213,555</u>

The attached notes form part of these Accounts.

A Company Limited by GuaranteeBALANCE SHEETAS AT 31ST JULY 1998

	<u>Notes</u>	<u>£</u>	<u>1998</u> <u>£</u>	<u>£</u>	<u>1997</u> <u>£</u>
TANGIBLE FIXED ASSETS	7		819,877		837,631
CURRENT ASSETS					
Stocks	9	2,720		4,832	
Debtors	11	20,796		55,765	
Investments	10	877,359		738,829	
Cash at Bank and in hand		2,502		1,268	
			903,377	800,694	
CURRENT LIABILITIES					
Creditors : Amounts due within one year	12	152,746		200,904	
NET CURRENT ASSETS			750,631		599,790
TOTAL ASSETS LESS CURRENT LIABILITIES			1,570,508		1,437,421
CREDITORS : Amounts due after more than one year	12		1,120,040		1,223,866
TOTAL NET ASSETS			450,468		213,555
RESTRICTED FUNDS	8(a)		19,021		14,719
UNRESTRICTED FUNDS					
Retained Income	8(b)		431,447		198,836
TOTAL FUNDS	15		450,468		213,555

Approved by the Board on 18th January 1999 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 1998****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>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
Registration Fees	<u>4,975</u>	<u>4,375</u>
3. EXPENDITURE	<u>1998</u>	<u>1997</u>
Other expenditure includes:	<u>£</u>	<u>£</u>
Auditors Remuneration	3,950	3,100
Directors Insurance	1,456	1,435
Life Assurance	2,052	1,241
	<u> </u>	<u> </u>

*A Company Limited by Guarantee***NOTES TO THE ACCOUNTS - continued****FOR THE YEAR ENDED 31ST JULY 1998****4. ANALYSIS OF RESOURCES EXPENDED**

	<u>Staff Costs</u> £	<u>Other</u> £	<u>Depreciation</u> £	<u>Total</u> £
Direct Charitable Expenditure:				
Teaching Costs	662,377	96,006	-	758,383
Housekeeping	12,487	109,569	-	122,056
Premises	30,824	112,598	16,192	159,614
Administration of the School	68,979	39,608	30,221	138,808
Restricted Funds	-	2,674	3,124	5,798
	<u>774,667</u>	<u>360,455</u>	<u>49,537</u>	<u>1,184,659</u>
Other Expenditure:				
Finance and Other Costs	-	116,083	-	116,083
Management and Administration of the Charity	22,788	-	-	22,788
	<u>797,455</u>	<u>476,538</u>	<u>49,537</u>	<u>1,323,530</u>

5. STAFF COSTS

	<u>1998</u> £	<u>1997</u> £
Social Security Costs	56,675	49,002
Wages and Salaries	699,414	658,344
Pension Costs	41,366	35,867
	<u>797,455</u>	<u>743,213</u>

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

	<u>1998</u> <u>No.</u>	<u>1997</u> <u>No.</u>
Teaching and Administration	<u>37</u>	<u>34</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>1998</u> £	<u>1997</u> £
On Bank Overdraft and Loans	<u>104,332</u>	<u>111,897</u>

*A Company Limited by Guarantee***NOTES TO THE ACCOUNTS - continued****FOR THE YEAR ENDED 31ST JULY 1998**

7.	TANGIBLE FIXED ASSETS	<u>Equipment, Fixtures and Fittings</u>	<u>Freehold Property</u>	<u>Total</u>
		<u>£</u>	<u>£</u>	<u>£</u>
	<u>Cost or Valuation</u>			
	As at 1st August 1997	152,041	806,686	958,727
	Additions	26,809	4,974	31,783
	Disposals	-	-	-
		<hr/>	<hr/>	<hr/>
	At 31st July 1998	178,850	811,660	990,510
		<hr/>	<hr/>	<hr/>
	<u>Depreciation</u>			
	As at 1st August 1997	62,594	58,502	121,096
	Charge for Year	33,345	16,192	49,537
	Disposals	-	-	-
		<hr/>	<hr/>	<hr/>
	At 31st July 1998	95,939	74,694	170,633
		<hr/>	<hr/>	<hr/>
	<u>Net Book Value</u>			
	At 31st July 1998	<u>82,911</u>	<u>736,966</u>	<u>819,877</u>
	At 31st July 1997	<u>89,447</u>	<u>748,184</u>	<u>837,631</u>

8.	FUNDS				
a)	Restricted Funds	<u>Balance at</u>	<u>Incoming</u>	<u>Resources</u>	<u>Balance at</u>
		<u>1-8-97</u>	<u>Resources</u>	<u>Expended</u>	<u>31-7-98</u>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
	Friends of Manor Lodge School:				
	Football Pitch	3,866	-	(77)	3,789
	Staging	2,099	-	(420)	1,679
	Library Equipment	5,062	-	(1,012)	4,050
	Playground Equipment	3,192	-	(638)	2,554
	Educational Supplies	500	2,174	(2,674)	-
	Infant Play Equipment	-	1,598	(320)	1,278
	Yamaha Piano	-	2,022	(337)	1,685
	Computer	-	1,229	(205)	1,024
	Computer	-	662	(89)	573
	Printer	-	151	(12)	139
	Shed	-	514	(14)	500
	Digital Camera	-	1,200	-	1,200
	Sewing Machine	-	550	-	550
		<hr/>	<hr/>	<hr/>	<hr/>
		14,719	10,100	5,798	19,021

"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 1998****8. FUNDS Continued**

b) Unrestricted Funds

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

9. STOCKS**1998****1997****£****£**

Stocks comprise of the following -

Consumables

2,7204,832**10. INVESTMENTS****1998****1997****£****£**

Bank - Deposit Account

143,250

119,250

Bank - Premium Account

86,792

298,849

Bank - High Interest Account

647,317

320,730

877,359738,829**11. DEBTORS****1998****1997****£****£**

Amounts falling due within one year:

Fees Receivable

783

-

Prepayments

12,832

7,847

Other Debtors

7,181

47,918

20,79655,765**12. CREDITORS****1998****1997****£****£**

Amounts falling due within one year:

Social Security payable and other Taxation

18,685

17,233

Other Creditors and Accruals

37,931

92,982

Bank Overdraft - Secured (Note 13)

6,014

4,106

Bank Loan - Current Instalment (Note 13)

90,116

86,583

152,746200,904

*A Company Limited by Guarantee***NOTES TO THE ACCOUNTS - continued****FOR THE YEAR ENDED 31ST JULY 1998****12. CREDITORS - continued**

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
Amounts falling due after one year:		
Deposits Held	144,750	119,750
Parents' Contributions	109,000	142,500
Bank Loan - Repayable 22.11.2008 (Note 13)	866,290	961,616
	<u>1,120,040</u>	<u>1,223,866</u>

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>Assets</u> <u>£</u>	<u>Net Current</u> <u>Assets</u> <u>£</u>	<u>Long Term</u> <u>Liabilities</u> <u>£</u>	<u>Total</u> <u>£</u>
Restricted Funds	19,021	-	-	19,021
General Funds:				
Retained Income	800,856	750,631	(1,120,040)	431,447
	<u>819,877</u>	<u>750,631</u>	<u>(1,120,040)</u>	<u>450,468</u>