

THE MANOR PREPARATORY SCHOOL TRUST
(A Company Limited by Guarantee)

ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2005

REGISTERED CHARITY NO: 900347

COMPANY NO: 2454554



THE MANOR PREPARATORY SCHOOL TRUST

ADMINISTRATIVE INFORMATION

Visitor:

The Right Reverend The Lord Bishop of Oxford

Governors:

The Governors are the charity trustees of The Manor Preparatory School Trust and have all served in office throughout the year except where indicated.

Mr M C Harrison (Chairman)
Mr M I Lucas (Vice Chairman)
Mr J I Barton
Mrs P H Capron
The Honourable Mrs F G Jack
Mr M R Johnson
Mrs R M Kashti
Reverend Mother B C Kelly
Mrs E E A McKendrick
Mr H W B Mendus (retired June 2004)
Mrs C E M Prichard
Dr P W Rose

Officers:

Mrs D A Robinson – Headmistress
Mrs J B Glover – Bursar, Clerk to the Governors and Company Secretary

Company Registered Address:

The Manor Preparatory School Trust
Faringdon Road
Abingdon
Oxon
OX13 6LN

A Company registered in England and limited by guarantee No: 2454554

Charity Commission No: 900347

THE MANOR PREPARATORY SCHOOL TRUST
PROVIDERS OF PROFESSIONAL SERVICES

Bankers:

National Westminster Bank
Thames Valley Corporate Business Centre
Oxford Commercial Office
Willow Court
Minns Business Park
7 West Way
Oxford
OX2 0JB

Solicitors:

Challenor & Son, Solicitors
Stratton House
Bath Street
Abingdon
Oxon
OX14 3LA

Darbys Solicitors
52 New Inn Hall Street
Oxford
OX1 2QD

Auditors:

Critchleys
Chartered Accountants
Avalon House
Marcham Road
Abingdon
Oxon
OX14 1UD

THE MANOR PREPARATORY SCHOOL LIMITED

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FOR THE YEAR ENDED 31 MARCH 2005

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THE MANOR PREPARATORY SCHOOL TRUST
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 MARCH 2005

General

The Trust was incorporated on 12 December 1989 as a company limited by guarantee and its Memorandum and Articles of Association govern it.

The Governors present their audited accounts for the year ended 31 March 2005.

Mrs P H Capron and Mrs E E A McKendrick were required to retire in rotation at the Annual General Meeting on 16 June 2004. Both were eligible to stand for re-election as Governors and were re-elected. Mr M C Harrison was re-elected as Chairman for the academic year ending 31 August 2005. Mr M I Lucas was elected Vice-Chairman for the academic year ending 31 August 2005.

The Trust has no share capital and consequently none of the Governors have any interest in the shares of the Trust.

The liability of the Governors is limited to the extent of £1 each in the event of the Trust being wound up.

Activity and Financial Review

The main object of the Trust is to promote and provide for the advancement of education of children in the United Kingdom and elsewhere so as to provide them with a sound Christian and moral basis. The principal current activity of the Trust is the operation of an independent preparatory and pre-preparatory school.

The Governors consider that the results for the year, as shown on the attached accounts are satisfactory. The average number of pupils on the roll during the year was 330. The Governors are confident that the coming year will be satisfactory, albeit with a reduced number on roll.

The net incoming resources for the year amounted to £190,640 after the deduction of net financing costs of £2,457 from the operating surplus on activities of £193,097. Total capital costs of £68,163 were incurred. Funds were applied for the purposes of resurfacing the play areas and various items of school ICT and other equipment.

The assets of the school are invested in the land and buildings and note 8 to the financial statements gives a complete breakdown. Land and buildings are shown at a value of £3.5M in the accounts. Their value for insurance purposes is £8.5M. Current assets and liabilities remain stable.

A full review of all existing strategic plans has been commissioned by the Chairman of the Governors and it is anticipated that this will be concluded in the forthcoming year. Further consideration will be given to alterations and extensions to existing buildings and further buildings as a result of this review. It is anticipated that the proposed timing of these works will be finalised during 2005/2006.

The Board continues to keep the school's activities under review, particularly with regard to any major risks that may arise from time to time, and to monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate, by which those risks already identified by the Governors can best be mitigated.

THE MANOR PREPARATORY SCHOOL TRUST
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 MARCH 2005

Activity and Financial Review (continued)

The financial reserves policy, which helps to underpin the achievement of the School's objectives, is:

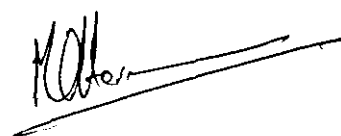
- (a) to have sufficient working capital so that all aspects of the school's work can be conducted in an orderly and efficient manner, including the development and maintenance of the school's buildings.
- (b) to use all cash assets to minimise borrowing associated with the continual development of the school and its buildings.
- (c) to provide cover for unexpected or unavoidable items of expenditure which cannot be funded from current income.

The policy is based on maintaining either cash at bank or access to borrowing facilities when major capital projects are undertaken. It is the school's intention to build its financial reserves of liquid resources within a ten-year period.

Auditors:

A resolution to re-appoint Critchleys, Chartered Accountants, as auditors will be proposed at the Annual General Meeting on Wednesday 15 June 2005.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'M C Harrison', followed by a long horizontal line extending to the right.

M C Harrison
Chairman

15 June 2005

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
THE MANOR PREPARATORY SCHOOL TRUST
(A company limited by guarantee)

We have audited the financial statements of The Manor Preparatory School Trust for the year ended 31 March 2005 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention, as modified by the revaluation of freehold land and buildings, and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Governors and Auditors

As described below, the Governors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Governors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding governors' remuneration and transactions with the company is not disclosed.

We read the Governors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.


Basis of Audit Opinion

We conducted our audit in accordance with United Kingdom 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 accounts. It also includes an assessment of the judgements made by the Governors 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 as to whether the financial statements are free from material misstatement, 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 charitable company's state of affairs as at 31 March 2005 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.



Critchleys
Chartered Accountants
Registered Auditors

THE MANOR PREPARATORY SCHOOL TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2005

INCOME AND EXPENDITURE ACCOUNT	Note	2005 £	2004 £
INCOMING RESOURCES			
Charitable Activities			
Fees receivable	2e	2,322,578	2,266,958
Other income	2f	98,529	87,605
Other Activities to Generate Funds			
Lettings income	2g	10,027	10,143
Ancillary trading income	2h	8,535	7,554
Interest received	2i	11,277	3,297
Donations	2j	-	5,000
Total Incoming Resources		2,450,946	2,380,557
RESOURCES EXPENDED	2k		
Costs of Generating Funds			
Ancillary trading expenses	3 & 5a	8,648	6,184
Financing costs	5b	289	2,834
Marketing and advertising	5c	26,536	18,048
		35,473	27,066
Net Incoming Resources available for Charitable Application		2,415,473	2,353,491
Charitable Expenditure	6		
Teaching		1,526,324	1,451,791
Welfare		179,547	170,043
Premises		264,612	243,175
Support costs		246,009	240,200
Management and administration		8,341	15,159
Total Charitable Expenditure		2,224,833	2,120,368
Total Resources Expended		2,260,306	2,147,434
Net Incoming Resources		190,640	233,123
Balances brought forward at 1 April 2004		3,280,185	3,047,062
Balances carried forward at 31 March 2005		3,470,825	3,280,185

There are no restricted funds.

There were no gains or losses arising during the year other than those reported above.

All turnover and operating profit arise from continuing activities.

THE MANOR PREPARATORY SCHOOL TRUST

BALANCE SHEET

AS AT 31 MARCH 2005

	Note	2005		2004	
		£	£	£	£
Fixed Assets					
Tangible assets	2b, 8		3,462,600		3,518,992
Current Assets					
Stocks	2c	7,818		9,687	
Debtors	9	48,242		83,316	
Cash at bank and in hand		498,184		176,155	
		<u>554,244</u>		<u>269,158</u>	
Creditors					
Amounts falling due within one year	10	(346,019)		(307,965)	
Net current assets/(liabilities)			<u>208,225</u>		<u>(38,807)</u>
Total assets less current liabilities			<u>3,670,825</u>		<u>3,480,185</u>
Creditors					
Amounts falling due after one year	11		(200,000)		(200,000)
Net Assets			<u>3,470,825</u>		<u>3,280,185</u>
Financed by:					
Unrestricted funds			<u>3,470,825</u>		<u>3,280,185</u>

The accounts were approved by the Board of Governors on 15 June 2005.

Chairman Governor Rebecca Kanti

THE MANOR PREPARATORY SCHOOL TRUST

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2005

	Note	2005		2004	
		£	£	£	£
Net incoming resources from operating activities	1		379,204		352,559
Returns on Investments and Servicing of Finance					
Interest received		11,277		3,297	
Interest paid		(289)		(2,834)	
Net cash inflow from returns on investments and servicing of finance			10,988		463
Capital Expenditure and Financial Investment					
Payment to acquire tangible fixed assets		(68,163)		(83,159)	
Sale proceeds of fixed assets		-	(68,163)	1,055	(82,104)
Net cash inflow before financing			322,029		270,918
Financing					
Repayment of loans		-		(100,000)	
Net cash outflow from financing			-		(100,000)
Increase in cash and cash equivalents	2		322,029		170,918

THE MANOR PREPARATORY SCHOOL TRUST
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2005

	2005 £	2004 £	
1. Reconciliation of Operating Profit to Net Cash Income from Operating Activities			
Net incoming resources	190,640	233,123	
Interest received	(11,277)	(3,297)	
Interest paid	289	2,834	
	<hr/>	<hr/>	
Operating Profit	179,652	232,660	
Depreciation charges	124,555	117,686	
Profit on disposal of fixed assets	-	(10)	
Decrease in stocks	1,869	187	
Decrease/(increase) in debtors	35,074	(39,701)	
Increase in creditors	38,054	41,737	
	<hr/>	<hr/>	
Net Incoming Resources from Operating Activities	379,204	352,559	
	<hr/>	<hr/>	
2. Reconciliation of Increase/(Decrease) in Cash Equivalents			
(Decrease)/increase in cash in hand	(107)	100	
Increase in cash at bank	322,136	170,818	
	<hr/>	<hr/>	
Increase in Cash Equivalents	322,029	170,918	
	<hr/>	<hr/>	
3. Analysis of change in net debt	1 April 2004	Cash flow	31 March 2005
	£	£	£
Cash in hand and at bank	176,155	322,029	498,184
Debts due after one year	(200,000)	-	(200,000)
	<hr/>	<hr/>	<hr/>
	(23,845)	322,029	298,184
	<hr/>	<hr/>	<hr/>

THE MANOR PREPARATORY SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2005

1. Governors' Responsibilities

Company law requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the results of the company for that period. In preparing those accounts the Governors are required to select suitable accounting policies and then apply them consistently, make judgements and estimates that are reasonable and prudent and prepare the accounts on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The Governors 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 accounts 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.

2. Accounting Policies

(a) Basis of Preparation

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards and the current Statement of Recommended Practice on accounting and reporting by charities: the Charities SORP 2000.

(b) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided at rates that reflect the anticipated useful lives of the assets and their estimated residual values.

Equipment and furniture	15% straight line
Computer equipment (school/office)	33 ¹ / ₃ % straight line
Buildings	2% straight line

No depreciation is provided on freehold land.

Items costing less than £500 are written off as an expense as acquired.

(c) Stocks

Food is valued at cost. Materials for instruction, books, etc. are valued at the lower of cost and their estimated net realisable value.

(d) Pension Costs

Teaching staff contribute to the Department of Education pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company. Contributions to the scheme are charged to the income and expenditure account as they become payable.

The company also contributes to personal, group and IAPS pension schemes for non-teaching staff providing benefits based on money purchase schemes. The assets of the schemes are held separately from those of the company. The pension cost charges represent contributions by the company to these schemes, which are recognised when they become payable.

THE MANOR PREPARATORY SCHOOL TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2005

(e) Fees Receivable

School fees income comprises the value of amounts invoiced for tuition fees charged in respect of pupils. They are stated after deducting any remissions granted by the school in respect of children of local clergy.

	2005 £	2004 £
Gross fees	2,322,578	2,266,958
Less: Bursaries	-	-
	<hr/>	<hr/>
	2,322,578	2,266,958
	<hr/>	<hr/>

(f) Other Income

Other income comprises the value of amounts invoiced in respect of related services charged in respect of pupils, including registration fees.

(g) Lettings Income

Letting income comprises the value of amounts invoiced in respect of facility and premises hire charges to community based organisations and visiting music teachers.

(h) Ancillary Trading Income

Trading income comprises the value of amounts invoiced in respect of school shop and music sales together with surcharges on late payment of bills. (See note 4).

(i) Interest Received

Surplus funds are placed on deposit to maximise income. When the Trust has a loan in place, these funds are used to offset the borrowing arrangement and so reduce the costs of the loan.

(j) Donations

Donation receivable for the general purpose of the Charity are recorded separately and any wishes of the donor(s) taken into account whenever and wherever practicable.

(k) Resources Expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributable to one of the functional categories of resources expended in the SOFA. The school is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

THE MANOR PREPARATORY SCHOOL TRUST
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2005

3. Ancillary Trading Income and Expenditure

The school operates a limited service to pupils and parents providing small items of stationery and uniform accessories. It also purchases music on behalf of the pupils. Surcharges levied to parents on late payment of their accounts are included within this category, as are the hirers' indemnity insurance costs.

Trading results, which are included in the school's income and expenditure account, are shown below:

	2005		2004	
	£	£	£	£
Sales		8,535		7,554
Cost of Sales				
Opening stock	4,826		4,699	
Purchases	7,878		6,311	
	12,704		11,010	
Closing stock	(4,056)		(4,826)	
		(8,648)		(6,184)
(Deficit)/surplus on trading		(113)		1,370

4. Employees

(a) Numbers

The average number of persons employed was:

	2005	2004
	No	No
Teaching	53	55
Welfare	10	10
Premises	10	12
Support	6	5
Total	79	82

THE MANOR PREPARATORY SCHOOL TRUST
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2005

4. Employees (continued)

(b) Staff Costs

	2005 £	2004 £
Wages and salaries	1,404,870	1,320,006
Social security costs	109,044	100,914
Pension costs	138,462	136,594
	<hr/>	<hr/>
Total	1,652,376	1,557,514
	<hr/>	<hr/>

	2005 No.	2004 No.
Number of employees receiving remuneration in excess of £50,000:		
Over £50,000	1	1
	<hr/>	<hr/>

	2005 £	2004 £
Pension contributions paid to employees earning over £50,000:		
	8,775	8,775
	<hr/>	<hr/>

Travel expenses to a total value of £305 were reimbursed to two trustees. No trustees received any other remuneration or expenses.

THE MANOR PREPARATORY SCHOOL TRUST
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2005

5. Costs of Generating Funds

(a) Ancillary Trading Expenses

Trading expenses comprise the costs of items purchased for resale in the school shop and music sales shop.

(b) Financing Costs

Under the new guidelines, only bank loan interest and specific charges relating to borrowing are included within this heading:

	2005 £	2004 £
Special bank loan arrangement fee	-	-
Bank interest	289	2,834
	<hr/> 289	<hr/> 2,834

(c) Marketing and Advertising

The costs of marketing and promoting the school are included within this heading.

6. Charitable Expenditure

The Trust has no restricted or designated funds

	Staff Costs		Other		Depreciation		Total	
	2005 £	2004 £	2005 £	2004 £	2005 £	2004 £	2005 £	2004 £
Teaching	1,378,395	1,326,175	105,523	89,652	42,406	35,964	1,526,324	1,451,791
Welfare	47,114	45,350	132,433	124,693	-	-	179,547	170,043
Premises	78,271	66,846	104,192	94,607	82,149	81,722	264,612	243,175
Support costs	148,596	128,975	97,413	111,225	-	-	246,009	240,200
Management and Admin	-	142	8,341	15,017	-	-	8,341	15,159
	<hr/> 1,652,376	<hr/> 1,567,488	<hr/> 447,902	<hr/> 435,194	<hr/> 124,555	<hr/> 117,686	<hr/> 2,224,833	<hr/> 2,120,368

Other support costs can be analysed as follows:

	2005 £	2004 £
Insurance	32,405	29,164
Postage, stationery and photocopying	17,597	20,152
Training	1,049	2,864
Communication	8,433	5,641
Computer costs	7,113	8,911
Equipment maintenance	1,543	5,979
Termination payments and associated costs	5,000	33,358
Legal and professional costs	3,481	-
Inspection	9,150	-
Other costs	11,642	5,156
	<hr/> 97,413	<hr/> 111,225

THE MANOR PREPARATORY SCHOOL TRUST
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2005

6. Charitable Expenditure (continued)

Net incoming resources is stated after charging:	2005	2004
	£	£
Auditors' remuneration - audit	2,421	1,820
non audit services	-	1,869
Depreciation	124,555	117,686
	<u> </u>	<u> </u>

Governors' indemnity insurance is included as part of the school's overall insurance policy.

7. Taxation

As the Trust is registered as a charity, there is no liability to corporation tax .

8. Tangible Assets

	Freehold Land and Buildings £	Furniture and Equipment £	Total £
Cost:			
Cost 1 April 2004	4,199,227	450,086	4,649,313
Additions in year	30,232	37,931	68,163
Disposals in year	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Cost 31 March 2005	4,229,459	488,017	4,717,476
	<u> </u>	<u> </u>	<u> </u>
Depreciation:			
Depreciation at 1 April 2004	741,979	388,342	1,130,321
Charge for year	82,149	42,406	124,555
Released on disposals	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Depreciation 31 March 2005	824,128	430,748	1,254,876
	<u> </u>	<u> </u>	<u> </u>
Net Book Value:			
At 31 March 2005	3,405,331	57,269	3,462,600
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2004	3,457,248	61,744	3,518,992
	<u> </u>	<u> </u>	<u> </u>

The cost of the land included above is £113,126.

THE MANOR PREPARATORY SCHOOL TRUST
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2005

9. Debtors	2005 £	2004 £
Trade debtors	23,952	17,982
Other debtors	66	30,823
Prepayments	24,224	34,511
	<hr/>	<hr/>
	48,242	83,316
	<hr/>	<hr/>

10. Creditors – Amounts falling due within one year	2005 £	2004 £
Payments received on account	211,760	205,970
Specific purpose accounts	223	1,453
Trade creditors	39,933	52,247
Accruals	59,080	48,295
Other tax and social security	35,023	-
	<hr/>	<hr/>
	346,019	307,965
	<hr/>	<hr/>

Included within payments received on account are acceptance deposits of £185,875 (2004 : £181,900) which are repayable in the event of one term's notice being received for the withdrawal of pupils.

11. Creditors – Amounts falling due after one year	2005 £	2004 £
Bank loan (no fixed repayment term)	200,000	200,000
Less repayable within one year	-	-
	<hr/>	<hr/>
	200,000	200,000
	<hr/>	<hr/>

The bank loan is secured on the freehold property by legal mortgage dated 23 October 1996. Provided that the Trust maintains a cleared balance on its current account equal to the balance on its loan account then no interest is payable. Should a deficit arise, interest will be charged at base rate plus 1%.

12. Capital Commitments

At 31 March 2005 the Trust had capital commitments of £4,481 (2004 : £Nil).