

REGISTERED CHARITY NO: 900347  
COMPANY NO: 02454554

**THE MANOR PREPARATORY SCHOOL TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2018**



**THE MANOR PREPARATORY SCHOOL TRUST  
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FOR THE YEAR ENDED 31 JULY 2018**

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## **THE MANOR PREPARATORY SCHOOL TRUST**

### **ADMINISTRATIVE INFORMATION**

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#### **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.

Mrs S L Champkin<sup>12</sup>  
Mr M A Charter<sup>12</sup>  
Mr S M Forrestal<sup>12</sup> (Chair)  
Mr D Jones<sup>12</sup>  
Dr L MacLaren  
Ms P I Matchwick<sup>12</sup>  
Mrs J R Rimmer  
Mrs M Ruiseal  
Ms S Sowden  
Mrs C R Steinsberg<sup>12</sup>

- 1     *Finance and general purpose Sub-Committee*
- 2     *Premises Sub-Committee*

#### **OFFICERS (KEY MANAGEMENT PERSONNEL):**

Mr A Thomas (Headmaster)  
Mr D Ramm (Bursar, Clerk to the Governors and Company Secretary)  
Mrs A Stokes (Deputy Head and Academic Leader)

#### **COMPANY REGISTERED ADDRESS:**

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

A company registered in England and limited by guarantee No. 02454554.

**THE MANOR PREPARATORY SCHOOL TRUST**  
**ADMINISTRATIVE INFORMATION**

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**BANKERS:**

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

Svenska Handelsbanken AB (publ)  
7<sup>th</sup> Floor  
Seacourt Tower  
West Way  
Botley  
Oxford  
OX2 0JJ

**SOLICITORS:**

Harrison Clark Rickerbys  
Ellenborough House  
Wellington Street  
Cheltenham  
GL50 1YD

**AUDITORS:**

Crowe U.K. LLP  
Aquis House  
49-51 Blagrove Street  
Reading  
Berkshire  
RG1 1PL

# **THE MANOR PREPARATORY SCHOOL TRUST**

## **REPORT OF THE GOVERNORS**

### **FOR THE YEAR ENDED 31 JULY 2018**

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The Governors of the School, who are also the Directors of the Company and Charity Trustees for the purposes of the Charities Act 2011, have pleasure in presenting their annual report, together with the financial statements, for the year ending 31 July 2018.

The format and content of the report and financial statements comply with the Companies Act 2006, the Charities Act 2011 and the Statement of Recommended Practice: 'Accounting and Reporting by Charities' (SORP FRS 102).

#### **REFERENCE AND ADMINISTRATIVE INFORMATION**

The Manor Preparatory School Trust was incorporated on 12 December 1989 as a company limited by guarantee. The company number is 2454554, and the charity number 900347.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### ***Governing Document***

The company is governed by its Memorandum and Articles of Association.

##### ***Governing Body***

The Governors of the Trust are all Directors of the Company. Those who held office during the financial year are listed on page 1. Governors are elected by the Board to fill a vacancy due to retirement, or to enhance or add to the particular skills of the Board. One third of the elected Governors, based on those who have been longest in office since their last election, retire from office at each Annual General Meeting but, where eligible, retiring Governors are encouraged to stand for re-election at that Annual General Meeting. Governors may remain in office for a continuous period of nine years. A retiring elected Governor, who, at the date of his retirement is serving as Chairman of the Trust, is eligible for re-election (subject to annual re-election as Chairman) for a maximum period of three years even if the continuous period of service exceeds nine consecutive years.

Mrs S Champkin, Mr M Charter, Mr D Jones and Mrs J Rimmer were required to retire in rotation at the Annual General Meeting on 29 November 2017. All were re-elected.

The Trust has no share capital and consequently none of the Governors has any interest in the Trust. The liability of the Governors is limited to the extent of £1 each in the event of the Trust being wound up.

##### ***Recruitment and Training of Governors***

Potential governors are identified by members of the Governing Body and considered against the Body's specifications concerning eligibility, competence, specialist skills and local availability. Training is offered to all Governors.

##### ***Organisational Management***

The members of the Governing Body are legally responsible for the overall management and control of the School. The Governing Body meets four times during the year and at other times as required by the School's business. Much of the preparation for these meetings is undertaken by the Finance and General Purpose and the Premises sub-committees of the Board. At the end of each meeting of the Governing Body there is an opportunity for the Governors to have a discussion without staff present if and when the need arises.

The day to day running of the School is delegated to the Headmaster, Deputy Head and Bursar, as the key management personnel, who in turn are supported by the Senior Leadership Team. The Headmaster, Deputy Head and Bursar attend meetings of the Governing Body and its Committees.

The remuneration of key management personnel is set by the Board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the School's success.

**THE MANOR PREPARATORY SCHOOL TRUST**  
**REPORT OF THE GOVERNORS**  
**FOR THE YEAR ENDED 31 JULY 2018**

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The appropriateness and relevance of the pay policy is reviewed annually, ensuring that the School remains sensitive to the broader issues of pay and employment conditions elsewhere.

Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

***Group Structure***

The company has no subsidiaries.

The School is an active member of:

- The Independent Schools Council
- The Association of Governing Bodies of Independent Schools
- The Independent Schools' Bursars Association

The Headmaster is an active member of:

- The Independent Association of Preparatory Schools

***Local Community Relationships and other Charitable Activities***

The School provides the use of its facilities to local community groups and to local families on a regular basis at either low cost or no cost. It supports both national and international charities through a wide variety of fund raising initiatives. The School is also committed to serving the best interests of the local community by protecting and actively promoting the improvement of the local environment.

**OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

***Primary Objectives***

The main charitable 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, pre-preparatory and nursery school.

The Governors believe that the School performs its functions well and regularly monitor the performance of the School and its leadership.

**STRATEGIES TO ACHIEVE THE PRIMARY OBJECTIVES**

The Manor Preparatory School's strategic aim is to provide every child with an excellent academic, spiritual and moral education in a warm and supportive environment and to enthuse them with a love of learning and the desire to make the very most of their abilities and opportunities in a rapidly changing world. The School also aims to provide a wide curriculum of activities including drama, art, music, sport and life skills.

***Objectives for the year***

The Board's main objective continued to be to educate all the School's pupils to at least the same high standard achieved by the School in previous years.

The School aims to provide generous resources to support the delivery of the curriculum and to maintain and enhance, through a continuous programme of professional development, an experienced, dedicated and well qualified staff who can educate effectively both academically and spiritually. The refining and enhancing of efficient processes and structures in all areas of management, utilising technological advances where practical and cost effective, support these objectives. The School also encourages all staff and pupils to play a positive role in contributing to the life of the School and the wider community, thus helping the pupils to prepare for their next school and the opportunities, responsibilities and experiences of adult life.

**THE MANOR PREPARATORY SCHOOL TRUST**  
**REPORT OF THE GOVERNORS**  
**FOR THE YEAR ENDED 31 JULY 2018**

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***Strategies to Achieve the Year's Objectives***

Our strategy to achieve our objectives for the year has been to continue to strive for a successful and prosperous school, so that our objective of providing generous resources can be fulfilled. Our objective of providing the best possible staff has been achieved by maintaining a most thorough and demanding recruitment process. The School is committed to continuing to invest in the staff's professional development.

***Volunteers***

The School is immensely grateful to be supported by volunteer parents. The Friends of The Manor set up and run fund-raising activities both for the School and for national and international charities chosen by the School's pupils. FOTM has now been closed as a separate charity and a new restricted fund 'Manor Association of Parents' has been set up within the school. See note 14.

***Fundraising Activities***

The Manor Preparatory School Trust does not engage in large scale fundraising activities like mass mailings, telephone fundraising or door-to-door campaigns. The School does not employ a separate fundraising team or third party organisation to help raise funds. Any small level fundraising activities focus on the current parents and other individuals or organisations connected with the school rather than the wider community. During the financial year, the School did not receive any fundraising complaints requiring action by the Fundraising Regulator.

<b>STRATEGIC REPORT</b>
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**ACHIEVEMENTS AND PERFORMANCE**

***Significant events***

2017/18 was an eventful year for The Manor on a number of fronts:

In December 2017 the school bade a fond farewell to Mr Piers Heyworth after eleven years of headship at The Manor. In January 2018 Mr Alastair Thomas took up the reins bringing with him a wealth of experience from eight years as Head at The Elms School; a co-educational boarding school for children up to the age of 13 in Malvern.

Having announced the move to full co-education for all pupils between the ages of 2 and 11 in January 2017, Alastair's primary objective is to make this transition as smooth as possible, as the first boys move into Key Stage 2 in September 2018. Early indications are very positive and retention has been strong as the children have moved into the Prep Department.

The new Sports Hall was started in July 2017 and completed in August 2018. The construction process has been managed smoothly and efficiently with minimal disruption to the day-to-day running of the school.

***Academic Excellence***

The School enjoyed a first-class year in terms of its academic successes and in relation to its sporting, musical, dramatic and extra-curricular achievements.

Girls leaving at the age of 11 progressed to prestigious day schools such as the School of St Helen and St Katharine, Headington, Oxford High and to boarding schools including Downe House and Oundle School. In all 25 scholarships, exhibitions or awards were offered by senior schools to Manor Year 6 girls for entry in September 2018.

For the first time in its history, The Manor did not have to say goodbye to the Year 2 boys in July 2018; we look forward to celebrating their achievements at 11+ in 2022.

**THE MANOR PREPARATORY SCHOOL TRUST**  
**REPORT OF THE GOVERNORS**  
**FOR THE YEAR ENDED 31 JULY 2018**

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***The Manor's 2017/18 Year 6 Leavers***

In the nationally normed GL Assessment core subjects progress tests in English, Maths and Science in 2018, Year 6 Manor pupils achieved an average score of 119, against a national average of 100. This average mark puts The Manor at the 90<sup>th</sup> percentile nationally: a remarkable achievement for a broadly non-selective school.

***Sport***

The number of inter-school sports fixtures was considerable, which gave opportunities for very large numbers of children to represent the School:

Inter-School Matches 2017-2018			
Athletics	1	Hockey	57
Biathlon	4	Netball	71
Cricket	30	Swimming	64
Cross Country	20	Tennis	26
Football	7	Triathlon	1

**Highlights**

**Athletics**

- June 2018: Mercia U12 Area Athletics Championships held at Tilsley Park. Two pupils competed in the 1500m finishing 3rd and 6th.

**Biathlon**

- March 2018: U11 and U10 British Schools Biathlon National Finals held at Crystal Palace. Twelve pupils qualified from the Regional Round. U10 finished 4<sup>th</sup> and U11 finished 9<sup>th</sup>.

**Cricket**

- June 2018: Competed at IAPS U11 Regional Round for the first time.
- April 2018: Inaugural Pre-Season Cricket for Year 1-6 with special guest star, Charlotte Edwards, former Ladies England Captain. 68 Manor children attended.

**Netball**

- March 2018: IAPS U11 National Finals held at Basildon. 40 schools qualified. The Manor finished Runner Up. This is the best ever result that The Manor has achieved at Nationals. 242 schools took part throughout 10 regionals around the country.

**Swimming**

- June 2018: IAPS National Swimming Finals held at the Aquatic Park in London. One Year 6 pupil finished in 4th place in the butterfly stroke, moving up from 10th in the rankings.

**Triathlon**

- June 2018: IAPS U10 Triathlon Championships held at Dulwich Prep School. One Year 5 pupil competed, finishing 10th out of 57 children.

***Drama***

In 2017/18 The Manor put on seven plays, ran four Drama Clubs and provided curricular Drama lessons in Year 3-6. The focus on Drama and speaking aloud is backed up by the school's annual Poetry Festival for all age groups, as well as the annual Winston Churchill Public Speaking Competition at Blenheim Palace.

**THE MANOR PREPARATORY SCHOOL TRUST**  
**REPORT OF THE GOVERNORS**  
**FOR THE YEAR ENDED 31 JULY 2018**

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**ICT**

The school has adopted the use of Google technology as part of its IT strategy and we continue to invest in this area. Chromebooks have been purchased for Year 3 and more are being planned through the course of the next academic year. In addition to this, investment has been made in staff training enabling them to make the most of the technology available. The children's use of IT to embed their learning has also increased both in school and independently.

***Achievement in relation to last year's future plans***

***Prepare for the phasing in of full co-education from September 2018***

Full reviews of the curriculum were carried out over the course of the last year. Changes have been implemented where appropriate in all areas of the curriculum. The new Sports Hall has been completed (see more information below) and new wash and changing facilities have been installed.

***Continue to develop details of the 10 year facilities master plan***

The development of the Sports' Hall has been a wonderful addition to our site and our facilities. In addition to offering outstanding opportunities for our children in a sporting sense, this development has also freed up other areas of the school which can give greater focus on the Creative and Performing Arts, allowing more dedicated space for these areas. The Headmaster and the Governors continue to look closely at the 10 year facilities master plan, considering the needs of the children and the school moving forwards.

***Ensure excellent transition between the retiring Headmaster and the incoming Headmaster, who starts in January 2018***

A very smooth transition was achieved between Mr Piers Heyworth and Mr Alastair Thomas throughout the Autumn Term 2017. A huge amount of hard work was undertaken by all members of staff to ensure this.

**PUBLIC BENEFIT**

The guidance from the Charities Commission states that public benefit provided by The Manor Preparatory School has to be consistent with the school's aims.

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011, to have due regard to the guidance issued by the Charity Commission on public benefit. In the Memorandum and Articles of Association (amended 24 November 2010) of The Manor Preparatory School Trust (Company 2454554, incorporated on 21 December 1989), it says that "The Trust is established 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 Manor is developing a long-term partnership with Wootton C of E Primary School. The School provided a minibus and driver to Wootton on a regular basis to take a group of children to their swimming lessons. Wootton Primary recently requested a donation of play equipment and The Manor responded by sending an inventory of play and sports items which could be passed on. Wootton Primary accepted approximately 40 items which would benefit children throughout the school. In November 2017, three members of teaching staff from Wootton Primary attended an Art CPD course hosted by The Manor. There was no charge for this event.

The School also lent costumes and props to Ducklington Primary School in December 2017.

**THE MANOR PREPARATORY SCHOOL TRUST**  
**REPORT OF THE GOVERNORS**  
**FOR THE YEAR ENDED 31 JULY 2018**

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***Grant making***

The School aims to widen access to its education on offer by continuing to provide a means tested bursary scheme to allow parents who would otherwise be unable to afford the fees, to send their children to the School.

Bursaries are also offered to existing parents encountering unforeseen hardship through no fault of their own.

The Manor Preparatory School provided eighteen bursaries in 2017/18, totalling £130,000.

***Fundraising for Charities 2017/18***

The School encourages children to fundraise for particular areas of interest as part of the development of their social responsibility and there were many fundraising events for various charities during the year.

**FINANCIAL REVIEW**

***Results for the year***

The net incoming resources for the year amounted to a surplus of £344,325. The Governors consider that the results for the year, as shown on the attached financial statements are satisfactory.

The School aims to achieve a sufficient level of net incoming resources to finance the ongoing capital expenditure required to keep the School's facilities and infrastructure at a level which may be expected of an independent preparatory school and to allow for unforeseen, but essential, expenditure.

***Reserves level and policy***

The School's unrestricted funds stood at £5,603,446 at the year end. After deducting the carrying value of tangible fixed assets held for the charity's own use, adjusted for borrowings, there were no freely available reserves.

It is the Governors' policy to build up free reserves out of annual operating surpluses, subject to the prior demands of further expenditure to equip the School with the up-to-date facilities needed to maintain the standard of educational services provided for the benefit of future pupils.

It is also their policy to establish reserves of £1,670,384 to cover the immediate needs for essential operating expenditure for a term.

**RISK MANAGEMENT**

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 Governing Body is responsible for the management of these risks. The School has a comprehensive risk management framework which includes a detailed risk map. Detailed considerations of risk are assessed by senior staff for review by the Finance and General Purpose sub-committee and the Governing Body. Risks are identified and assessed and controls established throughout the year. A formal review of the risk management process is undertaken on a regular basis. The key controls used include:

- Formal agendas for Governing Body and Committee meetings
- Strategic planning, budgeting and management accounting
- Established reporting lines
- Formal written policies
- Authorisation and approval levels

**THE MANOR PREPARATORY SCHOOL TRUST**  
**REPORT OF THE GOVERNORS**  
**FOR THE YEAR ENDED 31 JULY 2018**

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Through this established risk management process, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary and practicable. It is recognised that these systems can only provide reasonable, and not absolute, assurance that the major risks have been adequately managed.

***Principal risks and uncertainties***

The Governing Body considers the process of going fully co-educational, the transition between the retired Headmaster and the incoming Headmaster and the competition with the many other good independent schools in the area as being the most significant risks facing the School.

The Governing Body also monitors very closely the retained cash surpluses to ensure there will be sufficient funds to invest in any new infrastructure to compete effectively. Notwithstanding the economic situation the School currently has good pupil numbers, but there is no room for complacency.

Health and Safety is always a significant area for risk management. The risks range from fire and infrastructure to personal risks. The breadth of activities at the School is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment.

**FUTURE PLANS**

1. Ensure the successful transition to full co-education ensuring equal focus on girls and boys
2. Continue to develop details of the 10 year facilities master plan
3. Build a thriving Parents' Association under the new banner of MAP (Manor Association of Parents) with a focus on community building and fund-raising
4. Review the structure of the SET/SLT

**PROVISION OF INFORMATION TO AUDITORS**

Each of the persons who are Governors at the time when this Governors Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the School's auditors are unaware; and
- that Governor has taken all steps that ought to have been taken as a Governor in order to be aware of any relevant audit information needed by the School's auditors in connection with preparing their report and to establish that the School's auditors are aware of that information.

**AUDITORS**

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Crowe U.K. LLP as auditors to the company will be put to the Annual General Meeting.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of The Manor Preparatory School Trust on 28 November 2018 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:

**Mr S M Forrestal**  
**Governor**



**THE MANOR PREPARATORY SCHOOL TRUST**  
**STATEMENT OF GOVERNORS' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 JULY 2018**

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The Trustees (who are also directors of The Manor Preparatory School Trust for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable for that period. 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 judgments 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 charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MANOR PREPARATORY SCHOOL TRUST**

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We have audited the financial statements of The Manor Preparatory School Trust for the year ended 31 July 2018 which comprise the statement of financial activities, the balance sheet and 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 Financial Reporting Standard 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 July 2018 and of its incoming resources and application of resources, including its income and expenditure, 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 charitable company 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 charitable company'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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MANOR PREPARATORY SCHOOL TRUST**

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### **Other information**

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

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion based on the work undertaken in the course of our audit

- the information given in the Trustees' Annual Report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MANOR PREPARATORY SCHOOL TRUST**

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### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees 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 charitable company'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**

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.

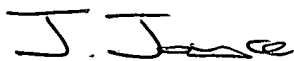
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the

Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Janette Joyce (Senior Statutory Auditor)

For and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

**Aquis House**

**49-51 Blagrove Street**

**Reading**

**RG1 1PL**

Date: 29.11.18

**THE MANOR PREPARATORY SCHOOL TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 JULY 2018**

	Notes	Unrestricted £	Restricted £	Expendable Endowment £	2018 £ Total	2017 £ Total
<b>INCOME FROM:</b>						
<b>Voluntary sources:</b>						
Donations		-	46,454	-	46,454	1,055
<b>Charitable activities:</b>						
School fees receivable	4a	4,711,462	-	-	4,711,462	4,435,879
Other income	4b	571,864	-	-	571,864	548,973
<b>Other trading activities:</b>						
Letting income		25,298	-	-	25,298	24,243
<b>Investments:</b>						
Bank interest		<u>400</u>	<u>-</u>	<u>-</u>	<u>400</u>	<u>604</u>
<b>Total</b>		<u>5,309,024</u>	<u>46,454</u>	<u>-</u>	<u>5,355,478</u>	<u>5,010,754</u>
<b>EXPENDITURE ON:</b>						
<b>Charitable activities:</b>						
School operating costs	5	4,844,204	-	13,900	4,858,104	4,793,339
<b>Raising funds:</b>						
Financing costs	5	54,372	-	-	54,372	(194)
Marketing and advertising	5	<u>98,677</u>	<u>-</u>	<u>-</u>	<u>98,677</u>	<u>103,277</u>
<b>Total</b>	5	<u>4,997,253</u>	<u>-</u>	<u>13,900</u>	<u>5,011,153</u>	<u>4,896,422</u>
<b>Net income before transfers</b>		311,771	46,454	(13,900)	344,325	114,332
<b>Transfers between funds</b>		<u>5,815</u>	<u>(5,815)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET MOVEMENT IN FUNDS</b>		317,586	40,639	(13,900)	344,325	114,332
<b>FUNDS BROUGHT FORWARD AT 1 AUGUST 2017</b>						
		<u>5,285,860</u>	<u>-</u>	<u>611,600</u>	<u>5,897,460</u>	<u>5,783,128</u>
<b>FUNDS CARRIED FORWARD AT 31 JULY 2018</b>						
		<u>5,603,446</u>	<u>40,639</u>	<u>597,700</u>	<u>6,241,785</u>	<u>5,897,460</u>

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


All income and operating surplus arise from continuing activities.

The notes on pages 17 to 28 form part of these financial statements

**THE MANOR PREPARATORY SCHOOL TRUST**  
**(COMPANY NUMBER 02454554)**  
**BALANCE SHEET**  
**31 JULY 2018**

	Notes	2018 £	2017 £
<b>FIXED ASSETS</b>			
Tangible assets	9	8,442,032	5,706,035
<b>CURRENT ASSETS</b>			
Stocks		5,808	16,936
Debtors	10	295,103	272,919
Cash at bank and in hand		<u>891,749</u>	<u>584,778</u>
		<b>1,192,660</b>	<b>874,633</b>
<b>CREDITORS: Amounts falling due within one year</b>	11	<b><u>(1,492,906)</u></b>	<b><u>(683,208)</u></b>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<b><u>(300,246)</u></b>	<b><u>191,425</u></b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>8,141,786</b>	<b>5,897,460</b>
<b>CREDITORS: Amounts due after more than one year</b>	12	<b><u>(1,900,001)</u></b>	<b><u>-</u></b>
<b>NET ASSETS</b>		<b><u>6,241,785</u></b>	<b><u>5,897,460</u></b>
<b>FINANCED BY:</b>			
Unrestricted funds		5,603,446	5,285,860
Restricted funds	14	40,639	-
Expendable endowment funds	14	<u>597,700</u>	<u>611,600</u>
	15	<b><u>6,241,785</u></b>	<b><u>5,897,460</u></b>

Approved and authorised for issue by the Board of Governors on 28 November 2018.

  
 .....  
**Mr S M Forrestal**  
**Governor**

The notes on pages 17 to 28 form part of these financial statements

**THE MANOR PREPARATORY SCHOOL TRUST**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 JULY 2018**

	2018 £	2017 £
<b>Cash flows from operating activities:</b>		
Net movement in funds	344,325	114,332
Interest receivable	(400)	(604)
Interest payable	23,027	-
Depreciation	322,697	338,267
Loss on sale of fixed assets	-	-
Decrease/(increase) in stock	11,128	(1,811)
(Increase)/decrease in debtors	(22,184)	11,887
Increase in creditors	<u>709,699</u>	<u>138,377</u>
<b>Net cash generated in operating activities</b>	<u><b>1,388,292</b></u>	<u><b>600,448</b></u>
<b>Cash flows from investing activities</b>		
Dividends and interest receivable	400	604
Purchase of tangible fixed assets	<u>(3,058,694)</u>	<u>(428,333)</u>
<b>Net cash used in investing activities</b>	<u><b>(3,058,294)</b></u>	<u><b>(427,729)</b></u>
<b>Cash flows from financing activities</b>		
Interest payable	(23,027)	-
Loan drawdowns	<u>2,000,000</u>	<u>-</u>
<b>Net cash generated by financing activities</b>	<u><b>1,976,973</b></u>	<u><b>-</b></u>
Change in cash and cash equivalents in the year	306,971	172,719
Cash and cash equivalents at the beginning of the year	<u>584,778</u>	<u>412,059</u>
<b>Total cash and cash equivalents at the end of the year</b>	<u><b>£ 891,749</b></u>	<u><b>£ 584,778</b></u>

The notes on pages 17 to 28 form part of these financial statements

**THE MANOR PREPARATORY SCHOOL TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2018**

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**1. CHARITY INFORMATION**

The principal current activity of the Trust is the operation of an independent preparatory, pre-preparatory and nursery school. The incorporated charity (charity number 900347, company number 02454554), is domiciled in the UK. The address of the registered office is The Manor Preparatory School Trust, Farringdon Road, Abingdon, Oxon, OX13 6LN.

**2. ACCOUNTING POLICIES**

**a) Accounting convention**

The financial statements have been prepared in accordance with 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 2015) – Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Manor Preparatory School Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity depends on its existing bank facilities to meet its day to day working capital requirements. Current forecasts indicate that the charity expects to be able to operate within these facilities for whole of the foreseeable future. These facilities are renewed annually and are not guaranteed for the period covered by the going concern review. The Governors are not aware, however, of any circumstances that may adversely affect the renewal of these facilities. Accordingly, the governors believe it is appropriate to prepare the financial statements on the going concern basis.

**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.

Buildings	-	2% straight line
Long term fixtures and fittings	-	6 <sup>2</sup> / <sub>3</sub> % straight line
Equipment and furniture	-	15% straight line
Short term fixtures and fittings	-	15% straight line
Motor vehicles	-	20% straight line
Computer equipment (school/office)	-	33 <sup>1</sup> / <sub>3</sub> % straight line

No depreciation is provided on freehold land.

Individual items costing less than £500 are written off as expenses when acquired.

**c) Stocks**

Food is valued at cost. Stocks are valued at the lower of cost and estimated net realisable value.

**THE MANOR PREPARATORY SCHOOL TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2018**

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**2. ACCOUNTING POLICIES (continued)**

**d) 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 bursaries and allowances.

**e) Other income**

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

**f) Letting income**

Letting income comprises the value of amounts invoiced in respect of facility and premises hire charges.

**g) Donations**

Donations receivable for the general purposes of the Charity are recorded separately and any wishes of the donor(s) taken into account whenever and wherever practical.

**h) Resources expended**

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

Expenditure in respect of the other support costs of the charity includes school trips expenditure, recruitment costs and general office costs.

Governance costs comprise the cost of running the charity, including external audit, Governors' legal advice, and constitutional and statutory compliance costs.

**i) Bursaries**

Bursaries are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional. Such Bursaries are recognised as expenditure when the conditions attaching are fulfilled.

**j) Fund accounting**

Unrestricted funds are net incoming resources generated for expenditure on the general objectives of the charity.

Expendable endowment funds are capital that is intended to provide long term benefit to the school but which are expendable at the discretion of the Governors, subject to restrictions imposed by the donor.

Restricted funds are to be used for the specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund.

**THE MANOR PREPARATORY SCHOOL TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2018**

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**k) Acceptance deposits**

The contract terms under which acceptance deposits are held by the School have been reviewed. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 July 2018 have been included within current liabilities. The prior year acceptance deposits balance has been similarly represented.

**l) Pension costs**

Teaching staff contribute to the Department of Education pension scheme providing benefits based on final pensionable pay. This is a multi-employer defined benefit pension scheme. The assets of the scheme are held separately from those of the School. As a result it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the School. Consequently, contributions to the scheme are charged to the income and expenditure account as they become payable.

The School also contributes to a pension scheme for non-teaching staff providing benefits based on a defined contribution scheme. The assets of the scheme are held separately from those of the School. The pension cost charges represent contributions by the School to the scheme, which is recognised when they become payable.

**m) Operating leases**

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**n) Financial instruments**

Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost. Note 20 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to cash and debtor balances excluding prepayments, and financial liabilities referring to all creditor balances excluding deferred income and tax and social security.

**3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the charity's accounting policies, which are described in note 2. Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The Governors consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

**THE MANOR PREPARATORY SCHOOL TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2018**

**4. INCOMING RESOURCES**

**a) SCHOOL FEES**

The School's fee income comprised:

	2018 £	2017 £
Gross fees	4,996,713	4,695,673
Less: Bursaries and allowances	<u>(285,251)</u>	<u>(259,794)</u>
	<u><b>4,711,462</b></u>	<u><b>4,435,879</b></u>

**b) CHARITABLE ACTIVITIES**

Other income:

	2018 £	2017 £
Chargeable extras – income	563,464	541,473
Registration fees	<u>8,400</u>	<u>7,500</u>
	<u><b>571,864</b></u>	<u><b>548,973</b></u>

**5. TOTAL RESOURCES EXPENDED**

	Staff costs £	Depreciation £	Other £	Total 2018 £	Total 2017 £
<b>Charitable activities</b>					
School operating costs:					
Teaching costs	2,679,407	174,694	278,582	3,132,683	3,036,270
Welfare costs	112,832	-	238,691	351,523	309,489
Premises costs	129,607	126,492	258,847	514,946	524,271
Support costs	<u>456,318</u>	<u>21,511</u>	<u>381,123</u>	<u>858,952</u>	<u>923,309</u>
	<u><b>3,378,164</b></u>	<u><b>322,697</b></u>	<u><b>1,157,243</b></u>	<u><b>4,858,104</b></u>	<u><b>4,793,339</b></u>
<b>Raising funds</b>					
Bank charges	-	-	10,702	10,702	3,032
Interest paid	-	-	23,027	23,027	-
Bad debt provision	-	-	20,643	20,643	(3,226)
Loss on sale of fixed assets	-	-	-	-	-
Marketing and advertising	<u>-</u>	<u>-</u>	<u>98,677</u>	<u>98,677</u>	<u>103,277</u>
	<u>-</u>	<u>-</u>	<u>153,049</u>	<u><b>153,049</b></u>	<u><b>103,083</b></u>
<b>TOTAL RESOURCES EXPENDED</b>	<u><b>3,378,164</b></u>	<u><b>322,697</b></u>	<u><b>1,310,292</b></u>	<u><b>5,011,153</b></u>	<u><b>4,896,422</b></u>

Included in support costs are governance costs of £20,050 (2017: £31,307).

**THE MANOR PREPARATORY SCHOOL TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2018**

**6. NET INCOMING RESOURCES**

	2018 £	2017 £
Net incoming resources are stated after charging:		
Depreciation of tangible fixed assets	322,697	338,267
Auditors' remuneration – audit fees	<u>11,070</u>	<u>10,750</u>

**7. EMPLOYEES**

**a) The average number of employees in the period was:**

	2018 No.	2017 No.
Teaching*	94	96
Support	18	19
Premises and Welfare	<u>19</u>	<u>17</u>
	<u>131</u>	<u>132</u>

\*Teaching staff include teachers, teaching assistants and club leaders.

**b) Staff costs**

	2018 £	2017 £
Wages and salaries	2,823,864	2,716,532
Social security costs	246,318	233,940
Pension costs	<u>307,982</u>	<u>296,017</u>
Total	<u>3,378,164</u>	<u>3,246,489</u>

The number of employees whose emoluments exceeded £60,000 were:

	2018 No.	2017 No.
£60,000 - £70,000	3	2
£90,000 - £100,000	<u>-</u>	<u>1</u>

Retirement benefits are accruing for the three (2017: 3) higher paid employees. Contributions in the year totalled £30,693 (2017: £34,413).

Key management personnel comprise the Governors, Headmaster, the Deputy Head and Academic Leader and the Bursar. Their aggregate employee benefits for the year is £309,845 (2017: £279,512).

None of the Governors received any remuneration in the current or preceding year.

**8. TAXATION**

The Manor Preparatory School Trust is a charity and is entitled for the current and prior year to the exemptions provided by Section 505 Income and Corporation Taxes Act 1988.

**THE MANOR PREPARATORY SCHOOL TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2018**

**9. TANGIBLE ASSETS**

	Church Farm (see note 14) £	Other freehold land & buildings £	Fixtures, fittings, furniture & equipment £	Motor vehicles £	Assets under construction £	Total £
<b>COST</b>						
At 1 August 2017	695,000	5,742,737	2,284,129	115,376	321,780	<b>9,159,022</b>
Additions	-	-	162,194	847	2,895,653	<b>3,058,694</b>
Disposals	-	-	-	(14,040)	-	<b>(14,040)</b>
At 31 July 2018	<u>695,000</u>	<u>5,742,737</u>	<u>2,446,323</u>	<u>102,183</u>	<u>3,217,433</u>	<b><u>12,203,676</u></b>
<b>DEPRECIATION</b>						
At 1 August 2017	83,400	1,975,546	1,304,480	89,561	-	<b>3,452,987</b>
Charge for year	13,900	112,592	184,825	11,380	-	<b>322,697</b>
Disposals	-	-	-	(14,040)	-	<b>(14,040)</b>
At 31 July 2018	<u>97,300</u>	<u>2,088,138</u>	<u>1,489,305</u>	<u>86,901</u>	<u>-</u>	<b><u>3,761,644</u></b>
<b>NET BOOK VALUE</b>						
At 31 July 2018	<u><b>597,700</b></u>	<u><b>3,654,599</b></u>	<u><b>957,018</b></u>	<u><b>15,282</b></u>	<u><b>3,217,433</b></u>	<b><u>8,442,032</u></b>
At 31 July 2017	<u>611,600</u>	<u>3,767,191</u>	<u>979,649</u>	<u>25,815</u>	<u>321,780</u>	<b><u>5,706,035</u></b>

**10. DEBTORS**

	2018 £	2017 £
Trade debtors	155,370	130,522
Other debtors	7,418	7,200
Prepayments	<u>132,315</u>	<u>135,197</u>
	<u><b>295,103</b></u>	<u><b>272,919</b></u>

**THE MANOR PREPARATORY SCHOOL TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2018**

**11. CREDITORS: Amounts falling due within one year**

	2018 £	2017 £
Bank Loans (Note 13)	99,999	-
Trade creditors	454,538	91,724
Accruals and deferred income	654,647	310,138
Other tax and social security	70,052	58,807
Other creditors	2,770	2,739
Acceptance deposits	<u>210,900</u>	<u>219,800</u>
	<u><b>1,492,906</b></u>	<u><b>683,208</b></u>

Acceptance deposits are repayable in the event of one term's notice being received for the withdrawal of pupils.

**12. CREDITORS: Amounts falling due after more than one year**

	2018 £	2017 £
Bank Loans (Note 13)	<u>1,900,001</u>	-
	<u><b>1,900,001</b></u>	-

**13. LOANS**

An analysis of the maturity of loans is as follows:	2018 £	2017 £
Amounts due within one year	99,999	-
Amounts falling due between one and two years	99,999	-
Amounts falling due between two and five years	299,997	-
Amounts falling due after more than five years	<u>1,500,005</u>	-
	<u><b>2,000,000</b></u>	-

Two loans of £1,000,000 were taken out in March and June 2018 to cover the construction of the sports hall. Loan one has interest charged at a fixed rate of 3.465% for 10 years with the full balance repayable at the end. Loan 2 has a fixed interest rate of 3.150% for 5 years with capital repayments split over the 10 year period. The loan is committed for 5 years and subject to renegotiations or repayment at that stage.

The £800k overdraft facility and loans are secured by a legal charge over the assets of the charity.

**THE MANOR PREPARATORY SCHOOL TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2018**

**14. FUNDS**

**Expendable endowment funds:** During 2006, the School was gifted Church Farm. At that time the gift was professionally valued at £695,000. In the event that the School were to dispose of its interest in Church Farm in the foreseeable future, the proceeds may be received by another, unconnected charitable trust and consequently this gift has been accounted for as expendable endowment.

**Restricted funds:**

<b>Fund name</b>	<b>At 1 August 2017</b>	<b>Incoming Resources</b>	<b>Resources expended</b>	<b>Transfer of funds</b>	<b>At 31 July 2018</b>
	£	£	£		£
Manor Association of Parents (MAP)	-	23,906	-	(5,815)	18,091
SHUS	-	21,403	-	-	21,403
Other restricted funds	-	1,145	-	-	1,145
<b>Total</b>	<b>£ -</b>	<b>£ 46,454</b>	<b>£ -</b>	<b>£ (5,815)</b>	<b>£ 40,639</b>

**Manor Association of Parents (MAP)**

During the year, Friends of the Manor (FOTM) closed and the funds were transferred to a new restricted fund in the school Manor Association of Parents (MAP). These funds are restricted for use on non-operating expenditure of the school.

**SHUS**

Additionally during the year, the Second-hand Uniform shop funds were transferred to the school following the closure of Friends of the Manor (FOTM). These funds are restricted for use on non-operating expenditure of the school.

**THE MANOR PREPARATORY SCHOOL TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2018**

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Expendable Endowment Funds £</b>	<b>Restricted Funds £</b>	<b>Unrestricted Other Funds £</b>	<b>Total Funds £</b>
<b>2018</b>				
Tangible fixed assets	597,700	-	7,844,332	<b>8,442,032</b>
Current assets	-	40,639	1,152,021	<b>1,192,660</b>
Current liabilities	-	-	(1,492,906)	<b>(1,492,906)</b>
Non-current liabilities	-	-	(1,900,001)	<b>(1,900,001)</b>
	<u><b>597,700</b></u>	<u><b>40,639</b></u>	<u><b>5,603,446</b></u>	<u><b>6,241,785</b></u>

	<b>Expendable Endowment Funds £</b>	<b>Restricted Funds £</b>	<b>Unrestricted Other Funds £</b>	<b>Total Funds £</b>
<b>2017</b>				
Tangible fixed assets	611,600	-	5,094,435	<b>5,706,035</b>
Current assets	-	-	874,633	<b>874,633</b>
Current liabilities	-	-	(683,208)	<b>(683,208)</b>
	<u><b>611,600</b></u>	<u><b>-</b></u>	<u><b>5,285,860</b></u>	<u><b>5,897,460</b></u>

**16. CAPITAL COMMITMENTS**

At 31 July 2018 the school had capital commitments amounting to £696,882 (2017: £3,249,819).

**17. RELATED PARTY TRANSACTIONS**

£nil remuneration (2017: £nil) was paid to members of the Board of Governors and £399 (2017: £346) expenses were reimbursed to one Governor (2017: two Governors).

£18,073 (2017: £34,002) was paid for professional services to Knight's plc where S Champkin (Governor) is a partner. £10,170 (2017: £8,212) was paid to Carter Jonas during the year for professional services where M Charter (Governor) is a partner. £nil was outstanding to both firms at the year-end (2017: £nil).

**THE MANOR PREPARATORY SCHOOL TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2018**

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**18. PENSION COSTS**

***Teachers' Pensions***

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £247,632 (2017: £236,784) and at the year-end £33,195 (2017 - £30,818) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also currently required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%.

This employer rate will be payable until the completion and outcome of the next actuarial valuation which is being prepared as at 31 March 2016. Her Majesty's Treasury published draft Directions for the TPS on 6 September 2018 to allow the Department for Education to finalise this valuation. Early indications from the valuation are that the amount employers will be required to pay towards the scheme may increase substantially from September 2019.

There are also indications that the protections in the new cost cap mechanism required by the Public Service Pensions Act 2013 mean public sector workers will get improved pension benefits for employment over the period April 2019 to March 2023.

***Other Pensions***

In addition to the above, the Company contributes on a defined contribution basis to personal pension plans. Contributions totalling £60,350 (2017: £59,233) were payable to these funds for the year. There were unpaid contributions of £9,339 (2017: £8,909) at the year end.

**THE MANOR PREPARATORY SCHOOL TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2018**

**19. FINANCIAL INSTRUMENTS**

	2018 £	2017 £
Financial assets measured at amortised cost	1,054,537	722,500
Financial liabilities measured at amortised cost	3,246,293	567,804

The School's income, expense, gains and losses in respect of financial instruments are summarised below:

	2018 £	2017 £
<b>Interest income and expense:</b>		
Total interest income for financial assets held at amortised cost	400	604
Total interest expense for financial liabilities held at amortised cost	(23,027)	(3,032)
Impairment (gain)/loss	(20,643)	(3,226)

Included within financial assets held at amortised cost are trade debtors, other debtors and cash at bank. Included within financial liabilities held at amortised cost are bank loans, trade creditors, accruals, acceptance deposits and other creditors.

**THE MANOR PREPARATORY SCHOOL TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2018**

**20. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted £	Restricted £	Expendable Endowment £	2017 £ Total
<b>INCOME FROM:</b>				
<i>Voluntary sources:</i>				
Donations	-	1,055	-	1,055
<i>Charitable activities:</i>				
School fees receivable	4,435,879	-	-	4,435,879
Other income	548,973	-	-	548,973
<i>Other trading activities:</i>				
Letting income	24,243	-	-	24,243
<i>Investments:</i>				
Bank interest	<u>604</u>	<u>-</u>	<u>-</u>	<u>604</u>
<b>Total</b>	<u>5,009,699</u>	<u>1,055</u>	<u>-</u>	<u>5,010,754</u>
<b>EXPENDITURE ON:</b>				
<i>Charitable activities:</i>				
School operating costs	4,779,439	-	13,900	4,793,339
<i>Raising funds:</i>				
Financing costs	(194)	-	-	(194)
Marketing and advertising	<u>103,277</u>	<u>-</u>	<u>-</u>	<u>103,277</u>
<b>Total</b>	<u>4,882,522</u>	<u>-</u>	<u>13,900</u>	<u>4,896,422</u>
Net income before transfers	127,177	1,055	(13,900)	114,332
Transfers between funds	<u>1,055</u>	<u>(1,055)</u>	<u>-</u>	<u>-</u>
<b>NET MOVEMENT IN FUNDS</b>	<u>128,232</u>	<u>-</u>	<u>(13,900)</u>	<u>114,332</u>
<b>FUNDS BROUGHT FORWARD AT 1 AUGUST 2016</b>	<u>5,157,628</u>	<u>-</u>	<u>625,500</u>	<u>5,783,128</u>
<b>FUNDS CARRIED FORWARD AT 31 JULY 2017</b>	<u>5,285,860</u>	<u>-</u>	<u>611,600</u>	<u>5,897,460</u>