

Registers Copy.

Company No. 2829156

MANOR LODGE SCHOOL
A Company Limited by Guarantee
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST AUGUST 2005



J DANIELS & CO
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J.A. Daniels F.C.A.

MANOR LODGE SCHOOL

A Company Limited by Guarantee

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2005

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A Company Limited by Guarantee**DIRECTORS' REPORT****FOR THE YEAR ENDED 31ST AUGUST 2005**

The Board of Directors present their annual report for the year ended 31 August 2005 under the Companies Act 1985 and the Charities Act 1993, together with the audited financial statements for the year, and confirm that the latter comply with the requirements of the Companies Act 1985, the Company's Memorandum and Articles of Association and the Statement of Recommended Practice, "Accounting and Reporting by Charities" (The Charities SORP 2005) as issued in its revised form by the Charity Commission on 4 March 2005.

REFERENCE AND ADMINISTRATIVE INFORMATION

Manor Lodge School Ltd (the Company) was incorporated as a company 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 liability of its members is limited to £1 each by guarantee. The School registered as a Charity with the Charity Commissioners on 25 August 1995, number 1048874.

The Registered Office and principal address of the Company is at Manor Lodge School, Rectory Lane, Ridge Hill, Shenley, Radlett, Hertfordshire WD7 9BG. Its registered company number is 2829156.

Directors

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

A J Phipps # (Chairman)

N R Martin # (Resigned 23/06/05)

D Arnold #

Mrs. S M Parnell *

J D Harris CBE # *

S Patel#

M J Higham *

C A C Thacker * (Resigned 31/08/05)

D M Lavelle *

Member of Finance and General Purposes Committee

* Member of Education Committee

Key Executives and professional advisors

The Head Mrs. J M Smart B.A., Cert. Ed.

Deputy Head G T Dunn Cert. Ed.

The Bursar, E M Hatley MInstAM
Company Secretary & Clerk to the Governors

Bankers Allied Irish Bank, 629/635 Holloway Road, London N19 5SU

Solicitors Ottaways, The Mansion, 1 St. Peter's Street, St. Albans Hertfordshire AL1 3DJ

Auditors J Daniels & Co, 1 Chase Side Crescent, Enfield Middlesex EN2 0JA

Insurance
Brokers HSBC Insurance Brokers (UK) Ltd, Schools Division, Rockwood House,
9 – 17 Perrymount Road, Haywards Heath, West Sussex RH16 3DU

A Company Limited by Guarantee**DIRECTORS' REPORT - continued****FOR THE YEAR ENDED 31ST AUGUST 2005****Governing Document**

The Company is governed by its Memorandum and Articles of Association, originally drawn up on 1 June 1993 and last amended on 14 March 2002.

Governing Body

The Governors, who are also required under the Articles to serve as Directors of the Company and members of the Charitable Trust, are elected at a full Governors' meeting on the basis of professional or business experience, specialist skills and personal competence. Mr. D Lavelle and Mrs. S Parnell have children at the School, as did Mr. C Thacker during the year under review.

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

Induction and training of Trustees

New Governors are inducted into the workings of the Charitable Trust as a school and also as a registered charity, including its Board Policy and Procedures.

Organisational structure

The Governors meet as a Board at least once a term to determine the general policy of the Company and to review its overall management and control, for which they are legally responsible. The implementation of most of the Board's policies is carried out by the Finance and General Purposes Committee (chaired by Mr. A J Phipps) and the Education Committee (chaired by Mr. M J Higham). These Committees meet at least once a term, prior to the full Governors' Meeting, to review the budget, monthly management accounts, annual report and accounts and all other relevant matters.

The day to day management of the School is delegated to the Head and the Bursar, supported by other members of the senior management team.

Relationships

The School is an active member of the IAPS for the promotion and maintenance of preparatory school standards generally. Teaching members of the senior management team regularly attend discussion forums with their peers from other preparatory schools in the area in order to enhance the quality and scope of the lessons given within the School.

A Parents' Committee meets regularly to organise and run social activities in order to raise funds for the promotion of the School. In the year under review some £10,000 was raised in this manner.

The School regularly raises funds and goods through collections at Harvest Festival assemblies, house cake sales, French Breakfasts and a Christmas appeal to support a number of local charities, including the local RSPCA sanctuary, Oaktree Manor Residential Home, a local hospice and the Fleetville Family Centre. In addition the School provides computing equipment and consultancy to Cherry Tree School in Watford.

Each October members of the School take part in the annual walk for the World Wildlife Fund, and recently raised in excess of £5,000. The total amount raised over the last ten years is approximately £48,000.

Any surplus from French Breakfasts is donated to local charities, most recently £1,000 to the Friends of the Royal National Orthopaedic Hospital in Stanmore.

A Company Limited by Guarantee**DIRECTORS' REPORT - continued****FOR THE YEAR ENDED 31ST AUGUST 2005**

Risk management

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

OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

The Objects of the Company, in accordance with its Memorandum of Association, are to advance education in particular by establishing and carrying on in Great Britain (and any other countries) schools at or by which 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.

Strategic Aim and Intended Effect

The School's strategic aim to reach its annual objective is the attainment of the highest academic levels whilst allowing pupils to benefit from our extra-curricular clubs and activities. This is intended to draw out their abilities and academic potential and develop wider interests in life and motivate them for a successful outcome at their chosen senior school.

Objectives and strategies for the year

The Board's main objective continued to be the promotion of high academic standards. The strategy for achieving this is to maintain good teacher-to-pupil ratios and to provide the resources deemed necessary by the Head, senior management team and Education Committee.

Principal activity

The principal activity of the School continues to be the provision of education for children aged between 4 and 11. The School is set in a 6 acre site within easy reach of the M25, St. Albans, Potters Bar and Cuffley, Radlett, Elstree, Stanmore and Edgware, and most other parts of north-west London.

Bursaries and other fee reduction schemes

During the year 30 pupils benefited from the staff fee reduction scheme, multi-children discounts and bursaries, the last being awarded on a needs basis. The levels of the awards are determined by the Head. Such awards reduced annual fee income by a total of £37,596.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR**Operational performance of the School**

Numbers continued to be healthy, with 375 pupils on roll at the academic year end, and a substantial waiting list. Academic results were again extremely good, with many children gaining scholarships for both academic and musical prowess. All Year 6 pupils moved forward to the secondary schools of their choice, both independent and state schools. In addition, a small number of Year 1 and 2 children moved to other local independent schools with our good wishes.

A Company Limited by Guarantee**DIRECTORS' REPORT - continued****FOR THE YEAR ENDED 31ST AUGUST 2005****FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The Company's net incoming resources for the year of £81,685 (2004: £125,181) are disclosed on the statement of financial activities.

Reserves

Note 12 to the financial statements shows the assets and liabilities attributable to the various funds by type. The statement of financial activities summarises the movements on each fund. At the year end, unrestricted funds amounted to £1,813,784 but none of this is freely available because the funds are invested in fixed assets or are designated to cover capital expenditure planned for the future.

It will be some years before all bank loans are repaid and the School has funds available to be maintained in appropriate cash reserves. Once this position arises the Board has concluded that, to allow the School to be managed efficiently and to provide a buffer for uninterrupted services, a general cash reserve that equates to six months of overhead expenditure should be built up and maintained.

Over the past few years a provision of £250,000 has been created for future development costs. This was increased to £300,000 in the year under review, and an additional provision for major repairs amounting to £50,000 was also instigated.

Capital expenditure

The School's capital expenditure of £157,684 is summarised in Note 6 to the accounts. This included £42,853 retention monies held over from the new hall and classroom block, £12,335 to provide a resource library, and £45,613 on IT equipment including interactive whiteboards.

Investment policy

Cash balances are reviewed on a daily basis, and all cash that is surplus to requirements is placed in a high interest deposit account.

Freehold properties

In the opinion of the Directors, the value of the freehold land and permanent buildings is substantially more than the book value, but no useful purpose would be served by undertaking a revaluation.

FUTURE PLANS

The Board is currently seeking planning permission from the local authority to provide a permanent dining hall with purpose built kitchen to replace the existing temporary structure, which has outlived its usefulness.

In addition, permission continues to be sought to develop the ground floor of Shenley Lodge Cottage as a nursery for siblings of pupils at the School, and to retain the first floor as accommodation for a key worker; this matter has now gone to appeal to the Office of the Deputy Prime Minister.

In order to improve safety, low level lighting has been installed in the drive and car park for the benefit of pupils, staff and parents. Investment in IT equipment continues to maintain and improve the efficient running of the School's high specification IT and communications system.

A Company Limited by Guarantee

DIRECTORS' REPORT - continued

FOR THE YEAR ENDED 31ST AUGUST 2005

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

Approved by the Board of Governors on 9th March 2006 and signed on its behalf by



A J Phipps
Chairman

Rectory Lane
Ridge Hill
Shenley, Radlett
Hertfordshire WD7 9BG

A Company Limited by Guarantee**STATEMENT OF DIRECTORS' RESPONSIBILITIES****FOR THE YEAR ENDED 31ST AUGUST 2005**

The purpose of this statement is to distinguish the Directors' responsibilities for the accounts from those of the auditors as stated in their report.

Company Law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. 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;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on a 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 error, fraud and other irregularities.

TO THE MEMBERS OF MANOR LODGE SCHOOL**FOR YEAR ENDED 31ST AUGUST 2005****REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MANOR LODGE SCHOOL**

We have audited the Financial Statements of Manor Lodge School for the year ended 31st August 2005 on pages 8 to 14, which have been prepared under the historical cost convention and the accounting policies set out on Page 10.

This report is made solely to the charity's trustees, as a body, in accordance with S. 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this audit report, or the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As described on page 1, the charity's trustees who are also the directors of Manor Lodge School for the purposes of company law 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 Report of the Trustees is not consistent with the financial statements, if the charitable 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 trustees' remuneration and transactions with the company is not disclosed.

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

Basis of Opinion

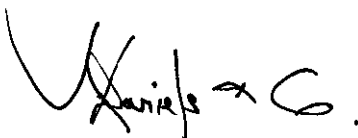
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the trustees 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 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 state of the charitable Company's affairs as at 31st August 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.

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

**Registered Auditors****Date : 27th March 2006**

*A Company Limited by Guarantee***STATEMENT OF FINANCIAL ACTIVITIES****FOR THE YEAR ENDED 31ST AUGUST 2005**

	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2005</u> £	<u>2004</u> £
INCOMING RESOURCES					
Fees Receivable		2,371,372	-	2,371,372	2,160,423
Registrations	2	9,370	-	9,370	8,720
Miscellaneous Income		221,827	-	221,827	203,122
Bank Interest		16,238	-	16,238	9,104
Donations	1(g)	1,350	-	1,350	325
Total Incoming Resources		2,620,157	-	2,620,157	2,381,694
RESOURCES EXPENDED					
Charitable Expenditure					
Teaching Costs		1,425,498	1,227	1,426,725	1,285,502
Housekeeping		170,556	-	170,556	167,566
Premises		494,545	-	494,545	363,584
Administration of the School		313,105	-	313,105	309,617
Restricted Funds - Depreciation		-	682	682	1,545
Finance and Other Costs		77,540	-	77,540	76,721
Management and Administration of the Charity		55,319	-	55,319	51,978
Total Resources Expended		2,536,563	1,909	2,538,472	2,256,513
NET INCOMING RESOURCES		83,594	(1,909)	81,685	125,181
Balances brought forward		1,730,190	5,123	1,735,313	1,610,132
BALANCES CARRIED FORWARD		<u>1,813,784</u>	<u>3,214</u>	<u>1,816,998</u>	<u>1,735,313</u>

The attached notes form part of these Accounts.

A Company Limited by GuaranteeBALANCE SHEETAS AT 31ST AUGUST 2005

	<u>Notes</u>	<u>£</u>	<u>2005</u> <u>£</u>	<u>£</u>	<u>2004</u> <u>£</u>
TANGIBLE FIXED ASSETS	6		3,520,928		3,528,311
CURRENT ASSETS					
Debtors	9	35,201		41,539	
Investments	8	357,012		306,437	
Cash at Bank and in hand		53,921		56,311	
		446,134		404,287	
CURRENT LIABILITIES					
Creditors : Amounts due within one year	10	516,029		451,035	
NET CURRENT ASSETS			(69,895)		(46,748)
TOTAL ASSETS LESS CURRENT LIABILITIES			3,451,033		3,481,563
CREDITORS : Amounts due after more than one year	10		1,284,035		1,496,250
TOTAL NET ASSETS			<u>2,166,998</u>		<u>1,985,313</u>
RESTRICTED FUNDS					
Friends of Manor Lodge	7(a)		3,214		5,123
Provision for Major Repairs			50,000		-
Provision for Development Costs	7(b)		300,000		250,000
UNRESTRICTED FUNDS					
Retained Income	7(c)		1,813,784		1,730,190
TOTAL FUNDS	12		<u>2,166,998</u>		<u>1,985,313</u>

Approved by the Board on 9th March 2006 and signed on its behalf by:



.....
A J Phipps
Chairman

The attached notes form part of these Accounts.

A Company Limited by GuaranteeNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31ST AUGUST 2005**1. ACCOUNTING POLICIES****a. Basis of Preparation**

The accounts are prepared under the Companies Act 1985 on the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice, for Accounting and Reporting by Charities: the Charities SORP 2005.

b. Tangible Fixed Assets

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

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

c. Cash Flow Statement

The Company qualifies as a small company and as such is exempt from the requirement to prepare a cash flow statement under FRS1 (revised) Cash Flow Statement.

d. Fees

Fees receivable consist of charges billed for the school year ended 31st August. Fees received for education to be provided in future years are carried forward as fees paid in advance.

e. Teaching Materials

Supplies of games equipment, books, stationery and sundry materials are written off as an expense as soon as the cost of procuring them is incurred.

f. 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.

g. 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>2005</u>	<u>2004</u>
	<u>£</u>	<u>£</u>
Registration Fees	<u>9,370</u>	<u>8,720</u>

3. EXPENDITURE

	<u>2005</u>	<u>2004</u>
	<u>£</u>	<u>£</u>
Other expenditure includes:		
Auditor's Remuneration	7,931	7,381
Life Assurance	<u>4,732</u>	<u>10,125</u>

A Company Limited by GuaranteeNOTES TO THE ACCOUNTS - continuedFOR THE YEAR ENDED 31ST AUGUST 2005**4. ANALYSIS OF RESOURCES EXPENDED**

	<u>Staff Costs</u> £	<u>Other</u> £	<u>Depreciation</u> £	<u>Total</u> £
Direct Charitable Expenditure:				
Teaching Costs	1,317,335	108,163	-	1,425,498
Housekeeping	34,294	136,262	-	170,556
Premises	60,452	362,615	71,478	494,545
Administration of the School	125,604	95,362	92,139	313,105
Restricted Funds	-	1,227	682	1,909
Finance and Other Costs	-	77,540	-	77,540
Management and Administration of the Charity	55,319	-	-	55,319
	<u>1,593,004</u>	<u>781,169</u>	<u>164,299</u>	<u>2,538,472</u>

5. STAFF COSTS

	<u>2005</u> £	<u>2004</u> £
Social Security Costs	113,108	101,087
Wages and Salaries	1,327,485	1,205,822
Pension Costs	135,553	112,354
Other Staff Costs	16,858	16,782
	<u>1,593,004</u>	<u>1,436,045</u>

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

	<u>2005</u> <u>No.</u>	<u>2004</u> <u>No.</u>
Teaching and Administration	<u>55</u>	<u>54</u>

*A Company Limited by Guarantee***NOTES TO THE ACCOUNTS - continued****FOR THE YEAR ENDED 31ST AUGUST 2005****6. TANGIBLE FIXED ASSETS**

	<u>Computer Equipment</u>	<u>Equipment, Fixtures and Fittings</u>	<u>Freehold Property</u>	<u>Total</u>
	£	£	£	£
<u>Cost or Valuation</u>				
As at 1st September 2004	130,119	510,769	3,568,827	4,209,715
Additions	45,613	69,889	42,182	157,684
Disposals	-	(155,659)	-	(155,659)
At 31st August 2005	175,732	424,999	3,611,009	4,211,740
<u>Depreciation</u>				
As at 1st September 2004	57,754	356,476	267,174	381,404
Charge for Year	36,070	56,668	71,561	164,299
Eliminated on Disposals	-	(154,891)	-	(154,891)
At 31st August 2005	93,824	258,253	338,735	690,812
<u>Net Book Value</u>				
At 31st August 2005	<u>81,908</u>	<u>166,746</u>	<u>3,272,274</u>	<u>3,520,928</u>
At 31st August 2004	<u>72,365</u>	<u>154,293</u>	<u>3,301,653</u>	<u>3,528,311</u>

7. FUNDS

a) Restricted Funds	<u>Balance at 1-09-04</u>	<u>Incoming Resources</u>	<u>Depreciation/ Expenses</u>	<u>Balance at 31-8-05</u>
	£	£	£	£
Friends of Manor Lodge School:				
Football Pitch	3,297	-	83	3,214
Playmats	101	-	101	-
Keyboards	55	-	55	-
Playground Benches	273	-	273	-
Digital Camera	34	-	34	-
Book Making Stapler	136	-	136	-
FOML Closing Balance	227	-	227	-
P Kirkland Donation	1,000	-	1,000	-
	<u>5,123</u>	<u>-</u>	<u>1,909</u>	<u>3,214</u>

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

A Company Limited by GuaranteeNOTES TO THE ACCOUNTS - continuedFOR THE YEAR ENDED 31ST AUGUST 2005**7. FUNDS Continued**

- b) A further provision of £50,000 has been made for future Building Development Costs.

	<u>2005</u> £	<u>2004</u> £
c) Unrestricted Funds	1,813,784	1,730,190

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

8. INVESTMENTS

	<u>2005</u> £	<u>2004</u> £
Bank - Deposit Account	160,000	117,379
Bank - Parents Deposit	197,012	189,058
	<u>357,012</u>	<u>306,437</u>

9. DEBTORS

	<u>2005</u> £	<u>2004</u> £
Amounts falling due within one year:		
Fees Receivable	1,279	11,966
Prepayments	27,140	28,082
Other Debtors	6,782	1,491
	<u>35,201</u>	<u>41,539</u>

10. CREDITORS

	<u>2005</u> £	<u>2004</u> £
Amounts falling due within one year:		
Social Security payable and other Taxation	33,237	30,282
Other Creditors and Accruals	327,201	290,904
Fees Paid in Advance	155,591	129,849
	<u>516,029</u>	<u>451,035</u>

A Company Limited by GuaranteeNOTES TO THE ACCOUNTS - continuedFOR THE YEAR ENDED 31ST AUGUST 2005**10. CREDITORS - continued**

	<u>2005</u>	<u>2004</u>
	<u>£</u>	<u>£</u>
Amounts falling due after one year:		
Revolving Credit Facility	250,000	-
Bank Loan	839,035	1,305,250
Deposits Held	<u>195,000</u>	<u>191,000</u>
	<u>1,284,035</u>	<u>1,496,250</u>

At the beginning of the financial year the Company had banking facilities totalling £1,650,000 which had been obtained to assist with the funding of the construction cost of the new hall and classrooms and the purchase of the property and adjoining land at Shenley Lodge Cottage, plus associated professional fees. This facility will revolve and amounts may be repaid in minimum amounts of £50,000.

In December 2004 £850,000 of the facility was converted into a 20 year variable rate interest mortgage, and this may be converted to a fixed rate mortgage at any time should this prove beneficial. The remaining £800,000 facility is due to be repaid in full in February 2008.

11. CHARITABLE STATUS

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

12. ALLOCATION OF THE CHARITY NET ASSETS

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

	<u>Fixed</u> <u>Assets</u>	<u>Net</u> <u>Current</u> <u>Assets</u> <u>(Liabilities)</u>	<u>Long Term</u> <u>Liabilities</u>	<u>Provision for</u> <u>Development/</u> <u>Repair Costs</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Restricted Funds:					
Friends of Manor Lodge School	3,214	-	-	-	3,214
Provision for Major Repairs	-	-	-	50,000	50,000
Provision for Development costs	-	-	-	300,000	300,000
Unrestricted Funds:					
Retained Income	<u>3,517,714</u>	<u>(69,895)</u>	<u>1,284,035</u>	<u>(350,000)</u>	<u>1,813,784</u>
	<u>3,520,928</u>	<u>(69,895)</u>	<u>1,284,035</u>	<u>-</u>	<u>2,166,998</u>

13. RELATED PARTY DISCLOSURES

During the year, the Company paid £39,482 to Aedifice Partnership Ltd, a firm of Chartered Surveyors and Property Consultants whose sole director is Mr. N Martin who also served as a Director of the Company.

The payments were in relation to professional fees authorised by the Board and which were obtained at normal commercial rates.