

Charity Registration No. 311075

Company Registration No. 00912022 (England and Wales)

CHARLOTTE HOUSE SCHOOL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

CHARLOTTE HOUSE SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr A Hatfield
Mr P McGlone
Mrs J M Parr (Chair - Resigned 31 August 2021)
Mrs C Smith (Chair From 1 September 2021)
Mrs S E Starr
Mrs M P Wilson
Mrs J Askew
Dr K E McNerney
Mrs S Ramroop (Appointed 2 November 2020)
Mr R J Stuttford

Secretary

Mrs S Starr

Charity number

311075

Company number

00912022

Registered office

88 The Drive
Rickmansworth
Herts
WD3 4DU

Auditor

Mercer & Hole
Batchworth House
Batchworth Place
Church Street
Rickmansworth
Hertfordshire
WD3 1JE

CHARLOTTE HOUSE SCHOOL LIMITED

CONTENTS

	Page
Trustees' report	1 - 6
Statement of Trustees' responsibilities	7
Independent auditor's report	8 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 23

CHARLOTTE HOUSE SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their report and financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Act 2011, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019).

Governing document

The Charity is governed by its Memorandum and Articles of Association dated 31 July 1967.

Governing body

The members of the Charity's Governing body are listed above with details of changes during the year. We appointed a new Governor, S Ramroop, in November. Our Chair, J Parr, resigned on 31st August 2021 and C Smith and P McGlone agreed to be caretaker Chair and Deputy Chair respectively for the following year.

Recruitment and Training of Governors

The Charity's elected Governors are appointed at a meeting of the existing Governors on the basis of nominations received from existing Governors and the Head to the Board's specifications concerning eligibility, personal competence, specialist skills and local availability. New Governors are inducted into the workings of the Charity including Board Policy and Procedures, by initial briefing by the Chairman, attending Governors' meetings and being directed to relevant guidelines and courses. This is supplemented by personal visits to the School to talk to staff, parents, and pupils.

Organisational Management

The Governors, as the trustees of the Charity, are legally responsible for the overall management and control of the School and meet at least three times a year. In addition to this there are four Committees of the Board which deal with specific areas of the School's operation:

- The Education Committee: Chaired by Dr McNerney, is responsible for examining trends in education, educational policy and staff development and the promotion of the school and its ethos.
- The Building and Finance Committee: Chaired by the Treasurer (A Hatfield) and assisted by the Bursar, is responsible for implementing facilities and financial strategy and the policies of the Board, including the preparation of budgets, management accounts and forecasts and is also responsible for the audit.
- The Health and Safety Committee: Chaired by the Bursar (A Parker) oversees all health and safety matters and operational risk management.
- The Marketing Committee - Chaired by S Starr develops marketing strategies, oversees the creation of new advertising and website material and explores ideas for promoting the school.

These committees meet at least once each term. C Smith is the governor responsible for Child Protection, she reports to the Board on all matters pertaining to Safeguarding. P Wilson is the Early Years & Special Education Needs Governor.

The day to day running of the School is delegated to the Head supported by the Bursar and the Senior Management Team under the chairmanship of the Head. The Head and the Bursar attend meetings of the above Committees and they also attend full Governing Board meetings.

CHARLOTTE HOUSE SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Risk Management

The Board of Governors is responsible for the management of the business risks faced by the School. A Risk Register is maintained and reviewed by the Board and this includes the management of actions in mitigation of business risks identified. Health and Safety Risks are identified, controlled and managed by the Health and Safety Committee which is chaired by the Bursar with members drawn from across the staff of the School. A Governors' representative also sits on the Health and Safety Committee, and minutes, inspection reports and other relevant information are reviewed by the Board.

The key controls used by the Charity include:

- Formal agendas and minutes for all Committee and Board activity
- Detailed terms of reference for all Committees
- Comprehensive strategic planning, budgeting, long term planned maintenance, and management accounting
- Formal written policies
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of the vulnerable

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that the systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Objectives and activities

Charitable Objects

The object of the Charity in accordance with its Memorandum of Association is to provide education through the operation of a Preparatory School. Charlotte House School is a fee-paying school for girls aged three to eleven. In furtherance of this object, the Governors as the charity trustees have complied with the duty under S.4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act.

Aims and Intended Impact

The year ended 31st August 2021 has seen continued progress in accordance with the School's ethos and strategic aims. Charlotte House has a strong academic tradition based on the philosophy of education developed by Charlotte Mason, the founder of the Parents' National Education Union, who believed that parents and the home were at the heart of developing children spiritually, physically and mentally and that children should be respected as individuals and nurtured to develop their unique talents. The Governors and staff are committed to maintaining this tradition.

It is the policy of Charlotte House School that pupils, including those in the EYFS, receive a broad and balanced full time supervised curriculum, which delivers an education suited to all pupils across the full age and ability range. All pupils have the opportunity to learn and make progress and are prepared for the opportunities, responsibilities and experiences of life in British society. The curriculum is designed to engender a love and excitement of learning. Whilst with us, we see all pupils fulfil their individual academic and creative abilities, explore their talents to the full, and appreciate through study, the wealth of human achievement. Progression is at the core of the curriculum.

Within a framework based on Christian values we provide a stimulating environment in which children are happy, successful and keen to learn, thus helping them to grow into young people who are fulfilled, respectful and able to make a positive contribution to society. The school is committed to equal opportunities for all, children and staff alike and provides a wide programme of sporting, dramatic, artistic and extra-curricular activities.

CHARLOTTE HOUSE SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Public Benefit

The total number of pupils at the school by the end of the year was 123 of which five held partial bursaries. The Governors' policy is, within the reasonable means of the School, to maintain our bursary provision to help existing parents in time of hardship and to give children, who would otherwise be unable to, the opportunity to be educated privately.

The school has sought partnerships with local state schools including offering free places on our training days to their staff and hopes to develop these further.

Fund Raising

The School is the principal beneficiary of the Parent Teacher Association, a separate charity called the Charlotte House Prep School PTA (registered number 1106504), through which fundraising for community projects, building projects and school equipment is conducted.

The Parent Teacher Association continues to support the School enthusiastically as ever and have been most inventive with new Covid-friendly events such as Zoomed Diwali dancing and on-line story telling. The PTA have helped the school to buy equipment for the new Early Years playground and several I-Pads.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

CHARLOTTE HOUSE SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Achievements and performance

Operational Performance

This year again saw the continuance of the high standards set in previous years in all aspects of the School's activities. The girls benefit from specialist teachers across the curriculum and we endeavour to provide them with a wealth of experiences and opportunities. We ensured that planning was accurate and appropriate for the needs of the children, showing clear progression and consistency. The girls normally take home all their books once every half term to promote our home/school partnership. The school employed extra staff to evaluate and support any special needs or 'catch up' required as a result of the lock-down.

As a certified dyslexia friendly school and a recognised rights respecting school we continue to ensure that the school is a very happy environment where all girls can flourish, find their voice and achieve their goals.

Throughout the school year diagnostic, summative and formative assessments are used to ensure each child is performing to the best of their ability and is at least reaching age expected levels. Assessments used range from monitoring/marking of school work to ASPECTS, INCAS and PIPS. This was a year of outstanding academic performance with our assessments showing an excellent level of progress for all classes tracking girls throughout their time with us shows considerable 'value-added'. In KS2 100% of girls were working at national average or higher with the majority achieving considerably higher than national average. Girls were very successful in transferring to the secondary schools of their choice. They accepted places at both state and private schools and were offered four academic scholarships.

School	Offers Given	Offers Accepted	Scholarships/ Awards
Berkhamsted	1	1	
Bushey Grange*	1	0	
Croxley Danes	1	1	
Dr Challoners*	1	1	
Northwood College	5	0	1
Rickmansworth*	4	1	
Royal Masonic	13	7	1
St Clement Danes*	2	0	
St Helen's	3	2	
St Joan of Arc*	1	0	
St Margaret's	2	0	1
St Mary's	4	0	1
Tring School for Performing Arts	1	0	
Watford Grammar School*	3	3	
TOTAL	42	16	4

*maintained sector

This is, as always, a vital and important process and we devote much care and attention to supporting both the girls and their parents, and in developing and maintaining strong links with all secondary schools in the area. Charlotte House girls benefit from the self-assurance and academic attainment developed during their time at the School which enables them to transfer to one of their chosen secondary schools with ease, being sufficiently mature to deal with the changes of environment, teachers and classmates.

CHARLOTTE HOUSE SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Wider Community Activities

The School continues to be an active member of the local community in providing education for girls of all abilities. The Governors have also approved a policy of taking on NQTs when appropriate and providing work experience for pupils from state secondary schools or student teachers.

The School actively encourages pupils to engage in raising funds for charities based both in the UK and overseas, fostering in them an awareness of real-world issues and a desire to contribute to the wider community. The school supported the Poppy Appeal, Children in Need, Captain Tom Challenge, NSPCC Number Day.

Unfortunately due to Covid-19 the school was not able to provide work experience for students from local state and independent secondary schools this year. However, we were able to support a local university student who was unable to return to halls so completed her placement with us.

Extra-curricular Activities

Due to the pandemic we were unable to go on educational visits during the first two terms, however in the summer term we went to Celtic Harmony and Bhaktivedanta.

Physical education and sport are key components of the school with all girls being actively involved in various sporting activities, unfortunately matches against other schools were cancelled due to the pandemic.

Due to the pandemic our Carol Service was cancelled. We were able to record and via Google Classroom show the Early Years Nativity, Forms III & IV's Charlie & the Chocolate Factory and Form VI's Macbeth performances.

Form VI went on a residential trip to Suffolk and Form V held a silent disco.

The school continues to expand the girls' horizons with a range of after school clubs, including Tae Kwon Do, Speech & Drama, Ballet, Dance and Gymnastics which were able to recommence during the summer term. Within bubbles, we also continued to offer supervised care before and after school to parents who required it in order to fulfil their employment commitments. Staff also ran extra-curricular clubs in Maths, sign language, yoga, netball, gardening, rounders, knitting and sewing, Draw with Rob, story-time, Purple Mash & multi-sports.

Staff

We employed Lily Purdy as an Afterschool Supervisor. Geraldine Reid, who previously worked for us rejoined us as a Kitchen Assistant. In November, Pam Graham was employed as an Early Years Teaching Assistant. Sallyann O'Dell, Deputy Head, who had been with us for over 20 years and Amanda Fowler, our Assistant Cook left in August.

Financial review

The financial performance for the period was good with a surplus of £100,106 (2020: £91,915). Costs have been successfully controlled and the cash position has improved.

Depreciation on fixed assets was £62,494 (2020: £62,440). The main cost to the School remained salaries which increased overall by 0.7% compared with 2020. The School's overall increase in fee income was 1% compared with 2020.

At 31 August 2021, bank borrowings were £nil (2020: £nil).

CHARLOTTE HOUSE SCHOOL LIMITED

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2021

Reserves Policy

The finances, budgets and spend against budget are regularly reviewed by the Building and Finance Committee of the Governors as part of the effective management of the School. Close attention is paid to cash flow management and the relationship between cash generation, the School's income and future capital expenditure plans. In the year ended 31st August 2021 the surplus before depreciation was £162,600 (2019: £154,355), approximating to 11% of the School's income.

Freehold property is included in the financial statements at a depreciated cost of £1,251,427 (2020: £1,283,503) which is considered to be materially less than market or replacement value. The reserves policy is to maintain total reserves, cash availability and cash generation at levels which enable the School to plan for future capital expenditure, whilst effectively managing the School's educational and charitable activities.

The year end reserves of the School were £162,078 (2020: £72,952).

Plans for future periods

A comprehensive School Development Plan has been created by the Senior Management Team and our foci for next year include:

- To continue to encourage deeper awareness of & implement ways to support & strengthen staff and pupils' positive mental health and well-being.
- To implement the new Relationship & Sex Education curriculum and improve our PSHEE curriculum.
- To continue to encourage excellence throughout the curriculum and across all year groups.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The Trustees' report, including the strategic report, was approved by the Board of Trustees.

.....
Mrs S Starr

.....
Mrs C Smith

Dated:

Dated:.....

CHARLOTTE HOUSE SCHOOL LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP 2019 (FRS 102);
- Make judgments and accounting 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

CHARLOTTE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CHARLOTTE HOUSE SCHOOL LIMITED

Opinion

We have audited the financial statements of Charlotte House School Limited (the 'charity') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 August 2021 and of its incoming resources and application of resources, 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 charity 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
 - sufficient accounting records have not been kept; or
 - the financial statements are not in agreement with the accounting records; or
 - we have not received all the information and explanations we require for our audit.
-

CHARLOTTE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHARLOTTE HOUSE SCHOOL LIMITED

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, 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 charity'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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, the Companies Act 2006, Charities Act 2011 and tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and the financial report (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate entries including journals to overstate income or understate expenditure and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- discussions with management, including considerations of known or suspected instances of non-compliance with laws and regulations and fraud;
- gaining an understanding of management's controls designed to prevent and detect irregularities; and
- identifying and testing journal entries.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

CHARLOTTE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHARLOTTE HOUSE SCHOOL LIMITED

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Jolene Upshall FCA (Senior Statutory Auditor)
for and on behalf of Mercer & Hole

.....

Chartered Accountants
Statutory Auditor

Batchworth House
Batchworth Place
Church Street
Rickmansworth
Hertfordshire
WD3 1JE

Mercer & Hole is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

CHARLOTTE HOUSE SCHOOL LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<u>Income from:</u>					
Grants, donations and legacies	2	11,928	-	11,928	52,687
Charitable activities	3	1,442,444	-	1,442,444	1,455,898
Total income		<u>1,454,372</u>	<u>-</u>	<u>1,454,372</u>	<u>1,508,585</u>
<u>Expenditure on:</u>					
Charitable activities	4	1,376,851	1,294	1,378,145	1,416,670
Total expenditure		<u>1,376,851</u>	<u>1,294</u>	<u>1,378,145</u>	<u>1,416,670</u>
Net income/(expenditure) for the year/ Net movement in funds		77,521	(1,294)	76,227	91,915
Fund balances at 1 September 2020		1,634,152	10,839	1,644,991	1,553,076
Fund balances at 31 August 2021		<u><u>1,711,673</u></u>	<u><u>9,545</u></u>	<u><u>1,721,218</u></u>	<u><u>1,644,991</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CHARLOTTE HOUSE SCHOOL LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	7		1,573,474		1,561,200
Current assets					
Debtors	8	14,448		31,395	
Cash at bank and in hand		415,010		288,638	
		<u>429,458</u>		<u>320,033</u>	
Creditors: amounts falling due within one year	9	<u>(281,714)</u>		<u>(236,242)</u>	
Net current assets			147,744		83,791
Total assets less current liabilities			<u>1,721,218</u>		<u>1,644,991</u>
Income funds					
Restricted funds	11		9,545		10,839
Unrestricted funds			1,711,673		1,634,152
			<u>1,721,218</u>		<u>1,644,991</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on

.....
Mrs C Smith
Trustee

Company Registration No. 00912022

CHARLOTTE HOUSE SCHOOL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	14		201,140		113,078
Investing activities					
Purchase of tangible fixed assets		(74,768)		(19,057)	
Net cash used in investing activities			(74,768)		(19,057)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			126,372		94,021
Cash and cash equivalents at beginning of year			288,638		194,617
Cash and cash equivalents at end of year			415,010		288,638

CHARLOTTE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

Charlotte House School Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 88 The Drive, Rickmansworth, Herts, WD3 4DU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Since March 2020, COVID-19 has been dominating the world social and economic climate. The charity continues to operate in an environment of uncertainty associated with the current situation. The trustees have assessed the impact of the current governmental measures to combat COVID-19 on the school's ability to continue for the foreseeable future. They have concluded because of the governmental support offered to schools, there are reasonable prospects of the charity being able to continue as a going concern. The trustees are continuously monitoring the situation and recognise that uncertainties exist that may impact significantly on future performance and challenge the applicability of the going concern basis

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives, unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

CHARLOTTE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Assets for distribution are recognised only when distributed. Assets given for use by the charity are recognised when receivable. Stocks of undistributed donated goods are not valued for balance sheet purposes.

Government grants relating to revenue are recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Buildings	2% on cost
Fixtures, fittings & equipment	10% reducing balance
Motor Vehicle	10 years straight line

Freehold land and assets in the course of construction are not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

CHARLOTTE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

CHARLOTTE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The school contributes towards the Teachers' Pension Scheme ('TPS') which is a defined benefit scheme. The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multiemployer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Grants, donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	6,164	6,628
Government grant income	5,764	46,059
	<u>11,928</u>	<u>52,687</u>
	<u><u>11,928</u></u>	<u><u>52,687</u></u>

CHARLOTTE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

3 Charitable activities - income

	2021	2020
	£	£
School and registration fees	1,440,576	1,446,969
Other educational income	1,868	7,504
School meal receipts	-	1,425
	<hr/>	<hr/>
	1,442,444	1,455,898
	<hr/> <hr/>	<hr/> <hr/>

CHARLOTTE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Charitable activities

	Support costs	Activities undertaken directly	Total 2021	Total 2020
	£	£	£	£
Staff costs	208,012	805,522	1,013,534	1,006,855
Depreciation and impairment	-	62,494	62,494	62,440
Maintenance	-	115,856	115,856	151,216
Rates & utilities	-	29,044	29,044	27,745
Bursaries & discounts	-	73,428	73,428	77,521
School books & consumables	-	15,526	15,526	17,866
Subscriptions	-	6,120	6,120	6,397
Insurance	-	16,250	16,250	16,519
	<u>208,012</u>	<u>1,124,240</u>	<u>1,332,252</u>	<u>1,366,559</u>
General support costs	33,923	-	33,923	39,915
Governance costs	11,970	-	11,970	10,196
	<u>253,905</u>	<u>1,124,240</u>	<u>1,378,145</u>	<u>1,416,670</u>

Included in governance costs above are auditor's remuneration for audit services of £7,760 (2020 £7,170) and non-audit services of £4,210 (2020 £3,026)

Analysis by fund

Unrestricted funds	253,905	1,122,946	1,376,851
Restricted funds	-	1,294	1,294
	<u>253,905</u>	<u>1,124,240</u>	<u>1,378,145</u>

For the year ended 31 August 2020

Unrestricted funds	208,857	1,206,519	1,415,376
Restricted funds	-	1,294	1,294
	<u>208,857</u>	<u>1,207,813</u>	<u>1,416,670</u>

5 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

The trustees' expenses reimbursed by the school in the year amounts to £nil (2020- £nil)

CHARLOTTE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 Employees

Number of employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Teaching staff	15	15
Domestic staff	1	1
Administration staff	4	4
Assistant staff	7	9
Kitchen Staff	3	-
	<u>30</u>	<u>29</u>

Employment costs

	2021	2020
	£	£
Wages and salaries	805,799	792,788
Social security costs	72,804	73,802
Other pension costs	134,931	140,265
	<u>1,013,534</u>	<u>1,006,855</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2021	2020
	Number	Number
£70,000 - £80,000	<u>1</u>	<u>1</u>

CHARLOTTE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

7 Tangible fixed assets

	Buildings	Fixtures, fittings & equipment	Motor Vehicle	Total
	£	£	£	£
Cost				
At 1 September 2020	2,122,346	531,677	30,820	2,684,843
Additions	40	74,728	-	74,768
	<u>2,122,386</u>	<u>606,405</u>	<u>30,820</u>	<u>2,759,611</u>
Depreciation and impairment				
At 1 September 2020	838,843	279,663	5,137	1,123,643
Depreciation charged in the year	32,116	27,296	3,082	62,494
	<u>870,959</u>	<u>306,959</u>	<u>8,219</u>	<u>1,186,137</u>
Carrying amount				
At 31 August 2021	<u>1,251,427</u>	<u>299,446</u>	<u>22,601</u>	<u>1,573,474</u>
At 31 August 2020	<u>1,283,503</u>	<u>252,014</u>	<u>25,683</u>	<u>1,561,200</u>

8 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	-	7,072
Other debtors	-	15,505
Prepayments and accrued income	14,448	8,818
	<u>14,448</u>	<u>31,395</u>

9 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	19,830	20,244
Trade creditors	227,721	178,632
Other creditors	5,580	243
Accruals and deferred income	28,583	37,123
	<u>281,714</u>	<u>236,242</u>

CHARLOTTE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Retirement benefit schemes

Teachers' Pension Scheme

The school participates in the Teachers' Pension Scheme England and Wales (TPS), for academic and related staff.

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £125,516 (2020: £131,576).

A copy of the valuation report and supporting documentation is on the Teachers' Pension website.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The charity has accounted for its contributions to the scheme as if it were a defined contribution scheme. The charity has set out above the information available on the scheme.

Non-teachers' Pension Scheme

The school also contributes to defined contribution schemes on behalf of its other staff. Employer costs contributed to these schemes amounted to £9,415 (2020: £8,689)

CHARLOTTE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

11 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 September 2019 £	Expenditure £	Balance at 1 September 2020 £	Expenditure £	Balance at 31 August 2021 £
Donations specifically for minibus	12,133	(1,294)	10,839	(1,294)	9,545
	<u>12,133</u>	<u>(1,294)</u>	<u>10,839</u>	<u>(1,294)</u>	<u>9,545</u>

12 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 August 2021 are represented by:						
Tangible assets	1,563,929	9,545	1,573,474	1,550,361	10,839	1,561,200
Current assets/ (liabilities)	147,744	-	147,744	83,791	-	83,791
	<u>1,711,673</u>	<u>9,545</u>	<u>1,721,218</u>	<u>1,634,152</u>	<u>10,839</u>	<u>1,644,991</u>

13 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

14 Cash generated from operations

	2021 £	2020 £
Surplus for the year	76,227	91,915
Adjustments for:		
Depreciation and impairment of tangible fixed assets	62,494	62,440
Movements in working capital:		
Decrease/(increase) in debtors	16,947	(16,518)
Increase/(decrease) in creditors	45,472	(24,759)
Cash generated from operations	<u>201,140</u>	<u>113,078</u>

15 Analysis of changes in net funds

The charity had no debt during the year.