
ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the Company, its trustees and advisers	1
Trustees' report	2 - 9
Independent auditor's report on the financial statements	10 - 13
Statement of financial activities	14
Balance sheet	15
Statement of cash flows	16
Notes to the financial statements	17- 25

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2024**

Trustees	Mr A Harris, Chairman Mr K Desai Mr S Everson (resigned 15 th January 2025) Mr N A Hinds Mr K Kothari Mr J Odofoin Mrs P Mastin (resigned 1 st July 2024) Mrs M Merali Dr Anita Munro (appointed 21 st March 2024) Mrs P Patel Mr J Richards Mr D Sabato (appointed 5 th December 2024) Mr R Sykes (appointed 5 th December 2024) Dr B Williams
School officers	Mr S Dunn (Head Teacher) Mrs A Curran (Bursar)
Company registered number	0709159
Charity registered number	312648
Registered office	40 Moor Park Road Northwood Middlesex HA6 2DJ
Auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	National Westminster Bank Plc 72-74 High Street Watford Hertfordshire WD17 2GZ

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

The members of St Martin's (Northwood) Preparatory School Trust Limited present their annual report for the year ended 31st August 2024 under the Charities Act 2011 and the Companies Act 2006, this includes the Director's Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

DIRECTOR'S REPORT

Constitutions and Objects

St Martin's (Northwood) Charitable Trust Limited is a charitable company limited by guarantee. Its registration number is 312648 and the company registration is 0709159.

The company is governed by its Memorandum and Articles of Association dating from 28 November 1961 which state that its object is the advancement of education. In furtherance thereof, the company operates St Martin's School, a preparatory school.

Governance and Management

Governing body

The Directors serve as Trustees of the Charity and under the terms of the above articles are also members of the Company. They are elected by the Board of Directors on the basis of nominations received from serving Directors, the Headmaster and others. Governors/Directors are selected on the basis of their skills and suitability. New Governors are inducted into the workings of the Charity including Board policy and procedures, by attending Governors' meetings, reviewing the Governors' handbook, receiving support from experienced Governors and being directed to relevant guidelines and courses.

The tenure of office for a member of the Governing body is for an initial period of 4 years, with a Governor being eligible for re-election for further terms of office every 3 years thereafter. Former parents and former pupils may serve as Governors. Staff are not permitted to serve as Governors.

Organisational Management

The Governors are legally responsible for the overall management and oversight of the School. They usually meet as a board three or more times per year, once each term, to determine policy and to monitor the operations of the company. Their role is assisted by the work of the sub-committees who meet each term in advance of the Board meeting. The sub-committees are: Governance, Finance & Operations, Teaching & Learning, Estates, Remuneration, Marketing and Corporate Social Responsibility. There are also two school committees which nominated governors attend being Information & Communications Technology and Health & Safety.

The Finance & Operations Committee, as assisted by the School's Bursar and accountants, is responsible for implementing financial strategy and policies of the Board including the preparation of budgets and forecasts. This committee also has oversight of any operational matters not covered by any of the other committees, significantly Human Resources (HR). This Committee meets every term and more often if necessary. Audit and risk management related to the School's Financial and Human Resources risks are dealt with by the Finance & Operations Committee.

The day-to-day management of the School is entrusted to the Headmaster, who, alongside the Bursar, participates in all meetings of the Governing Body and its subsidiary committees. They are supported by the School Leadership Team, which includes four Assistant Heads, each with specific responsibilities: Pre-Prep, Pastoral, Academic, and Organisation & Compliance.

The Board is responsible for approving the overall budget, ensuring that the Finance & Operations Committee

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

operates within its parameters. Staff pay and remuneration are reviewed annually in accordance with the School's Pay Policy. This process is overseen by the Remuneration Committee, which also makes recommendations to the Board regarding adjustments to the pay and benefits of the Headmaster and Bursar. Final approval for all other pay awards is granted by the Finance & Operations Committee.

STRATEGIC REPORT

Aims, Objectives and Activities

St Martin's aims to provide boys, aged 3 - 13, with the breadth of education and experience for them to realise their full potential at school in a safe and friendly environment. Our vision is to create well-rounded individuals who are not only intellectually curious but empathetic, resilient, and ready to face the challenges of the world. Through nurturing relationships, academic excellence and co-curricular opportunities we ensure that every boy is ready to lead with confidence, creativity, and a strong sense of purpose. To be better prepared for future life.

Our Five-Year Strategic Plan is built around seven key objectives that will shape and drive our continued growth and success

- 1. Academic Excellence.** We aspire to provide an outstanding academic education at every stage of the learning journey. Our commitment to excellence driving our teaching practices, curriculum development and assessment methods.
- 2. Pastoral Care.** Our award-winning pastoral care ensures that each boy feels supported, understood, and emotionally resilient. We aim to create a nurturing environment where every child can thrive, both in and out of the classroom.
- 3. Identity & Values.** Our school's identity is defined by our core values. We celebrate diversity, empathy, and tolerance, ensuring every boy feels valued. Through characterful education, we instil qualities that will serve our boys well beyond the classroom.
- 4. Vibrant Learning Environment.** We seek to enhance our teaching methods and facilities. Our classrooms will continue to be hubs of creativity, curiosity and collaboration with technology complementing traditional teaching.
- 5. Destination & Future.** Our ultimate goal is to prepare our boys for life beyond school. We envision them as happy, independent, confident, and emotionally intelligent young individuals. They will leave us equipped to make a real difference in their senior schools and beyond.
- 6. Community Engagement.** Our parents, staff and governors form a united front. Together, we share the common goal of helping each child succeed. We value open communication, collaboration and active participation.
- 7. Leadership In The Prep School World.** We strive to lead not only in academic excellence but in shaping the future of prep school education. We are dedicated to innovation, forward thinking practices and continuous to ensure we remain at the forefront of educational development.

These aims are achieved in a number of ways. They underpin the operational ethos of the school and are referenced in strategic and school development planning. In the process of self-evaluation for inspection, these are used as markers for this process. In terms of governance, each of the principles is directly related to the work of a sub-committee of the Full Board.

In support of the Strategic Objectives, St Martin's key values are:

Happiness - The wellbeing of all at our school is a key priority for us. Happy children learn effectively, and good

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024**

mental health equips the boys for life as they grow older.

Success - We want our boys to experience success in a wide range of activities. Academic success is important, but there are so many other opportunities for our boys to enjoy. These build self-confidence and enable pupils to tackle new challenges and experiences.

Opportunity - There is so much of our pupils' story that is yet unwritten, and it is our purpose to offer as many opportunities as possible.

Hard Work - We value effort in all its forms. The effort that the boys put into all aspects of their time at school makes such a difference to the outcomes that they enjoy. Put simply we believe in working hard and playing hard.

Each Other - The school has a strong sense of community and can be seen as a large family. The older members of the family are encouraged to interact with the younger boys and relationships between staff and pupils are warm and respectful. This extends to our parent body who are actively encouraged to be involved in school life.

Achievements and performance

The school prides itself on not only the quality of the education provided, but also its record in examinations to senior schools. The school is well placed to prepare boys for a wide range of schools, but in practice these tend to be local to the area. Traditionally, the focus was always on 13+ transfer with only a small number sitting at 11+ and principally for the maintained grammar schools. This has changed significantly over recent years with the vast majority of boys undertaking these assessments in the January of Year Six. This has meant that a parallel approach for 11+ and 13+ is now required.

The following sets out the 11+ and 13+ offers and scholarships:

AWARDS AT YEAR EIGHT (13+) 2024		AWARDS AT YEAR SIX (11+) 2024
Aldenham School		Aldenham School
1 place offered		3 places offered
Haberdashers' Boys' School		City of London School
4 places offered		1 place offered
1 Music Scholarship		
		Dr Challoner's School
John Lyon School		1 place offered
1 place offered		
1 Academic Scholarship		Haberdashers' Boys' School
		6 places offered
Merchant Taylor's School		1 Academic Scholarship
19 places offered		1 Music Scholarship
5 Academic Scholarships		
1 Drama Scholarship		Hampton School
1 Art Scholarship		1 place offered
1 Sports Scholarship		
		Haileybury School
St Alban's School		1 place offered
8 places offered		

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024**

		John Lyon School
St Margaret's School		6 places offered
5 places offered		
		Merchant Taylor's School
		24 places offered
		2 Academic Scholarships
		Reed's School
		1 place offered
		1 Music Scholarship
		1 Sports Scholarship (Golf)
		Queen Elizabeth's School, Barnet School
		3 places offered
		Westminster School
		3 places offered
		1 Music Scholarship

Throughout the year, our staff body has remained stable, particularly within the Leadership and Management teams. However, we faced several external challenges. Merchant Taylors' School changed its admissions policy to become an exclusive 11-plus school from September 2025. This was followed by the General Election, resulting in the Labour party's appointment. They have imposed VAT on school fees, removed business rates relief, and recently announced an increase in employer's NI contributions, all of which will take effect in the next financial year.

Our two direct competitors have decided to stop at Year Six, but at St Martin's, we are committed to continuing to Year Eight and are focusing our enhanced marketing strategy on this goal.

Despite these challenges, we have continued to invest in our site and facilities. This summer, we completed two major projects at a total cost of nearly £1.4 million net of VAT. The larger project involved linking the Pre-Prep building to the main school, internalizing some previously underutilised space, creating a new Medical Room in the centre of the school, installing new boys' toilets, and upgrading the heating system for both this area and the entire Pre-Prep. The second project was a complete redevelopment of the swimming pool, including replacing internal and external windows and doors, retiling, installing a new pool cover, and adding a new Air Handling Unit. We also continued to invest in IT and technology, deploying digital signage throughout the school. Additionally, we created a new 'Early Years' dining facility in the Autumn Term and upgraded the Main School dining room in the Summer Term with new tables, flooring, and curtain screening for the servery.

The school remains in a healthy state and is well-positioned, both financially and academically, for the significant challenges ahead. The governors continue to review the school's strategy and regularly update scenario planning. Parental satisfaction remains very high, bolstered by the school's continued operation and development despite changes to Senior school entry processes and the Labour government's policies. We must continue to monitor the impact of all external threats, take appropriate actions to control costs, and focus on admissions and pupil retention.

The School underwent a thorough ISI inspection in January 2025 and successfully met all the Independent School Standards. The feedback gathered through staff, parent, and student surveys conducted during the inspection was overwhelmingly positive, reflecting a strong sense of satisfaction and support across the School community.

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

Community, Social and Charitable

In considering the provision of Public Benefit, the Governors have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

During the year, we provided £229,286 (2023: £252,212) in bursaries, which represents 3.42% (2023: 3.87%) of our fee income. This support enabled 21 (2023: 22) boys, who otherwise could not afford it, to continue their education at St Martin's and enjoy its benefits.

Our designated charity for the year was Great Ormond Street Hospital, and thanks to a tremendous fundraising effort, we were able to donate £9,000 to them.

St Martin's also supports local state primary schools by offering access to our sporting facilities, particularly the swimming pool, and providing specialist teaching resources. Our staff outreach coordinator manages partnerships with other schools, and we host workshops and events such as STEAM (Science, Technology, Engineering, Art and Maths) days and author visits that invite participation from both independent and state schools.

FINANCIAL REVIEW

Results for the year

The full-year surplus of £158,773 (2023: £290,733) fell short of the budgeted £257,050. While cost control remained a key focus and revenues were strong, we also continued to benefit from our investment strategy that leveraged high interest rates. However, we incurred additional costs due to increased bursaries and discounts, as well as a heightened focus on marketing, associated market surveys and studies, and consultancy. These expenses were necessary to explore our strategic options and secure pupil recruitment for the next year. We were also impacted by the increase in employer Teachers Pension contributions from 23.68% to 28.68% effective from April 2024. The surplus represented a 2.37% return on gross fee income (2023: 4.46%).

Whilst income was just under 5% higher than the previous year, costs were over 7% higher creating a lower surplus as the income and expenditure move towards each other. The net value of tangible fixed assets was £9,916,386 (2023: £9,475,413), an increase of £440,973 reflecting the two major projects being underway and the staged payments that had taken place to that point.

The company's cash position stood at £4,711,000 (2023: £3,863,627) at year end which included £1,250,000 of treasury reserve bonds. The school has no borrowings.

Reserves policy Unrestricted funds at year end totalled £12,834,225 (2023: £12,675,452) of which fixed assets were £9,962,224 (2023: £9,515,486) leaving free reserves of £2,872,001 (2023: £3,159,966). Reserves adequately cover future spending plans which are highlighted under future plans below. The Governors are determined that reserves are continually re-invested in the School for the benefit of the boys whilst ensuring that the School remains in a strong financial position to meet the market and economic challenges highlighted above.

Going concern

The School regularly produces financial information, including budgets, forecasts, and a long-term strategic business plan, all of which are closely monitored by the Governors. These budgets, cash flows, and forecasts are continually reviewed to account for the changing environment.

We are committed to maintaining pupil numbers and controlling costs. Despite the significant support provided to parents during these unprecedented times, our cash reserves remain strong. If pupil numbers were to drop significantly, we might need to restructure the school, but we are currently in a financially strong position.

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

Additionally, we have several residential properties that could be sold if necessary.

Revised forecasts and cash flows have been prepared based on the latest scenarios, with sensitivity analysis on key assumptions. This cash flow modelling indicates that the School's cash reserves are sufficient to meet the charity's obligations as they come due.

Therefore, the Governors have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties regarding the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements, as outlined in the Statement of Governors' Responsibilities.

FUTURE PLANS

Despite the current threats, the Governors and Leadership team are keen to continue to develop the school whilst looking at strategies to control costs.

Teachers' Pension Scheme (TPS)

In September 2024, the school began a phased withdrawal from the TPS, initially with no plans for a complete withdrawal. However, due to the risks posed by changes in admissions at Merchant Taylor's School and the new government policies introducing VAT, loss of business rate relief, and increased National Insurance, the governors have decided to consult with staff about a full withdrawal by September 2025. This decision was influenced by the Labour government's announcement on July 29, 2024, that VAT on school fees would be implemented in January 2025, along with the increased employer National Insurance contributions announced in the Autumn statement.

Strategy Day November 2023

In November 2023, the Governors and Leadership Team held an offsite strategy day to thoroughly examine how changes in the external political, economic, and market environment could impact the School's financial position. They discussed several potential strategies for the school's future direction, which remain under review.

As some of the school's key risks materialised over the year, the work done during the Strategy Day, particularly the initial Scenario Planning, has been continuously utilised and further developed. This ongoing effort helps the School navigate the challenges it faces.

Marketing Strategy

After the strategy day, significant consideration was given to the School's marketing efforts to boost pupil recruitment. It was decided to hire a firm of school marketing specialists to conduct market research and assist in developing the marketing strategy.

Based on the market research, the School appointed a marketing company to create and implement the Marketing Strategy. A member of their team now works with us remotely as the Director of Marketing & Admissions. They have also helped enhance our website and worked on Search Engine Optimization (SEO) to attract new prospective parents. As a result, we have seen a notable increase in enquiries and visits to the school, which has led to an increase in in-year admissions.

School Land and Building Developments

Having recently completed two major building projects and several smaller upgrades to our facilities, we are now reviewing our future plans.

Over the next 1-5 years, our potential plans include:

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

- Developing indoor facilities for the nursery.
- Creating an improved outdoor play environment for Junior and Middle boys (Years 3 to 6).
- Establishing a new Pre-Prep entrance at the site of the flats at 62 Kewferry Road. This facility will include additional office space, more room for Wrap Around Care, and a new assembly space for the Pre-Prep boys.

RISK MANAGEMENT

The Board of Governors is responsible for the oversight of the risks faced by the School. Detailed consideration of risks is delegated to the specific committees relevant to the particular identified risk, managed by the Senior Leadership Team. Risks are identified, assessed and controls established throughout the year. The Board monitors the effectiveness of the system of internal controls and other means, including insurance cover, by which those identified risks can be mitigated. The key controls used by the Charity include:

- formal agendas for all Committee and Board activity;
- detailed terms of reference for all Committees;
- comprehensive strategic planning, budgeting and management accounting;
- formal written policies;
- clear authorisation and approval levels; and
- 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 are being 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.

During the year a number of risks became reality relating to:

- A change in government bringing about a significant change to the status of independent schools, specifically by the introduction of VAT on school fees and the loss of charitable status. Whilst the school hasn't lost charitable status there is a loss of business rate relief.
- The senior schools we feed changing their approach to recruitment and selection of boys into their schools.

The result of these risks materialising threatens our pupil numbers and most significantly our income. We have committed to assist the parents by absorbing a large amount of the VAT in the 2024/25 year in order to support and retain as many families as possible.

The board takes these risks very seriously. It actively reviews and updates its strategy to determine St Martin's direction going forwards. The School has a good cash reserve and a strong balance sheet and, significantly, no debt, so whilst actively looking at alternative strategies to make a material difference to the school in light of these risks, the governors have time to consider options carefully and implement a robust updated strategy.

Trustees' responsibilities statement

The members of the Board of Governors (who are also the directors of St Martin's (Northwood) Preparatory School Trust Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024**

Company law requires the members of the Board of Governors to prepare financial statements for each financial year. Under company law they 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 the group, including the income (and its application) and expenditure of the group for that year. In preparing these financial statements, the members of the Board of Governors are required to:

- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- 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 members of the Board of Governors 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

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.

A resolution proposing the re-appointment of Crowe U.K. LLP as auditors to the company will be put to the Annual General Meeting.

The Trustees' annual report and the strategic report were approved on 3 April 2025 and signed on behalf of the Board of Trustees by:



Mr A Harris (Chairman)
Trustee

Date: 3 April 2025

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

Opinion

We have audited the financial statements of St. Martin's (Northwood) Preparatory School Trust Limited (the 'charitable company') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, 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 August 2024 and of 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

In auditing the financial statements, we have concluded that the trustee's 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 charitable company'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 trustees are responsible for the other information contained within the annual report. 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.

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 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

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' 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 Directors' 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 charitable company and their 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 and proper 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes 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 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.

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and taxation legislation together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014 and General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and Operations Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing any regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARTIN'S (NORTHWOOD)
PREPARATORY SCHOOL TRUST LIMITED**

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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London (Statutory Auditor)

Date: 17 April 2025

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE
ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from:			
Donations and legacies	3	22,466	7,481
Charitable activities	4	6,631,800	6,545,520
Investments	5	170,612	73,758
Total income		6,824,878	6,626,759
Expenditure on:			
Charitable activities	6	6,666,105	6,336,026
Total expenditure		6,666,105	6,336,026
Net movement in funds		158,773	290,733
Total funds brought forward		12,675,452	12,384,719
Total funds carried forward		12,834,225	12,675,452

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 25 form part of these financial statements.

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 0709159

**BALANCE SHEET
AS AT 31 AUGUST 2024**

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	10a	9,334,688	9,458,317
Assets under construction			
Tangible Assets	10b	581,699	17,096
Intangible Assets	10c	45,837	40,073
		<u>9,962,224</u>	<u>9,515,486</u>
Current assets			
Debtors	11	1,901,626	1,982,074
Stock	12	14,838	-
Cash at bank and in hand	16	806,000	1,063,627
Cash Investments	16	3,905,000	2,800,000
		<u>6,627,464</u>	<u>5,845,701</u>
Creditors: amounts falling due within one year	13	<u>(3,111,547)</u>	<u>(2,685,735)</u>
Net current assets		3,515,917	3,159,966
Total assets less current liabilities		<u>13,478,141</u>	<u>12,675,452</u>
Creditors: amounts falling due after more than one year		(643,916)	-
Total net assets		<u><u>12,834,225</u></u>	<u><u>12,675,452</u></u>
Charity funds			
Unrestricted funds		<u>12,834,225</u>	<u>12,675,452</u>
Total funds		<u><u>12,834,225</u></u>	<u><u>12,675,452</u></u>

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

The financial statements were approved and authorised for issue by the Trustees on 3 April 2025 and signed on their behalf by:

Mr A Harris
Trustee

Date: 3 April 2025

The notes on pages 17 to 25 form part of these financial statements.

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2023 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	15	1,515,771	430,112
		<hr/>	<hr/>
Cash flows from investing activities			
Dividends, interests and rents from investments		170,612	73,758
Purchase of tangible fixed assets		(261,275)	(298,501)
Investment in tangible asset under construction		(564,603)	(17,096)
Investment in Intangible Assets under construction		(13,132)	(925)
		<hr/>	<hr/>
Net cash used in investing activities		(668,398)	(242,764)
		<hr/>	<hr/>
Cash flows from financing activities			
Repayments of borrowing		-	-
		<hr/>	<hr/>
Net cash used in financing activities		-	-
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		847,373	(187,348)
Cash and cash equivalents at the beginning of the year		3,863,627	3,676,279
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	16	4,711,000	3,863,627

The notes on pages 17 to 25 form part of these financial statements

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 40, Moor Park Road, Northwood, Middlesex, HA6 2DJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) and the Companies Act 2006.

St. Martin's (Northwood) Preparatory School Trust Limited 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.

No provision has been made for corporation tax or deferred tax as the charity is a registered charity and therefore exempt.

2.2 Critical accounting judgements and sources of key estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods. In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

2.3 Going concern

As detailed in the Trustees' Report, the Trustees have reviewed and revised the School's financial forecasting in light of the current economic climate, changes to admission arrangements by local senior schools, fuel and utility pricing and the policies introduced by the new Government and their potential impact. Revised forecasts have been prepared together with cash-flows, based on the potential scenarios, with sensitivity analysis on the key assumptions. The cash flow modelling with sensitivity analysis indicates that the cash reserves of the School are adequate to meet the charity's obligations as they fall due.

Having regard to the above, the current cash position, and the expected cash flow over the next 12-24 months the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities.

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

2.4 Income

All school income is included in the statement of financial activities when entitlement has passed to it, it is probable that the economic benefits associated with the transaction will flow to the school and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Fees receivable and charges for services and use of premises, less any allowances, scholarships, bursaries granted by the School are accounted for in the term to which it applies. This is classified as unrestricted funds.

Amounts received prior to the balance sheet date for autumn term fees are recorded as fees received in advance, as are amounts received for future periods under the Fees in Advance scheme. The income is recorded gross of the discount related to that period which is charged as finance cost to the same period.

Income from donations or grants is recognised when there is evidence of entitlement to the donation/grant, receipt is probable and its amount can be measured reliably.

2.5 Expenditure

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

Expenditure on education includes all costs incurred by the school in undertaking education that furthers its charitable aims for the benefit of its pupils, including those support costs and costs relating to the governance of the charity apportioned to education.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on education.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to education are allocated directly to education.

2.6 Fixed assets and depreciation

Both Tangible and Intangible fixed assets are initially recognised at cost with a capitalisation threshold of £1,000.

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold buildings	- 2%	reducing balance
Plant	- 10%	straight line
Motor vehicles	- 25%	straight line
Fixtures and fittings	- 20%	straight line
Computers & Office equipment	- 20%	straight line
Sports Uniform and Equipment	- 50%	straight line
Marketing Materials and Website (Intangible)	- 25%	straight line

2.7 Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Stock

Stock includes including catering stock (both food and drink), marketing gifts and materials, staff fleeces and uniform items for resale.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

2.11 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Pensions

For teachers the School contributes to the Teachers' Pension Scheme at rates set by the scheme actuary and advised to the School by the scheme administrator.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The School is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the School has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

For non-teaching staff the School contributes to a defined contribution pension scheme.

For the Teachers' Pension Scheme and for the defined contribution scheme the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

3. Income from donations and legacies

	Unrestricted funds 2024 £	<i>Unrestricted funds 2023 £</i>
Donations and appeal receipts	22,466	<i>7,481</i>

4. Income from charitable activities

	Unrestricted funds 2024 £	<i>Unrestricted funds 2023 £</i>
Gross School fees	6,707,735	<i>6,522,026</i>
Less: Bursaries, scholarships and other concessions	(341,099)	<i>(342,297)</i>
	6,366,636	<i>6,179,729</i>
Other educational income	208,185	<i>318,046</i>
Rental income from housing	56,979	<i>47,745</i>
	6,631,800	<i>6,545,520</i>

5. Investment income

	Unrestrict ed funds 2024 £	<i>Unrestricted funds 2023 £</i>
Bank interest	170,612	<i>73,758</i>

£124,023 (2023: £40,424) relates to interest received and accrued on Treasury Reserve Deposits.

£ 14,859 (2023: £Nil) relates to interest received and accrued on the new CCLA COIF Investment Fund

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

6. Analysis of expenditure

	Staff costs 2024 £	Other costs 2024 £	Total costs 2024 £	Total costs 2023 £
<i>Charitable activities - Education</i>				
Teaching	3,995,485	319,685	4,315,170	4,065,980
Premises	268,706	475,982	744,688	726,280
Welfare	224,455	190,616	415,071	394,883
Support costs	517,085	674,091	1,191,176	1,148,883
<i>Total</i>	<u>5,005,731</u>	<u>1,660,374</u>	<u>6,666,105</u>	<u>6,336,026</u>

Included within support costs are governance costs totalling £52,194 (2023: £54,547).

7. Auditor's remuneration

	2024 £	2023 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	18,750	17,700

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits nor claimed for any expenses (2023 - £NIL).

9. Staff costs

	2024 £	2023 £
Wages and salaries	3,797,348	3,477,505
Social security costs	403,113	365,768
Pension costs	772,228	674,839
Other employee benefits	20,259	25,760
	<u>4,992,948</u>	<u>4,543,872</u>

Key management personnel comprised the senior leadership team. Aggregate employee benefits paid to key management personnel in the year totalled £729,537 (2023: £670,917).

During the year, total redundancy and settlements made were £54,159 (2023: £9,843), of which £0 was outstanding at the year-end.

Total payments to the school's defined contribution scheme for non-teaching staff in the year was £163,979 (2023: £152,838). Amounts payable at year end totalled £19,948 (2023: £18,378).

The average number of persons employed by the Company during the year was as follows:

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

	2024	2023
	No.	No.
Teaching (including unqualified teaching and assistants)	74	76
Administration	10	10
Domestic (Catering)	10	10
Estates (includes Cleaning)	6	6
	<u>100</u>	<u>102</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
	No.	No.
In the band £60,000 - £69,999	8	4
In the band £70,000 - £79,999	4	3
In the band £80,000 - £89,999	-	1
In the band £90,000 - £109,999	1	-
In the band £120,000 - £129,999	-	1
In the band £130,000 - £139,999	1	-

10a. Tangible Fixed Assets

	Freehold buildings	Plant	Motor vehicles	Fixture s and fittings	Computer equipment	Sports wear & equipm ent	Total
	£	£	£	£	£	£	£
Cost or Valuation							
At 1 September 2023	12,051,257	425,779	47,770	1,053,074	264,676	3,306	13,845,862
Additions	44,773	50,245	66,000	97,664	2,593	-	261,275
Disposals	-	-	(15,525)	(36,483)	-	-	(52,008)
At 31 August 2023	12,096,030	476,024	98,245	1,114,255	267,269	3,306	14,055,129
Depreciation							
At 1 September 2023	3,246,748	267,222	34,774	694,314	142,834	1,653	4,387,545
Charge for year	175,217	39,308	10,373	118,759	37,006	1,653	382,316
On disposals	-	-	(15,525)	(33,895)	-	-	(49,420)
At 31 August 2024	3,421,965	306,530	29,622	779,178	179,840	3,306	4,720,441
Net Book value							
At 31 August 2024	8,674,065	169,494	68,623	335,077	87,429	-	9,334,688
At 31 August 2023	8,804,509	158,557	12,996	358,760	121,842	1,653	9,458,317

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

10b Tangible Assets Under Construction

	2024	2023
	£	£
School Development – Undercroft	395,713	17,096
Swimming Pool Refurbishment	185,986	-
Total Tangible Assets Under Construction	581,699	17,096

10c Intangible Assets

	Website & Marketing Materials
	£
Cost or Valuation	
At 1 September 2023	40,073
Additions	13,132
Disposals	-
At 31 August 2024	53,205
Depreciation	
At 1 September 2023	-
Charge for Year	7,367
At 31 August 2024	7,367
Net Book value	
At 31 August 2024	45,837
At 31 August 2023	40,073

11. Debtors

	2024	2023
	£	£
Trade debtors	1,717,745	1,770,446
Prepayments and accrued income	183,881	211,628
	1,901,626	1,982,074

The Prepayments and accrued income figure include the Trips prepayments amount of £18,599 (2023: 13,031).

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

12	Stock	2024	2023
		£	£
	Stock	14,838	-
13.	Creditors: Amounts falling due within one year	2024	2023
		£	£
	Bank loans	-	-
	Trade creditors	193,104	121,177
	Other taxation and social security	104,977	94,463
	Other creditors	96,542	80,935
	Fee deposits	317,200	298,450
	Advanced fees	2,348,586	2,051,165
	Accruals	51,138	39,545
		<u>3,111,547</u>	<u>2,685,735</u>
The Advanced fees includes an amount relating to lump sums paid to the School as advance payment of future fees in the next academic year 2024/2025 of £420,552 (2023: £0)			
14.	Creditors: Amounts falling due after more than one year	2024	2023
		£	£
	Fees in Advance Scheme	643,916	-
15.	Reconciliation of net movement in funds to net cash flow from operating activities	2024	2023
		£	£
	Net income for the period (as per Statement of Financial Activities)	<u>158,773</u>	<u>290,733</u>
	Adjustments for:		
	Depreciation charges	389,684	355,818
	Loss on disposal of assets	2,588	-
	Dividends, interests and rents from investments	(170,612)	(73,758)
	(Increase)/Decrease in debtors	80,448	(253,683)
	Increase/(decrease) in creditors	1,069,728	111,002
	(Increase)/Decrease in stock	(14,838)	-
	Net cash provided by operating activities	<u>1,515,771</u>	<u>430,112</u>

ST. MARTIN'S (NORTHWOOD) PREPARATORY SCHOOL TRUST LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

16. Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash in hand	806,000	1,063,627
Treasury Reserves	1,250,000	2,800,000
CCLA COIF Investment Fund	2,655,000	-
	<u>4,711,000</u>	<u>3,863,627</u>

17. Related parties

During the year family members of key management were employed by the School on arm's length basis and received remuneration and benefits totalling £52,875 (2023; £66,970).

18. Pension commitments

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 £612,443 (2023: £522,000) and at the year-end £76,036 (2023 - £61,904) 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 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). 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 2020 and the Valuation Report was published in October 2023. The latest valuation showed total scheme liabilities of £262,000 million and notional assets of £222,200 million, giving a notional past service deficit of £39,800 million.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

19. Future capital commitments

At 31 August 2024, the School had future capital commitments of £956,694 (2023: £45,000). Of this £821,817 relates to the major development project due to complete at the end of the October half term incorporating the joining of the Pre-Prep building to the Phoenix block, creation of a new first aid room and new boys' toilets and extending the internal footprint of the building to incorporate external and previously inaccessible areas.

The remaining £134,877 relates to the re-development of the inside swimming pool incorporating a new Air Handling Unit, ducting and lighting, new windows, external and internal doors, electric covers and tiling throughout.