

Registered number: 01260765
Charity number: 505310

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the company, its Trustees and advisers	1
Trustees' report	2 - 6
Independent auditor's report on the financial statements	7 - 11
Statement of financial activities	12
Balance sheet	13 - 14
Statement of cash flows	15
Notes to the financial statements	16 - 31

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Trustees	G H Beck, Chair of Trustees M I Arshad, Trustee (appointed 16 September 2021) J P Burns, Trustee E Czarniecki, Trustee D J Fletcher, Trustee S L Fletcher, Trustee C B Holquin, Trustee (appointed 6 September 2021) M P Kirby, Trustee T Manning, Trustee L Morrison, Trustee (appointed 18 January 2022) S J Swanson, Trustee M Christian, Trustee (resigned 24 September 2020) P Megann, Chair of Trustees (resigned 28 January 2021)
Company registered number	01260765
Charity registered number	505310
Registered office	145 Menlove Avenue Liverpool Merseyside L18 3EE
Independent auditor	Langtons Professional Services Limited Chartered Accountants Statutory Auditor The Plaza 100 Old Hall Street Liverpool L3 9QJ
Bankers	Allied Irish Bank (GB) 1 St Paul's Square Old Hall Street Liverpool L3 9PP

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the audited financial statements of the company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The Head Teacher and all staff have supported the school and worked hard to maintain high school standards. The Governing Body of the school is also actively involved in the oversight of the management of the school and in setting new objectives for the school for the future.

Carleton House provides equal opportunities for all staff and pupils.

The school is committed to the safeguarding of children and its policies and procedures reflect this. All policies and procedures updated as appropriate and are available at the school for inspection.

In setting the School's objectives, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefits and in particular to its supplementary public benefit guidance on advancing education and on fee charging.

Achievements and performance

a. Review of activities

Parents are attracted to the School by the small class sizes, excellent exam results and the caring and stimulating environment that is provided. There is a strong emphasis on pastoral care, behaviour and moral standards.

Achievements and performance

Carleton House was recently ranked as the highest-placed independent preparatory school in Merseyside by the Parent Power, The Sunday Times Schools Guide 2021. It was ranked 10th overall nationally.

The majority of our pupils obtain their first choice preference at secondary school level. The places secured for 2020-2021 were as follows:

The Blue Coat School	8 pupils
St Mary's College	3 pupils
St Margaret's Academy	2 pupils
Belvedere Academy	2 pupils
King David High School	1 pupils
Liverpool College	1 pupils
St Edwards College	1 pupil
Wade Deacon High School	1 pupil

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Achievements and performance (continued)

The achievements of our pupils are usually measured in Statutory Attainment Tests (SATs) using a scaled score. Due to the Coronavirus pandemic, statutory testing did not take place in summer 2021, therefore there are no available scaled scores for the children who left in 2021. Our SATs results in previous years have been significantly higher than the national average.

The school was closed to all but children of key workers in line with government instruction again in January 2021 and remained closed until March 2021. The staff at the school worked hard to develop high quality online provision, which was offered to the pupils learning remotely. This took the form of live remote lessons and pre-recorded teaching content, work packs, weekly reading book picks up, and remote music provision. We were delighted when we could welcome our children back to school and are really grateful for how staff, trustees, parents and pupils pulled together as a family in such a difficult period to support the school.

The school has adapted to the restrictions caused by the pandemic and worked in accordance with Government guidance on the safe opening of schools, including a full risk assessment which was updated as risks evolved during the pandemic.

The school continued to provide a daily hot lunch for every child prepared by their own chef in the kitchen to meet national food standards in schools. The quality of food and choice is closely monitored and has been a great success with the children and staff.

b. Fundraising activities and income generation

The school has continued to support local charities throughout the pandemic, including local Food Bank and charities to support less fortunate families.

Financial review

a. Going concern

After making appropriate enquiries, the Board of Trustees have a reasonable expectation that the school has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

In what has been a difficult year with high amounts of financial uncertainty, the Board of Trustees have continued to evaluate the reserves requirements to ensure the continued running of the school. Due to prudent financial management over recent years, our reserves have been growing, which meant that we were in a strong position to mitigate the financial risks arising from the pandemic. As a general rule, the Board of Trustees have decided that the school should have cash reserves equivalent to between three and six months costs for business as usual operations, although this may be reduced in periods where significant capital investment is needed.

The current year surplus is £86,869. The general reserve has increased to £1,000,201, including cash balances of £431,527. This is within the range of reserves agreed by the Board of Trustees, although some of the retained reserves have been set into a specific fund which will be utilised to finance an ambitious development of the current premises, which is planned to be phased over the next three years. The reserves are higher at the moment as the School works towards the planned building work, including replacement of the current conservatory. This was postponed due to the pandemic but will commence in the next financial year.

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

c. Principal risks and uncertainties

The current pandemic situation remains an unknown, however the Board of Trustees has monitored the school's risk mitigations carefully and is encouraged by the strong position with respect to pupil numbers and our current finances.

d. Principal funding

The principal source of funding is the fees charged to parents for the provision of school places for their children.

Structure, governance and management

a. Constitution

Carleton House Preparatory School Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 28 May 1976.

The Memorandum and Articles of Association were altered by special resolution on 18th June 2020.

The principal object of the company is to provide a first class, independent co-educational school to pupils aged 3 to 11 years. The Head Teacher is a member of the Independent Schools Association, which gives accreditation by the Independent Schools Council. The School is a Catholic School which accepts children of other denominations and faiths. It has strong links with the Archdiocese of Liverpool and the Parish of Our Lady of the Annunciation Bishop Eton.

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

c. Organisational structure and decision-making policies

The Board of Trustees determines the general strategy and policy of the school, but the day-to-day management of the school is delegated to the Head Teacher. The Board meets at least termly and there are a number of sub-committees convening such areas as Curriculum and Safeguarding, Finance, Buildings and Health and Safety and Pay and Appraisal.

d. Policies adopted for the induction and training of Trustees

The trustees who served during the year are shown on page one. Trustees are appointed by the Board of Trustees (also known as the Governing Body) and serve for a period of three years. Upon the end of each three-year term, trustees are eligible for re-election. Vacant trustee positions are advertised within the school with the majority of trustees being parents of pupils within the school. New trustees are provided with an introduction into the nature and running of the school.

e. Financial risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods

a. FUTURE DEVELOPMENTS

Building plans are in progress to replace our existing cloakroom which is housed in an original conservatory with a new, purpose built modern cloakroom. Building work was expected to be completed during 2020 but was delayed due to the pandemic. It is anticipated, pending a review of the current situation with regards to the pandemic, that work will commence Summer 2022.

b. INFORMATION ON FUNDRAISING PRACTICES

The restrictions imposed by the pandemic have unfortunately curtailed our larger PTA fundraising events and parental social events although we have run some remote fundraising challenges.

This year we have been able to support The South Liverpool Foodbank, Comic Relief, Children in Need, The Whitechapel Centre for the Homeless, Christmas Shoebox Collection and Radio City Cash for Kids.

Members' liability

The Members of the company guarantee to contribute an amount not exceeding £1 to the assets of the company in the event of winding up.

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management.

The company has implemented a number of detailed policies in relation to all aspects of personnel matters including an equal opportunities policy and a health & safety policy.

- In accordance with the company's equal opportunities policy, the company has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.
- Full details of these policies are available from the company's offices.

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, Langtons Professional Services Limited, has indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 27 May 2022 and signed on their behalf by:

S L Fletcher
Trustee

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARLETON HOUSE PREPARATORY
SCHOOL LIMITED**

Opinion

We have audited the financial statements of Carleton House Preparatory School Limited (the 'charitable company') for the year ended 31 August 2021 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 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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.

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARLETON HOUSE PREPARATORY
SCHOOL LIMITED (CONTINUED)**

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, 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 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.

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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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' Report and from the requirement to prepare a Strategic Report.

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARLETON HOUSE PREPARATORY
SCHOOL LIMITED (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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.

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARLETON HOUSE PREPARATORY SCHOOL LIMITED (CONTINUED)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

The objectives of our audit, in respect to fraud, are:

- to identify and assess the risks of material misstatement of the financial statements due to fraud;
- to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and
- to respond appropriately to fraud or suspected fraud identified during the audit.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS 102, the Companies Act 2006 and the provisions of the Statement of Recommended Practice (SORP) applicable to charities) and the relevant tax compliance regulations in the UK.

We understood how the Company is complying with those frameworks by making appropriate enquiries. Through consideration of the results of our audit procedures we were able to either corroborate or provide contrary evidence which was then followed up.

Based on our understanding we designed our audit procedures to identify non-compliance with laws and regulations. Our procedures involved:

- enquiries of management; and
- testing of transactions, with a focus on large or unusual transactions based on our understanding of the business.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. We also considered performance targets and their propensity to influence efforts made by management to manage revenue and earnings. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk or other risk of material misstatement. These procedures, including those on revenue recognition, were designed to provide reasonable assurance that the financial statements were free from material fraud or error.

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.

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARLETON HOUSE PREPARATORY
SCHOOL LIMITED (CONTINUED)**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew McCall (Senior statutory auditor)

for and on behalf of
Langtons Professional Services Limited

Chartered Accountants
Statutory Auditor

The Plaza
100 Old Hall Street

Liverpool

L3 9QJ

27 May 2022

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:				
Donations and legacies	3	31,893	31,893	90,231
Charitable activities	4	1,395,714	1,395,714	1,275,494
Investments	5	76	76	750
		<u>1,427,683</u>	<u>1,427,683</u>	<u>1,366,475</u>
Total income				
Expenditure on:				
Charitable activities	6	1,340,814	1,340,814	1,306,281
		<u>1,340,814</u>	<u>1,340,814</u>	<u>1,306,281</u>
Total expenditure				
		<u>86,869</u>	<u>86,869</u>	<u>60,194</u>
Net movement in funds				
Reconciliation of funds:				
Total funds brought forward		961,578	961,578	901,384
Net movement in funds		86,869	86,869	60,194
		<u>1,048,447</u>	<u>1,048,447</u>	<u>961,578</u>
Total funds carried forward				

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

The notes on pages 16 to 31 form part of these financial statements.

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 01260765

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	1,271,769	1,297,156
		<u>1,271,769</u>	<u>1,297,156</u>
Current assets			
Stocks	12	1,245	1,289
Debtors	13	1,215,468	1,205,413
Cash at bank and in hand		431,527	329,492
		<u>1,648,240</u>	<u>1,536,194</u>
Creditors: amounts falling due within one year	14	(1,675,768)	(1,558,415)
Net current liabilities		(27,528)	(22,221)
Total assets less current liabilities		1,244,241	1,274,935
Creditors: amounts falling due after more than one year	15	(195,794)	(313,357)
Net assets excluding pension asset		1,048,447	961,578
Total net assets		1,048,447	961,578

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 01260765

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Charity funds			
Restricted funds	17	-	-
Unrestricted funds	17	1,048,447	961,578
Total funds		1,048,447	961,578

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 have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 27 May 2022 and signed on their behalf by:

S L Fletcher
Trustee

The notes on pages 16 to 31 form part of these financial statements.

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	213,085	19,532
	<hr/>	<hr/>
Cash flows from investing activities		
Purchase of tangible fixed assets	(20,589)	(45,296)
	<hr/>	<hr/>
Net cash used in investing activities	(20,589)	(45,296)
	<hr/>	<hr/>
Cash flows from financing activities		
Repayments of borrowing	(90,461)	(88,617)
	<hr/>	<hr/>
Net cash used in financing activities	(90,461)	(88,617)
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	102,035	(114,381)
Cash and cash equivalents at the beginning of the year	329,492	443,873
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	<u>431,527</u>	<u>329,492</u>

The notes on pages 16 to 31 form part of these financial statements

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. General information

Carleton House Preparatory School Limited is a private company limited by guarantee without share capital, incorporated in England and Wales. The address of the registered office is 145 Menlove Avenue, Liverpool, Merseyside L18 3EE. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The presentational currency of these financial statements is pound sterling; the financial statements are rounded to the nearest pound.

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) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Carleton House Preparatory School 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.

2.2 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.3 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

2.4 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- Over 50 years - buildings only (land not depreciated)
Extensions & building	- 5 to 25 years straight line
Fixtures and fittings	- 2-6 years straight line
Office equipment	- 3-5 years straight line

2.7 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

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 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

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.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

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

Retirement benefits for employees who are teachers of the School are provided by the Teachers' Pension Scheme (TPS). This is a defined benefit schemes which is externally funded and contracted out of the State Earnings Related Pension Scheme (SERPS). Contributions to the TPS are charged as incurred.

Contributions to the TPS scheme are charged to the statement of financial activities so as 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 qualified actuaries on the basis of quinquennial valuations using a prospective benefit method.

The company also contributes to personal pension plans for administrative employees and the pension charge represents the amounts payable by the company for the year.

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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

3. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £
Donations	1,055	1,055
Government grants	30,838	30,838
	<hr/> 31,893	<hr/> 31,893
	<hr/> <hr/>	<hr/> <hr/>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	7,741	7,741
Government grants	82,490	82,490
	<hr/> 90,231	<hr/> 90,231
	<hr/> <hr/>	<hr/> <hr/>

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
School fees	1,239,522	1,239,522
Other income	156,192	156,192
Total 2021	1,395,714	1,395,714

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
School fees	1,141,566	1,141,566
Other income	133,928	133,928
<i>Total 2020</i>	<i>1,275,494</i>	<i>1,275,494</i>

5. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Bank interest received	76	76

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Bank interest received	750	750

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Total funds 2021 £
Unrestricted funds	1,340,814	1,340,814

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Unrestricted funds	1,306,281	1,306,281

7. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support & governance costs 2021 £	Total funds 2021 £
Unrestricted funds	1,241,396	99,418	1,340,814

	<i>Activities undertaken directly 2020 £</i>	<i>Support & governance costs 2020 £</i>	<i>Total funds 2020 £</i>
Unrestricted funds	1,193,794	112,488	1,306,282

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. Auditor's remuneration

	2021	<i>2020</i>
	£	£
Fees payable to the company's auditor for the audit of the company's annual accounts	5,775	<i>5,775</i>

9. Staff costs

	2021	<i>2020</i>
	£	£
Wages and salaries	751,000	<i>736,699</i>
Social security costs	61,068	<i>52,805</i>
Contribution to defined contribution pension schemes	110,821	<i>104,364</i>
	922,889	<i>893,868</i>

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

	2021	<i>2020</i>
	No.	No.
Teaching Staff	26	<i>24</i>
Administrative Staff	2	<i>2</i>
Kitchen	4	<i>4</i>
Caretaking Staff	1	<i>1</i>
	33	<i>31</i>

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

	2021	<i>2020</i>
	No.	No.
In the band £60,001 - £70,000	1	<i>1</i>

The key management personnel of the School comprises the Trustees, the Head Teacher, the Deputy Head Teacher and the Assistant Head Teacher. The School's Trustees are not remunerated. The total amount of employee benefits (including employer pension contributions) received by the Head Teacher, Deputy Head Teacher and the Assistant Head Teacher was £196,889 (2020: £193,248). It represents remuneration for these three members of staff who are all substantially involved in teaching and the supervision of students.

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

11. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 September 2020	1,466,163	435,620	1,901,783
Additions	-	20,589	20,589
At 31 August 2021	<u>1,466,163</u>	<u>456,209</u>	<u>1,922,372</u>
Depreciation			
At 1 September 2020	215,520	389,107	604,627
Charge for the year	24,350	21,626	45,976
At 31 August 2021	<u>239,870</u>	<u>410,733</u>	<u>650,603</u>
Net book value			
At 31 August 2021	<u><u>1,226,293</u></u>	<u><u>45,476</u></u>	<u><u>1,271,769</u></u>
At 31 August 2020	<u><u>1,250,643</u></u>	<u><u>46,513</u></u>	<u><u>1,297,156</u></u>

Included in land and buildings is freehold land at valuation of £500,000 (2020 - £500,000) which is not depreciated.

12. Stocks

	2021 £	2020 £
School uniforms	-	43
Sundry stocks	1,245	1,246
	<u><u>1,245</u></u>	<u><u>1,289</u></u>

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

13. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	1,191,401	1,147,813
Other debtors	1,503	44,508
Prepayments and accrued income	22,564	13,092
	1,215,468	1,205,413
	1,215,468	1,205,413

14. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	114,862	75,760
Trade creditors	27,419	22,929
Other taxation and social security	16,202	13,525
Other creditors	114,565	120,345
Accruals and deferred income	1,402,720	1,325,856
	1,675,768	1,558,415
	1,675,768	1,558,415
	2021 £	2020 £
Deferred income at 1 September 2020	1,137,485	1,132,896
Resources deferred during the year	1,189,348	1,137,485
Amounts released from previous periods	(1,137,485)	(1,132,896)
	1,189,348	1,137,485
	1,189,348	1,137,485

School fees are invoiced in July for the coming academic year, and are therefore included in deferred income at the year end.

The prior year deferred income balance has been released in full in the year, and the total current year balance has been deferred this year.

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	117,794	247,357
Other creditors	78,000	66,000
	195,794	313,357
	195,794	313,357

Included within the above are amounts falling due as follows:

	2021 £	2020 £
Between one and two years		
Bank loans	117,794	77,964
	117,794	77,964
	117,794	77,964
Between two and five years		
Bank loans	-	169,393
	-	169,393
	-	169,393

The bank loan is secured on the company's freehold property by way of a first legal charge in favour of the bank. Interest is charged on this loan 2.75% over the bank's base rate.

16. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through income and expenditure	431,527	329,492
	431,527	329,492
	431,527	329,492
Financial liabilities		
Other financial liabilities measured at fair amortised cost	(480,031)	(559,971)
	(480,031)	(559,971)
	(480,031)	(559,971)

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

Financial liabilities measured at amortised cost comprise trade and other creditors, bank loans and accruals.

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
Unrestricted funds				
Designated funds				
Site development fund	43,200	-	-	43,200
Personal donations fund	5,196	257	(407)	5,046
	<u>48,396</u>	<u>257</u>	<u>(407)</u>	<u>48,246</u>
General funds				
General Funds - all funds	913,182	1,427,426	(1,340,407)	1,000,201
	<u>961,578</u>	<u>1,427,683</u>	<u>(1,340,814)</u>	<u>1,048,447</u>

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

17. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds					
Designated funds					
Site development fund	43,200	-	-	-	43,200
Personal donations fund	4,367	-	-	829	5,196
	<u>47,567</u>	<u>-</u>	<u>-</u>	<u>829</u>	<u>48,396</u>
General funds					
General Funds - all funds	853,818	1,283,156	(1,223,792)	-	913,182
Personal donations fund	-	829	-	(829)	-
	<u>853,818</u>	<u>1,283,985</u>	<u>(1,223,792)</u>	<u>(829)</u>	<u>913,182</u>
Total Unrestricted funds	<u><u>901,385</u></u>	<u><u>-</u></u>	<u><u>(1,223,792)</u></u>	<u><u>-</u></u>	<u><u>961,578</u></u>

18. Summary of funds

Summary of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
Designated funds	48,396	257	(407)	48,246
General funds	913,182	1,427,426	(1,340,407)	1,000,201
	<u>961,578</u>	<u>1,427,683</u>	<u>(1,340,814)</u>	<u>1,048,447</u>

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

18. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2020 £</i>
Designated funds	47,567	-	-	829	48,396
General funds	853,818	1,283,985	(1,223,792)	(829)	913,182
	<u>901,385</u>	<u>1,283,985</u>	<u>(1,223,792)</u>	<u>-</u>	<u>961,578</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,271,769	1,271,769
Current assets	1,648,241	1,648,241
Creditors due within one year	(1,675,769)	(1,675,769)
Creditors due in more than one year	(195,794)	(195,794)
Total	<u>1,048,447</u>	<u>1,048,447</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	1,297,156	1,297,156
Current assets	1,536,194	1,536,194
Creditors due within one year	(1,558,416)	(1,558,416)
Creditors due in more than one year	(313,357)	(313,357)
Total	<u>961,577</u>	<u>961,577</u>

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	86,869	60,194
Adjustments for:		
Depreciation charges	45,976	44,233
Decrease in stocks	43	1,216
Increase in debtors	(10,055)	(64,982)
Increase/(decrease) in creditors	90,102	(21,129)
Net cash provided by operating activities	212,935	19,532

21. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	431,527	329,492
Total cash and cash equivalents	431,527	329,492

22. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	329,492	102,035	431,527
Debt due within 1 year	(75,760)	(39,102)	(114,862)
Debt due after 1 year	(247,357)	129,563	(117,794)
	6,375	192,496	198,871

23. Pension commitments

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

23. Pension commitments (continued)

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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) (Amendment and Savings) Directions 2019 published by HM Treasury. 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 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) (Amendment and Savings) Directions 2019. 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% employer administration charge)
- 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
- an employer contribution correction cost of 7.3% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.8% 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 is 4.45%.

The TPS valuation for 2016 determines an employer rate of 23.68%, which was payable from September 2019.

The employer's pension costs paid to TPS in the year amounted to £102,724 (2020 - £94,267).

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

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

The School also makes contributions to personal pension plans for non-teaching staff. The total cost of these contributions was £7,949 (2020 - £10,097).

24. Operating lease commitments

At 31 August 2021 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	7,100	6,962
Later than 1 year and not later than 5 years	19,615	6,002
	<u>26,715</u>	<u>12,964</u>

CARLETON HOUSE PREPARATORY SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

25. Related party transactions

Trustees whose children attend the School pay fees at the same rate as any other parent.

There were no related party transactions entered into in the current or prior period.