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**ST GEORGE'S SCHOOL (HARPENDEN) LIMITED
(BY GUARANTEE)**

(Company Registered Number: 397914)
(Charity Registered Number: 311050)

**CONSOLIDATED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2010**

WEDNESDAY



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St. George's School (Harpenden) Limited
(By Guarantee)
Annual Report
Year ended 31st March 2010

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St. George's School (Harpenden) Limited
(By Guarantee)
Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the company will be held on Wednesday 12th January 2011 at 6 30 p m at St George's School, Harpenden to conduct the ordinary business of the company

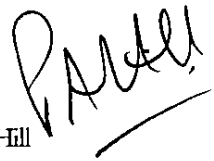
Dated

15/12/

2010

BY ORDER

P A. Hill
Secretary



St George's School
Harpenden
Hertfordshire
AL5 4TD

St. George's School (Harpenden) Limited

(By Guarantee)

Legal and Administrative Details

St George's School (Harpenden) Limited is a company limited by guarantee (397914) and a registered charity (311050) It is governed by its Memorandum and Articles of Association dated 18th August 1945 and as amended by Special Resolutions passed on 15th December 1966 and 2nd November 2004

Directors/Trustees

The directors, who are also the trustees of the charitable company, who served during the year are

Mr K.R. Parsons*	(Chairman)	Mrs G.M. Ingram (appointed 17th August 2009)
Mr K. Andrews*		The Rev G.C. Lewis*
Mr N.A. Caisley	(appointed 19th August 2009)	Mr G.I. McNeilly (retired 8th June 2009)
Mrs P. Carey*		Mrs M. Needham (retired 22nd June 2009)
Mrs K.S. Coxon		Mr D. Newbury-Ecob (retired 13 January 2010)
Prof M.G. Clarke	(retired 12th June 2009)	Mr J. O'Sullivan (appointed 1 October 2009)
Mrs J.A. Crawford*		Mr R. Scott
Mr A.W. Evans*	(retired 9th October 2009)	Mr R.A. Usher*
Mrs S. Fairbairn†		Mr M. Winup*
Mrs F.H. Hall		

Those marked with a * also served on the School's Governing Body in the year ending 31st March 2010

Company Secretary:

Mr P.A. Hill

None of the directors who held office at the end of the financial year had any interest in the charitable company or its subsidiary. The following directors retire by rotation under Article 39 of the Articles of Association and, being eligible, offer themselves for re-election

Mr K. Andrews
Mr N. Caisley
Mrs K. Coxon
Mr J. Douglas (appointed 14 July 2010)
Mrs G. Ingram
Mr J. O'Sullivan

Registered Office St George's School
Sun Lane
Harpenden
Hertfordshire AL5 4TD

Advisors

Auditors Kingston Smith LLP
105 St. Peter's Street
St. Albans
Hertfordshire AL1 3EJ

Bankers NatWest
21 High Street
Harpenden
Hertfordshire AL5 2RY

Solicitors Taylor Walton
65 High Street
Harpenden
Herts AL5 2SW

Investment Managers COIF Charitable Funds
CCLA Investment Management Limited
80 Cheapside
London EC2V 6DZ

St. George's School (Harpenden) Limited

(By Guarantee)

Report of the Directors

For the year ended 31st March 2010

The Directors, who are the trustees of the charitable company, present their report together with the audited financial statements for the year ended 31st March 2010 which have been prepared in accordance with applicable accounting standards and in accordance with the Statement of Recommended Practice (SORP 2005)

1 Definitions

Throughout this report "The Company" and "The Charity" mean St George's School (Harpenden) Limited, "The School" means St George's VA School, Harpenden, "The Lettings Company" means St George's School (Harpenden) Lettings Limited, and "Residential Lettings" means St George's Residential Lettings Limited

2 Introduction and Aims

The Company was formed in 1945 to take over from private ownership of the then independent co-educational St George's School. Its Memorandum and Articles of Association, as drawn up in 1945 and amended in 1966 and 2004, provide the basis for its governance.

The School entered the State system in 1965 on a Voluntary Aided basis. In a Voluntary Aided school the Foundation body, in our case the Company, has rights and obligations different from fully-maintained State schools. The Company appoints a majority of the Governing Body (11 out of 20 governors), which has some discretion in the School's admissions policy, the appointment of staff and the religious education and 'faith' character of the school. The Company also owns the school buildings and the land they stand on, and is responsible for their maintenance. In general, finance provided by the State for extensions and improvements to the buildings is subject to at least 10% of the total cost being met by the Foundation.

The Company's aims are to help all the pupils at the School achieve a sense of fulfilment at school and as adults by:

- Providing a first class education,
- Encouraging respect for moral and spiritual values within the context of its Christian foundation,
- Helping them to grow into mature, self-disciplined citizens and caring members of society;
- Having an environment that provides for equality of opportunity and promotes good relations between individuals within the School and in their wider community.

The Directors expect to achieve these aims in partnership with parents and other stakeholders.

3 Public Benefit

The existence of the Company is fundamental to the character and philosophy of the school. It embodies the school's Foundation, underpinning its Voluntary Aided status, and thereby enables the school to maintain its Christian ethos through its admission policies. It also makes possible the boarding activity, another major contributor to the school's unique character.

The School is the only State Christian secondary school in the Harpenden area, and places, both day and boarding, are heavily in demand. It admits pupils irrespective of academic ability, and seeks to help them achieve the very best results of which they are capable. It has a first class Learning Support unit, which helps increasing numbers of pupils with a wide variety of learning difficulties.

The existence of the boarding houses can provide a valuable safe haven for children who for whatever reason have difficulties at home. In the past few years, three children have been so accommodated, at short notice, enabling them to complete their courses at St George's, in each case, without the boarding facility they might not have been able to remain in the school.

As in all State schools, there are no fees for day places. Boarding fees are charged to pay for the dedicated facilities, and no charge is made to the pupils' families for their education. In principle boarding places are open to any child who is entitled to a UK education.

The Directors, as the Charity Trustees, confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

St. George's School (Harpenden) Limited

(By Guarantee)

Directors' Report (Continued)

4 Strategy and Objectives

The Company's medium to long term strategy is to support the School through a growth period, helping to provide new buildings and facilities and the success of this strategy is measured by exam results, independent inspections by OFSTED and direct feedback from pupils and parents. Specific objectives for the year ending March 2010 were

- To convert the old changing rooms at the end of the Art Corridor into smaller units, and to use the vacated space for a new Art Graphics studio,
- To continue the programme of refurbishing the science laboratories, subject to continuing funding from the DCSF/Herts CC
- To complete the modernisation of the dormitories in Crosthwaite
- To initiate the building of a new Sixth Form Boarding House located behind Crosthwaite House, to accept its first intake in September 2010

All this work was completed. A new Art Graphics studio, and a well-equipped dark room attached to it, were completed in the Summer Term of 2009.

Phase 1 of the Science Laboratories' refurbishment plan was also completed in the Summer Term of 2009, and plans were laid for Phase 2, the refurbishment of two existing labs. Owing to the timing of DCSF funds, this work did not commence until April 2010, and at the time of writing one laboratory is complete and another will be commissioned in time for the Autumn Term.

The modernisation programme of the Crosthwaite dormitories continued during the summer of 2009, with three quarters of the house now having been completely refurbished.

Work commenced on the new Sixth Form Boarding House, named 'Skiddaw', in September 2009, and at the time of writing it is all but complete, and ready to accept its first intake of boarders in the Autumn of 2010.

An unexpected bonus was the success of opening of the Sports Hall for public use. Contrary to all the advice we had received, the newly appointed Sports Hall Manager succeeded in bringing in a great deal of business, and both the Lettings Company and Residential Lettings turned in profits.

The company's strategy remains unchanged, with the following specific objectives for 2010/11

- To use the Company's own resources to refurbish the Old Goddard building as a new home for the Music department
- In tandem with this, to develop the existing Sixth Form area in the Montauban building, together with the former music rooms above, into a new area with improved study, catering and recreation areas, in a part of the school which will offer further development opportunities in the future
- To monitor national education policy, in particular the concept of Academy status, so as to be ready to take advantage of any developments that will benefit the School
- To consolidate the success of the Sports Hall as a base for commercial lettings, and aim to match or better its first year.
- After an extensive building programme, to restore the Company's reserves

St. George's School (Harpenden) Limited

(By Guarantee)

Directors' Report (Continued)

5 Organisation and Governance

The School has a governing body of 20. There are 11 Foundation Governor positions who have to be filled from the Directors of the Company. In addition there are two LEA Governors, three Staff Governors, three Parent Governors and the Headmaster. The full Governing Body meets five times a year (one meeting per term, an additional meeting in the Summer Term to adopt the School's budget, and another in the later autumn term to review the School Improvement Plan). The Directors meet at least three times a year. There are a variety of subcommittees of the Governors made up of a combination of Foundation Governors and other Governors. Finance & General Purposes, Boarding, Estates, Curriculum, Personnel & Pay and various disciplinary committees. A new committee, Facilities Management and Marketing, was established in 2009 and meets regularly to consider the commercial use of the Sports Hall, the Boarding Houses and catering service, and other School rooms that are used for many and diverse purposes. Committees normally meet at least once a term and report to the Governors at their termly meeting.

Policy is determined by the Governors and is carried out by the Headmaster. He is assisted on academic matters by the Leadership Group (Deputy Heads and Assistant Headteachers) and on non-academic matters by the Bursar, the Director of Boarding and the Site Manager. This wider group meets as the Leadership Committee.

The Clerk to the Governors is also the Company Secretary and Bursar and provides financial and other support to the officers of the School and Governing Body.

Directors are elected from the body of Company Members, and in turn Directors of the Company appoint Foundation Governors from the members of the Board. Their term of office is four years, when they are eligible for re-election.

New Directors undergo the induction process designed for new Governors of the School, which includes a session with the Bursar about Company finance.

At the Balance Sheet date there were 14 Directors. No fee or other remuneration, apart from travelling expenses, is paid to the Directors or Governors for their services, but they can charge for professional services provided outside these roles. A Director or Governor who is absent without good cause from all meetings of the Directors and all meetings of the Governors for twelve consecutive months or notifies the Chairman in writing of his/her wish to resign ceases to be a Director or Governor.

6 Review of Activities

A full review of the School's activities is published annually in the Headmaster's review of the Academic Year. Traditionally this review is presented at Senior Prizegiving in the Chapel each September. Additional information is contained in the End of Term letters, which are available on the web site to all parents, Governors and Directors in December, April and July. In October of each academic year the Headmaster writes to all parents outlining the structure of the curriculum, any changes to School policies and a wide range of information about the School timetable and events during the year.

The activities reviewed below are those in which the Company has a direct financial interest. At the head of each section is a summary of the performance indicators regarded by the Directors as critical measures of the health of the Charity.

St. George's School (Harpenden) Limited

(By Guarantee)

Directors' Report (Continued)

6 Review of Activities (Continued)

Boarding

Key performance Indicators	2009/10	2008/09
Average number of boarders	117	111
Boarding fee income	£1,124k	£1,027k
Cost of staffing	£293k	£279k
Cost of catering	£240k	£235k
Cost of repairs and maintenance	£273k	£164k
Investment in capital assets	£706k	£45k

A heavy programme of building work saw continuation of the refurbishment programme in Crosthwaite, and also developments in Keswick. Work started on the new Sixth Form house, Skuddaw. Both houses were fully staffed, which is why the cost of staffing was slightly higher. Boarding numbers rose again.

Catering

Key performance Indicators	2009/10	2008/09
Average number of lunches served	731	709
Income from cash sales to pupils	£253k	£251k
Income from boarding	£240k	£235k
Other catering income	£27k	£29k
Cost of staffing	£218k	£211k
Cost of management support	£13k	£14k
Cost of provisions	£235k	£272k
Cost of repairs and maintenance	£5k	£3k

The lunch price was raised 10p to £2.75 in September 2009, but again demand continued to rise. Congestion in the dining hall continues to be a major concern, though plans to create a new servery for the sixth form will help to relieve the pressure. There is some evidence that pupils are put off having School lunches because of the time required to queue.

The catering department continues to be a major selling point for residential lettings. The County Music service have now used St George's for a major summer school in 2009 and 2010.

School Support

School support includes both routine support provided by the Company and specific projects, not boarding or catering related, wholly or partially financed by the Company. If specific funding for a project has been obtained, this is shown below:

	2009/10	2008/09
Capital work	£63k	£3,139k
<i>Of which</i>		
6FE expansion project	£41k	£3,077k
Assembly Hall balcony	£19k	-
Revenue projects included:		
Conversion of changing rooms to a new Art and Photographic Studio	£181k	-
Earmarked funding received	None	£2,956k
School repairs and maintenance	£318k	£341k
Converted Science labs	£234k	£107k
Earmarked funding received	£233k	£197k
Depreciation of School buildings	£263k	£234k
Insurance	£37k	£38k
Catering (incl free staff meals)	£52k	£51k
Speech day costs and prizes	£2k	£2k

Funding for the R&M projects was provided by the LCVAP (Local Council VA Programme)

St. George's School (Harpenden) Limited

(By Guarantee)

Directors' Report (Continued)

6 Review of Activities (Continued)

The insurance of the school buildings, plus public and employee liability, is borne by the Company, and is placed on the open market

The bulk of the catering cost is the provision of free meals at lunchtime to all the school staff during termtime. For the purposes of this report it is costed at the sales price to the pupils. The policy of providing free meals is reviewed by the Governing Body on a regular basis.

Staff housing is provided to the Headmaster and resident caretakers.

<i>Other Income Generation</i>	2009/10	2008/09
Rental income	£33k	£31k
Lettings income	£116k	£80k
Income from investments	£16k	£29k
Centenary Appeal income	£97k	£154k
Development Office costs	£26k	£43k

Rental income is virtually all from Muscalle's occupation of Homecroft. A new lease for a further ten years was concluded in Summer 2010.

Lettings income includes a wide range of activities in which third parties use the school's facilities. These include long-standing enterprises such as the annual Muscalle summer school, regular evening classes in subjects such as dancing, singing, and an increasingly wide range of sports activities based in the Sports Hall. The additional earning power of the Sports Hall for a full year can clearly be seen in the above figures, adding almost 50% more to income.

Lettings activities are accounted for in the two trading companies, St George's School (Harpenden) Lettings Ltd and St George's Residential lettings Ltd. Both are wholly-owned by the Charity and their profits are gift aided to the parent company at the year end.

7 Financial Position

There was an overall surplus for the year of £510k, compared with £2,640k in 2008/9. This figure includes £476k of capital grant from the Standards and Diversity fund of the Department of Children, Schools and Families (DCSF), which appears as income, while the expenditure on the new boarding house, being capital, does not appear in the Income and Expenditure account. After taking account of this, the adjusted figure is a surplus of £34k.

This figure is in line with the Directors' plans for the year, which included a project to convert old changing rooms into a new Art and Photography studio, which did not attract external funding, and also modernisation of the top floor of Crosthwaite, the boys' boarding house. The Directors are satisfied with the current and ongoing financial position of St George's School (Harpenden) Limited.

8 Risk Assessment

The Directors have developed a formal risk management process to assess the business risks and implement risk management strategies. This involves anticipating the types of risk the Charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating them. Many of these, but not all, can be met by appropriate insurance, such as insurance of the buildings, employee and public liability and legal expenses, governor indemnity and business interruption.

The School has continued to install CCTV cameras around the site, and these have been of use when theft or vandalism has occurred.

St George's School (Harpenden) Limited

(By Guarantee)

Directors' Report (Continued)

9 Reserves Policy

As at 31 March 2010 total funds were £12,930k. Of this amount £3.3 million were designated funds and £8.0m represented restricted funds, leaving total free unrestricted general funds of £637k.

The aim of the Directors is to maintain its reserves at a level that would cover at least one term's expenses, which is considered suitable to cover any unforeseen circumstances. This is estimated to be approximately £250k. The current surplus above this level is part of the Directors' plans to continue the refurbishment of a number of School buildings.

The reserves policy is reviewed by the Directors on an annual basis.

10 Investment Policy

The Directors have reviewed the Charity's investments in property and securities and are in the process of aligning these with the operational and financial needs of the School, and to provide the level of reserves needed for present and future funding.

11 Directors' Responsibilities

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

Company law requires directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business;

The Directors are responsible for keeping proper accounting records that 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. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

St. George's School (Harpenden) Limited
(By Guarantee)
Directors' Report (Continued)

12 Disclosure of Information to Auditors

In so far as the Directors are aware

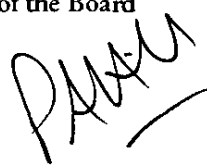
- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

13 Auditors

Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year

By Order of the Board

P.A. Hill
Secretary



St. George's School
Harpenden
Hertfordshire
AL5 4TD

Date 15/12/10

Independent Auditors' Report to the Members of St. George's School (Harpenden) Limited

We have audited the financial statements of St George's School (Harpenden) Limited for the year ended 31st March 2010 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the charitable company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

The trustees (who are also the directors of the company for the purpose of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view as set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the Charity has not kept adequate accounting records, if the Charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

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

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Independent Auditors' Report to the Members of St. George's School (Harpenden) Limited

Opinion

In our opinion

- the financial statements give a true and fair view of the state of the Charity's affairs as at 31st March 2010, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- the financial statements have been properly prepared in accordance with the Companies Act 2006, and
- the information given in the Trustees' Annual Report is consistent with the financial statements

Kingston Smith LLP

David Goodridge
David Goodridge Senior Statutory Auditor
For and Behalf of Kingston Smith LLP
Statutory Auditor

105 St Peter's Street
St Albans
Hertfordshire
AL1 3EJ

Date *22nd December 2010*

St. George's School (Harpenden) Limited
Consolidated Statement of Financial Activities
(Incorporating the Summary Income and Expenditure Account)
For the year ended 31 March 2010

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Incoming Resources					
<i>Activities in furtherance of Charity's objects</i>					
Donations received		119,741	3,496	123,237	172,576
Boarding income	2a	1,182,358	-	1,182,358	1,083,091
Rental income	4	33,133	-	33,133	30,658
Grants - capital		-	1,132,296	1,132,296	3,337,251
<i>Incoming resources from charitable activities</i>					
Lettings and catering		175,651	-	175,651	149,989
Investment income		16,449	-	16,449	28,785
Catering Service to the School	2b	221,410	-	221,410	210,569
<i>Other incoming resources</i>	3	4,465	850	5,315	3,849
Total Incoming Resources		<u>1,753,207</u>	<u>1,136,642</u>	<u>2,889,849</u>	<u>5,016,768</u>
Resources Expended					
<i>Cost of generating funds</i>					
Lettings and rentals		76,945	-	76,945	41,720
Fundraising		25,700	-	25,700	42,644
<i>Costs of activities in furtherance of the Charity</i>					
Boarding costs		756,245	250,224	1,006,469	886,044
Premises		691,285	-	691,285	730,469
Catering		615,560	-	615,560	654,566
Governance costs		14,102	-	14,102	20,463
Total Resources Expended	5	<u>2,179,837</u>	<u>250,224</u>	<u>2,430,061</u>	<u>2,375,906</u>
Net Income/(Expenditure)		(426,630)	886,418	459,788	2,640,862
Transfer between funds		-	-	-	-
Unrealised gains on investments	13	49,992	(45)	49,947	(691)
Net Movement in Funds		(376,638)	886,373	509,735	2,640,172
Fund balances brought forward at 1 April 2009		<u>5,314,239</u>	<u>7,105,656</u>	<u>12,419,896</u>	<u>9,779,724</u>
Fund balances carried forward at 31 March 2010	13/14	<u>4,937,601</u>	<u>7,992,029</u>	<u>12,929,631</u>	<u>12,419,896</u>

All gains and losses arising in the year have been included in the Statement of Financial Activities and arise from continuing operations

The notes on pages 15 to 22 form a part of these financial statements

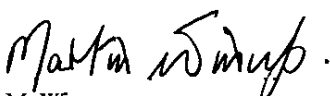
St. George's School (Harpenden) Limited
(By Guarantee)
Consolidated Balance Sheet at 31 March 2010

	Notes	2010 £	2010 £	2009 £	2009 £
Fixed Assets					
Tangible assets	8		11,421,899		10,755,199
Investments	9		<u>1,002,483</u>		<u>952,536</u>
			12,424,382		11,707,735
Current Assets					
Debtors	10	301,979		67,697	
Short term deposits		880,131		1,019,426	
Cash at bank and in hand		<u>164,808</u>		<u>164,822</u>	
		1,346,918		1,251,945	
Creditors: Amounts falling due within one year	11	<u>(841,669)</u>		<u>(539,784)</u>	
Net Current Assets			<u>505,249</u>		<u>712,161</u>
Net Assets			<u><u>12,929,631</u></u>		<u><u>12,419,896</u></u>
Funds					
Unrestricted funds					
General	13		636,620		496,584
Revaluation Reserve			1,000,000		950,000
Designated funds			3,300,982		3,867,656
Restricted funds			<u>7,992,029</u>		<u>7,105,656</u>
			<u><u>12,929,631</u></u>		<u><u>12,419,896</u></u>

Approved by the board on


K. R. Parsons

Chairman


M. Winup

Director

The notes on pages 15 to 22 form a part of these financial statements

Company Registration Number 397914

St. George's School (Harpenden) Limited

(By Guarantee)

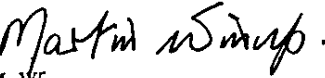
Charity Balance Sheet at 31 March 2010

	Notes	2010 £	2010 £	2009 £	2009 £
Fixed Assets					
Tangible assets	8		11,415,376		10,755,199
Investments	9		<u>1,002,483</u>		<u>952,537</u>
			12,417,859		11,707,736
Current Assets					
Debtors	10	307,899		60,982	
Short term deposits		880,131		1,019,426	
Cash at bank and in hand		<u>155,472</u>		<u>128,812</u>	
		1,343,502		1,209,220	
Creditors: Amounts falling due within one year	11	<u>(831,730)</u>		<u>(539,789)</u>	
Net Current Assets			<u>511,772</u>		<u>669,431</u>
Net Assets			<u><u>12,929,631</u></u>		<u><u>12,377,167</u></u>
Funds					
Unrestricted funds					
General	13		636,620		453,855
Revaluation Fund			1,000,000		950,000
Designated funds			3,300,982		3,867,656
Restricted funds			<u>7,992,029</u>		<u>7,105,656</u>
			<u><u>12,929,631</u></u>		<u><u>12,377,167</u></u>

Approved by the board on


K R. Parsons

Chairman


M Winup

Director

The notes on pages 15 to 22 form a part of these financial statements

Company Registration Number: 397914

St. George's School (Harpenden) Limited

(By Guarantee)

Notes to the Accounts

For the year ended 31 March 2010

1 Accounting Policies

The following policies have been used consistently in dealing with items which are considered material to the company's affairs, these have remained unchanged from the previous year

(a) Accounting Convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets. They have been prepared in accordance with applicable accounting standards and in accordance with the Statement of Recommended Practice (SORP 2005) - Accounting and Reporting by Charities. The comparatives have been restated accordingly.

These financial statements consolidate the results of the Charity and its wholly-owned subsidiaries, St George's School (Harpenden) Lettings Limited and St George's Residential Lettings Limited, on a line by line basis. A separate statement of financial activities for the Charity itself is not presented as the Charity has taken advantage of the exemptions under paragraph 304 of the SORP.

The Charity has taken advantage of the provisions of Schedule 4 of the Companies Act formats to reflect the special nature of the Charity's activities.

The following principal accounting policies, which are unchanged from the previous year, have been consistently applied in preparing the financial statements.

(b) All income is accounted for when receivable with the exception of donations and gifts which are accounted for when received

(c) Tangible Fixed Assets

- (i) Freehold land and buildings are included at cost or estimated cost where partial sales have occurred. Depreciation is provided on the cost of freehold buildings calculated to write down the assets, on a straight line basis, to their expected realisable value over 50 years. Assets over £5,000 are capitalised in the financial statements.
- (ii) Computer equipment is depreciated at 33 1/3% per annum on a reduced balance basis.
- (iii) Motor vehicles are depreciated at 25% per annum on a straight line basis.
- (iv) Grants received for buildings are credited to restricted funds through the Statement of Financial Activities.
- (v) Gifts-in-kind in the form of tangible fixed assets are included in the financial statements at their value to the Charity, as estimated by the directors. Non monetary gifts of services are not valued.

(d) Investments

- (i) Investments are stated in the financial statements at market value in accordance with the Statement of Recommended Practice issued by the Charity Commission. Gains or losses on investments are disclosed in the statement of financial activities.
- (ii) Investment income is accounted for on a receivable basis.

(e) Revenue Grants

Government grants relating to revenue expenditure are credited to the Statement of Financial Activities in the period to which they relate.

St. George's School (Harpenden) Limited
(By Guarantee)
Notes to the Accounts
For the year ended 31 March 2010 (Continued)

1 Accounting Policies (Continued)

(f) Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Wherever possible costs are directly attributed to these headings. Costs common to more than one area are apportioned on a reasonable basis or on a direct cost basis. The irrecoverable element of VAT is included with the expense item to which it relates.

Support costs are those costs incurred in support of the charitable objectives. These have been allocated to the charitable activities on a basis that fairly reflects the true use of those resource within the organisation.

The costs of generating funds are those costs of seeking potential funders and applying for funding.

Governance costs are those incurred in the governance of the Charity and are primarily associated with the constitutional and statutory requirements.

(g) Funds

Unrestricted - these represent funds which the trustees are free to use in accordance with the charitable objects.

Designated - these are funds set aside by the trustees for specific purposes.

Restricted - these are funds that can only be used for a particular purpose within the objects of the Charity as specified by the donor.

2a Boarding Income	2010	2009
	£	£
Boarding fees	1,124,225	1,027,041
Registration fees	5,150	2,719
Disbursements recovered	52,983	53,331
	<u>1,182,358</u>	<u>1,083,091</u>
2b Catering Service to the School	2010	2009
	£	£
Service to day pupils	<u>221,410</u>	<u>210,569</u>
3 Other Incoming Resources	2010	2009
	£	£
Sundry income	4,465	724
Prize fund income	850	3,125
	<u>5,315</u>	<u>3,849</u>
4 Rental Income	2010	2009
	£	£
Musical	27,260	24,540
Other rental income	5,873	6,118
	<u>33,133</u>	<u>30,658</u>

St. George's School (Harpenden) Limited

(By Guarantee)

Notes to the Accounts

For the year ended 31 March 2010 (Continued)

5	Total Resources Expended	Direct Costs £	Support Costs £	Depreciation £	2010 £	2009 £
	<i>Cost of generating funds</i>					
	Lettings and rentals	360	-	-	360	4,232
	Fundraising	25,700	-	-	25,700	42,643
	Total for Chanty	26,060	-	-	26,060	46,875
	Trading costs of the subsidiary	74,954	-	1,631	76,585	37,487
	Total for Group	101,014	-	1,631	102,645	84,362
	<i>Charitable activities</i>					
	Boarding costs	890,975	112,184	3,310	1,006,469	886,044
	Premises	413,876	21,167	256,242	691,285	730,469
	Catering	535,036	78,317	2,207	615,560	654,566
		1,839,887	211,668	261,759	2,313,314	2,271,079
	<i>Governance costs</i>	9,250	4,852	-	14,102	20,463
		1,849,137	216,520	261,759	2,327,415	2,291,543
	Total	1,950,151	216,520	263,390	2,430,061	2,375,905

5b	Governance Costs:	2010 £	2009 £
	Auditors' remuneration - current year	9,250	6,000
	- in respect of prior years	-	(155)
	Auditors' remuneration for non audit services	-	1,500
	Allocated support costs	4,852	13,118
		14,102	20,463

6	Staff Costs	2010 £	2009 £
	Directly employed staff wages and salaries		
	Clerk of works for 6FE project	-	22,645
	Boarding support	9,200	6,590
	Caretaking, Lettings and others	18,528	7,877
	Casual catering staff	15,323	16,480
	Sports centre staff	3,175	-
	Social Security Costs	480	2,493
		46,706	56,085
	Wages and salary costs shared with the Governors of the school		
	Company Secretary/ School Bursar	61,576	60,418
	Secretarial assistance to the Bursar	30,613	29,828
	Development office	37,202	34,658
	Residential boarding staff	224,197	214,593
	Boarding house cleaning staff	61,964	64,217
	Catering staff	201,913	194,218
	Caretaking staff	17,633	23,699
	Sports Centre staff	32,930	7,540
		668,028	629,171

St. George's School (Harpenden) Limited

(By Guarantee)

Notes to the Accounts

For the year ended 31 March 2010 (Continued)

6 Staff Costs (Continued)

There were no higher paid employees during the year (2009 none)

The average number of persons employed by the group during the year was

Full time Equivalent (estimated from hours worked)

2010 £	2009 £
3	3

Directors received neither remuneration nor reimbursed expenses in the current or preceding year

7 Trading Subsidiary

Income from subsidiary's trading activities

The Charity owns the whole of the ordinary share capital, consisting of 1 ordinary share of £1 of St George's School (Harpenden) Lettings Limited, which provides letting facilities. The subsidiary donates its taxable profit to the Charity each year by gift aid. Its trading results for the year, as extracted from the audited financial statements are summarised below.

On the 1st April 2009 part of the lettings activity was transferred to a new subsidiary, St George's Residential Lettings Limited. The Charity owns the whole of the ordinary share capital, consisting of 1 ordinary share of £1.

St George's School (Harpenden) Lettings Limited

	2010 £	2009 £
Turnover	62,647	79,978
Cost of sales (see note 5)	(13,531)	(28,190)
Gross profit	49,116	51,788
Administration expenses (see note 5)	(42,757)	(9,298)
Gift aid	(6,683)	(42,729)
Other operating income	319	
Operating profit	(324)	(239)
Interest receivable	5	240
Profit on ordinary activities before taxation	-	1
Taxation	-	-
Retained profit carried forward	-	1

St George's School Residential Lettings Limited

	2010 £	2009 £
Turnover	46,261	79,978
Cost of sales (see note 5)	(15,449)	(28,190)
Gross profit	30,812	51,788
Administration expenses (see note 5)	(4,847)	(9,298)
Gift aid	(25,964)	(42,729)
Operating profit	1	(239)
Interest receivable		240
Profit on ordinary activities before taxation	1	1
Taxation	-	-
Retained profit carried forward	1	1

St. George's School (Harpenden) Limited

(By Guarantee)

Notes to the Accounts

For the year ended 31 March 2010 (Continued)

8 Tangible Fixed Assets	Freehold Land and Buildings £	Fixtures and Fittings £	Computer Equipment £	Vehicles £	Total £
<i>Group Fixed Assets</i>					
Cost					
At 1 April 2009	11,810,055	-	28,735	16,700	11,855,490
Transfer	(60,176)	60,176	-	-	-
Additions	921,937	8,153	-	-	930,090
At 31 March 2010	12,671,816	68,329	28,735	16,700	12,785,580
Depreciation					
At 1 April 2009	1,067,233	-	24,708	8,350	1,100,291
Transfer	(6,957)	6,957	-	-	-
Charge for year	250,224	7,649	1,342	4,175	263,390
At 31 March 2010	1,310,500	14,606	26,050	12,525	1,363,681
Net Book Value					
At 31 March 2010	11,361,316	53,723	2,685	4,175	11,421,899
At 31 March 2009	10,742,822	-	4,027	8,350	10,755,199

The total value of the school's buildings is £11.8 million, with a further £45k for computer equipment and vehicles totaling £11.9 million. After cumulative depreciation the net value is £10.8 million. Rebuilding costs are assessed at £29 million and the fully insured value is £33 million.

<i>Company Fixed Assets</i>	Freehold Land and Buildings £	Fixtures and Fittings £	Computer Equipment £	Vehicles £	Total £
Cost					
At 1 April 2009	11,810,055	-	28,735	16,700	11,855,490
Transfer	(60,176)	60,176	-	-	-
Additions	921,937	-	-	-	921,937
At 31 March 2010	12,671,815	60,176	28,735	16,700	12,777,426
Depreciation					
At 1 April 2009	1,067,233	-	24,708	8,350	1,100,291
Transfer	(6,957)	6,957	-	-	-
Charge for year	250,224	6,018	1,342	4,175	261,759
At 31 March 2010	1,310,500	12,975	26,050	12,525	1,362,050
Net Book Value					
At 31 March 2010	11,361,315	47,201	2,685	4,175	11,415,376
At 31 March 2009	10,742,822	-	4,027	8,350	10,755,199

St. George's School (Harpenden) Limited

(By Guarantee)

Notes to the Accounts

For the year ended 31 March 2010 (Continued)

9 Investments	At 1st April 2009 £	Revaluation £	Disposal £	At 31st March 2010 £
<i>Group</i>				
Investment Properties	950,000	50,000	-	1,000,000
Listed Investments at Market Value				
Designated Fund - Special Fund Investments				
31/2% War Loan	81	(8)		73
M & G 'A' Income Fund	1,995	-	-	1,995
	2,076	(8)	-	2,068
Restricted Funds - Hockett Fund Investments				
31/2% War Loan	460	(45)	-	415
Total at Market Value	952,536	49,947	-	1,002,483
Cost of Investments	35,359	-	-	35,359

The investment property comprising

The valuations have been based on the following assumptions -

The investments of the company are as above, plus £1 investment in its subsidiary, St George's School (Harpenden) Lettings Limited, as detailed in note 7

A legal charge is held by Natwest Bank over 18 Sun Lane

10 Debtors	Consolidated		Charity	
	2010 £	2009 £	2010 £	2009 £
Amounts falling due within one year:				
Boarding debtors	29,064	11,946	29,064	11,946
Catering debtor	41,815	36,801	41,815	36,801
Other debtors	18,172	18,615	11,366	11,900
Prepayments and accrued income	212,928	335	212,928	335
Amounts owed by the subsidiary undertaking	-	-	12,726	-
	301,979	67,697	307,899	60,982

11 Creditors	Consolidated		Charity	
	2010 £	2009 £	2010 £	2009 £
Amounts falling due within one year:				
Trade creditors	284,377	54,602	284,297	54,602
Amount owing to Hertfordshire County Council	357,154	358,439	357,154	358,439
Accruals and deferred income	30,093	21,373	20,234	16,503
Other Creditors	161,520	97,625	161,520	97,625
Other taxes and Social security	8,525	7,745	8,525	7,745
Amounts owed to the subsidiary undertaking	-	-	-	4,875
	841,669	539,784	831,730	539,789

St. George's School (Harpenden) Limited
(By Guarantee)
Notes to the Accounts
For the year ended 31 March 2010 (Continued)

13 Funds

<i>Charity and Trading Company</i>	At 1st April 2009 £	Net Incoming/ (Outgoing) Resources for the Year £	Gains/ (Losses) on Investments £	Transfers £	At 31st March 2010 £
Unrestricted Funds					
General Fund	496,584	(426,630)	-	566,666	636,620
Designated Funds	3,731	-	(8)	-	3,723
Property Fund	3,863,925	-	-	(566,666)	3,297,259
Revaluation Reserve	950,000	-	50,000	-	1,000,000
	<u>5,314,240</u>	<u>(426,630)</u>	<u>49,992</u>	<u>-</u>	<u>4,937,602</u>
Restricted Funds					
Grants/donations for capital assets	7,081,923	882,072	-	-	7,963,996
Cecil Grant Donation	8,830	3,496	(45)	-	12,281
Huckett Fund	4,596	-	-	-	4,596
Maier Bequest and Prize Fund	5,843	-	-	-	5,843
Library Fund	3,419	-	-	-	3,419
Prize Fund	1,045	850	-	-	1,895
	<u>7,105,656</u>	<u>886,419</u>	<u>(45)</u>	<u>-</u>	<u>7,992,030</u>
Total Charity Funds	<u>12,419,896</u>	<u>459,789</u>	<u>49,947</u>	<u>-</u>	<u>12,929,632</u>

The revaluation reserve represents the revaluation in relation to the investment properties. The transfer represents the disposal of the investment property during the year.

Nature and Purpose of Restricted Funds

Grants/donations for capital assets represent the cumulative total income towards tangible fixed assets. All of the money has been spent to date.

The Huckett fund represents donations and accumulated income which can be used to assist Old Georgians who become students of Wadham or Lady Margaret Hall Colleges. It can also be used to provide a "Leavers Prize" based on merit.

The Maier Bequest and Prize fund can be used to financially assist any Boarder at the School who is in need of financial support. Part of the fund can be used to provide an award to students.

The Library fund represents donations received towards the School Library.

Other represents monies recovered towards bidding for technology status.

St. George's School (Harpenden) Limited
(By Guarantee)
Notes to the Accounts
For the year ended 31 March 2010 (Continued)

14 Analysis of Net Assets between Funds

	Fixed Assets & Investments £	Current Assets £	Liabilities £	Total £
Unrestricted Funds				
General Fund	370,559	1,107,730	(841,669)	636,620
Revaluation Reserve	1,000,000	-	-	1,000,000
Property Fund	3,723	-	-	3,723
Designated funds	3,297,259	-	-	3,297,259
	<u>4,300,982</u>	<u>1,107,730</u>	<u>(841,669)</u>	<u>4,937,602</u>
Restricted Funds				
Grants for capital assets	7,752,426	211,569	-	7,963,995
Cecil Grant Donation	-	12,281	-	12,281
Huckett Fund	415	4,181	-	4,596
Maier Bequest and Prize Fund	-	5,843	-	5,843
Library Fund	-	3,419	-	3,419
Prize Fund	-	1,895	-	1,895
	<u>7,752,841</u>	<u>239,188</u>	<u>-</u>	<u>7,992,029</u>
Total	<u><u>12,424,382</u></u>	<u><u>1,346,918</u></u>	<u><u>(841,669)</u></u>	<u><u>12,929,631</u></u>

15 Related Party Transactions

£49,100 (2009 £59,300) was paid to a firm of quantity surveyors of which Mr J Hayward (Director of St George's Residential Lettings Limited since its formation on 1 April 2009) is a director

16 Financial Commitments

As at 31st March 2010 the charitable company had annual commitments under non cancellable leases as follows -

	2010 Equipment £	2009 Equipment £
< 1 year	-	-
2 - 5 years	7,468	7,468
> 5 years	-	-
	<u><u>7,468</u></u>	<u><u>7,468</u></u>