

ST. EDMUND'S SCHOOL TRUST LIMITED  
(A Charitable Company Limited by Guarantee)

GOVERNORS' REPORT

AND ACCOUNTS

YEAR ENDED 31 AUGUST 1999



MacIntyre & Co  
Chartered Accountants  
Registered Auditors  
London

Company Registered No: 1425355

Registered Charity No: 278301

## GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 1999

## STATUS AND ADMINISTRATION

St. Edmund's School Trust Limited ("the School") is incorporated as a company limited by guarantee, number 1425355 and is a registered charity, number 278301.

## OBJECTS AND POLICY

The objects for which the School is established are to promote and provide for the advancement of education and in connection therewith to conduct and carry on, acquire and develop in the United Kingdom any boarding or day school or schools for the education of children of either sex or both sexes. The School's policy is for preparatory school boys and girls to attain the highest academic levels whilst allowing them to benefit from the School's extra curricular programme and to develop their interests and prepare them for the senior school of their choice.

## GOVERNORS

The governors who are the directors of the company and also the charity trustees, who served during the year were:

Mrs. J.A. Alliss (Appointed Chairman 31 August 1999)

Reverend D.C.G. Brown (Resigned 31 August 1999)

B.E. Farley

P.J. Ford

D.J.H. Gandy

W.A. Gardner (Resigned 20 November 1999)

H. Lang

T.N.I. Maier

The Lord Strathalmond

A.P. Sutcliffe

Captain P.G. Thompson

Mrs. H. Waller

P.L. Wilcocks

J. Witheridge (Resigned 11 December 1998)

## OFFICERS AND ADVISORS

Headmaster	A Fowler - Watt
Company Secretary	B E Farley
Bursar	B F Birch
Auditors	MacIntyre & Co 28 Ely Place London EC1N 6RL
Bankers	Lloyds TSB Bank Plc 12 High Street Haslemere Surrey GU27 2JG
Solicitors	Potter, Owtram & Peck 42 West Street Haslemere Surrey GU27 2AN

## ORGANISATION

The governors determine the general policy of the School. The responsibility for academic standards and the day to day operation of the School is delegated to the Headmaster whilst the Bursar is responsible for financial, property and administration matters.

## GOVERNORS' REPORT (Continued)

YEAR ENDED 31 AUGUST 1999

## REVIEW OF ACTIVITIES AND FINANCIAL RESULTS

The School has continued to operate as a preparatory and pre-preparatory school and had 181 pupils. The net resources expended for the year amounted to £74,325. Additions to the fixed assets during the year amounted to £143,855 for refurbishment to the swimming pool, furniture and computer equipment.

## RESOURCES

The School has both unrestricted and restricted funds. In the opinion of the governors, its assets are sufficient to meet the School's obligations.

## FREEHOLD PROPERTIES

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

## STATEMENT OF GOVERNORS' RESPONSIBILITIES

Company law requires the governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the School and of the profit or loss of the School for that year. In preparing those financial statements, the governors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in business;

The governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the School and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## AUDITORS

The auditors, MacIntyre & Co, have expressed their willingness to continue in office and a resolution to re-appoint them will be submitted to the Annual General Meeting.

St Edmunds's School  
Hindhead  
Surrey  
GU26 6BH

On behalf of the Board



Governor

13 March 2000

## ST. EDMUND'S SCHOOL TRUST LIMITED

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

## RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

As described on page 2 the company's governors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

## BASIS OF OPINION

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

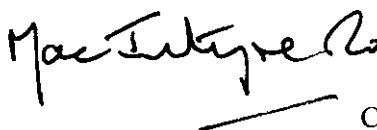
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

## BASIS OF PREPARATION OF THE ACCOUNTS

In forming our opinion, we have considered the adequacy of the disclosure made in note 2 of the financial statements concerning the continuation and renewal of the company's bank overdraft facility. In view of the significance of these matters we consider that they should be drawn to your attention but our opinion is not qualified in this respect.

## OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 August 1999 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



MacIntyre & Co  
Chartered Accountants  
Registered Auditors

28 Ely Place  
London  
EC1N 6RL

13 March 2000

## STATEMENT OF FINANCIAL ACTIVITIES

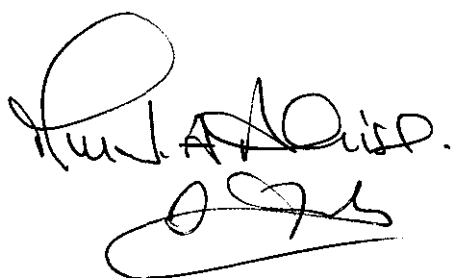
FOR THE YEAR ENDED 31 AUGUST 1999

	Notes	Unrestricted Funds £	Restricted Funds £	Total 1999 £	Total 1998 £
<b>INCOMING RESOURCES</b>					
Fees receivable	3	994,497	-	994,497	913,908
Other income	3	98,571	-	98,571	84,169
		<hr/>	<hr/>	<hr/>	<hr/>
		1,093,068	-	1,093,068	998,077
Bank interest		538	324	862	1,157
Gifts		3,203	26,467	29,670	47,072
		<hr/>	<hr/>	<hr/>	<hr/>
Total Incoming Resources		1,096,809	26,791	1,123,600	1,046,306
		<hr/>	<hr/>	<hr/>	<hr/>
<b>RESOURCES USED</b>					
Direct Charitable Expenditure:					
Teaching		646,829	-	646,829	601,401
Welfare		130,441	-	130,441	110,151
Premises		243,817	-	243,817	244,606
Support		118,908	-	118,908	75,910
		<hr/>	<hr/>	<hr/>	<hr/>
		1,139,995	-	1,139,995	1,032,068
Other Expenditure:					
Administration of the School	6	7,345	-	7,345	8,600
Finance		50,585	-	50,585	46,625
		<hr/>	<hr/>	<hr/>	<hr/>
Total Resources Expended	4 & 6	1,197,925	-	1,197,925	1,087,293
		<hr/>	<hr/>	<hr/>	<hr/>
NET RESOURCES EXPENDED		(101,116)	26,791	(74,325)	(40,987)
Balance brought forward at 1 September 1998		648,534	26,740	675,274	716,261
		<hr/>	<hr/>	<hr/>	<hr/>
Balance carried forward at 31 August 1999		£547,418	£ 53,531	£600,949	£675,274
		<hr/>	<hr/>	<hr/>	<hr/>

The accompanying notes form an integral part of these accounts.

## BALANCE SHEET

31 AUGUST 1999	Notes	£	1999 £	£	1998 £
<b>FIXED ASSETS</b>					
Tangible assets	7		1,336,630		1,219,722
<b>CURRENT ASSETS</b>					
Fees in advance		296,237		266,080	
Fees and extras in arrears		21,732		34,951	
Provision for doubtful debts		(20,000)		(30,000)	
		297,969		271,031	
Other debtors and prepayments		17,345		9,314	
Cash at bank and in hand		933		1,792	
Swimming Pool Appeal bank account		68		30,502	
		316,315		312,639	
<b>CREDITORS - due within one year</b>					
Fees charged in advance		359,388		313,380	
Bank overdraft	8(a)	157,794		64,609	
Bank loan	8(a)	372,042		335,532	
Other creditors and accruals	8(b)	138,293		117,307	
		1,027,517		830,828	
<b>NET CURRENT LIABILITIES</b>					
			(711,202)		(518,189)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			625,428		701,533
<b>CREDITORS - due after more than one year 9</b>					
			(24,479)		(26,259)
<b>NET ASSETS</b>					
			£600,949		£675,274
<b>Represented by:</b>					
<b>Unrestricted Funds</b>					
- General			526,971		618,534
- Designated	1(g) & 10		20,447		30,000
			547,418		648,534
Restricted Fund	1(h)		53,531		26,740
			£600,949		£675,274



Signed on behalf of the Board

MRS J A ALLISS

B E FARLEY

 )  
 ) GOVERNORS  
 )

13 March 2000

The accompanying notes form an integral part of these accounts.

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 AUGUST 1999

## 1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting statements and the Statement of recommended practice "Accounting by Charities" issued by UK accountancy bodies. The particular accounting policies adopted are described below.

a. **Accounting Convention:**

The accounts have been prepared under the historical cost convention. All income relates to the School's continuing activities.

b. **Turnover:**

Turnover comprises fees less scholarships and bursaries and other income receivable from the School's continuing operations.

c. **Depreciation:**

Depreciation is provided on permanent buildings at half percent per annum after allowing both for the residual value of the properties and for the estimated cost of land included in the original transfer value (not subject to depreciation) of £60,000.

Depreciation is provided on other fixed assets to write off their cost over estimated useful lives at the following rates:

Freehold buildings of non-permanent construction

Swimming pool - 2% pa on cost

Sundry - 6% pa on cost

Furniture, fittings and equipment

Computers - 33 1/3% pa on cost

Sundry - 10% pa on cost

Motor vehicles - 25% pa on written down value

d. **Gifts:**

Miscellaneous gifts received for financing specific items of capital expenditure or given to the headmaster for use, at his discretion, for school purposes are brought into incoming resources.

e. **Leases:**

Operating lease payments are charged in the statement of financial activities as they fall due. Assets held under finance leases are capitalised in the balance sheet and depreciated over their estimated useful lives.

f. **Pension Costs:**

The School maintains the defined benefit scheme of the Department for Education for teachers.

g. **Designated Funds:**

Designated funds represent monies set aside at the discretion of the governors towards specific projects to be undertaken in the future.

h. **Restricted Funds:**

Restricted funds represent monies received by the School in respect of the upgrading of the swimming pool.

i. **Cash Flow Statement:**

The Governors have taken advantage of the exemptions available under FRS1 (Revised) not to prepare a cash flow statement.

## NOTES TO ACCOUNTS (Continued)

YEAR ENDED 31 AUGUST 1999

## 2. GOING CONCERN BASIS OF PREPARATION OF ACCOUNTS

The School meets its day to day working capital requirements through an overdraft facility which is given under normal business terms.

The nature of the School's business is such that there can be variations in the timing of cash flows. The governors have prepared projected cash flow information for the period ending 12 months from the date of their approval of these financial statements. On the basis of this cash flow information and discussions with the School's bankers, the governors consider that the School will continue to operate within the currently agreed facilities.

On this basis the governors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the overdraft facility by the School's bankers.

## 3. TURNOVER

	1999 £	1998 £
Fees receivable:		
Tuition and boarding fees	1,051,974	968,208
Less: Scholarships and bursaries	(57,477)	(54,300)
	<hr/> 994,497	<hr/> 913,908
Other income:		
Registration fees	2,135	1,815
Rents and lettings	8,245	6,000
Extras and disbursements recovery	77,478	69,307
Sundry income	10,713	7,047
	<hr/> 98,571	<hr/> 84,169
	<hr/> £1,093,068	<hr/> £998,077

## 4. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs £	Other £	Depreciation £	Total £
Direct Charitable Expenditure				
Teaching	563,149	73,554	10,126	646,829
Welfare	19,014	111,427	-	130,441
Premises	49,665	179,143	15,009	243,817
Support	55,787	61,665	1,456	118,908
	<hr/> 687,615	<hr/> 425,789	<hr/> 26,591	<hr/> 1,139,995
Other Expenditure				
Administration of the School	-	7,345	-	7,345
Finance	-	50,585	-	50,585
	<hr/> £687,615	<hr/> £483,719	<hr/> £ 26,591	<hr/> £1,197,925



## NOTES TO ACCOUNTS (Continued)

YEAR ENDED 31 AUGUST 1999

5. STAFF COSTS	1999	1998
	£	£
Wages and salaries	608,582	563,011
Social security costs	45,548	41,736
Pension contributions	33,485	29,359
	<hr/>	<hr/>
	£687,615	£634,106
	<hr/>	<hr/>

The average monthly number of employees in the year was:

	No	No
Teaching	25	26
Other	10	12
	<hr/>	<hr/>
	35	38
	<hr/>	<hr/>

The governors received no remuneration or reimbursement of expenses during the year.

6. EXPENDITURE	1999	1998
	£	£
Other expenditure includes:		
Interest payable	40,943	39,459
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Management and administration of the charity includes:		
Auditors remuneration		
- Audit	7,345	7,100
- Other	1,175	5,875
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Payments made to a firm of solicitors, which included a trustee as a partner, amounted to £Nil (1998: £1,500).

## NOTES TO ACCOUNTS (Continued)

YEAR ENDED 31 AUGUST 1999

## 7. TANGIBLE FIXED ASSETS

The movements of tangible fixed assets were as follows:

	Freehold land and permanent buildings £	Freehold buildings of non permanent construction £	Furniture fittings and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>COST</b>						
At 1 September 1998	1,083,905	159,507	64,612	10,752	76,574	1,395,350
Additions	-	113,890	26,392	3,573	-	143,855
Disposals	-	-	-	-	(8,678)	(8,678)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 1999	1,083,905	273,397	91,004	14,325	67,896	1,530,527
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>						
At 1 September 1998	46,757	57,419	25,471	9,906	36,075	175,628
Charge for the year	5,119	2,606	7,284	1,456	10,126	26,591
Disposals	-	-	-	-	(8,322)	(8,322)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 1999	51,876	60,025	32,755	11,362	37,879	193,897
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>						
At 31 August 1999	£1,032,029	£213,372	£ 58,249	£ 2,963	£ 30,017	£1,336,630
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 1998	£1,037,148	£102,088	£ 39,141	£ 846	£ 40,499	£1,219,722
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

## 8. CREDITORS: - Due within one year

## a) Bank loan and overdraft facilities:

All monies advanced by the bank are secured on the School's freehold land and buildings.

The bank loan is repayable on demand.

## b) Other Creditors

	1999 £	1998 £
Payroll taxes and social security costs	14,088	14,283
Other creditors and accruals	116,068	93,332
Hire purchase payable within one year	8,137	9,692
	<hr/>	<hr/>
	£138,293	£117,307
	<hr/>	<hr/>

## NOTES TO ACCOUNTS (Continued)

YEAR ENDED 31 AUGUST 1999

9. CREDITORS: Due after one year	1999 £	1998 £
Other creditors	14,950	10,000
HP creditors	9,529	16,259
	<hr/>	<hr/>
	£ 24,479	£ 26,259
	<hr/>	<hr/>

## 10. DESIGNATED FUNDS

This represents monies set aside with regard to future repairs and maintenance to be carried out on the School site.

11. COMMITMENTS UNDER OPERATING LEASES	1999 £	1998 £
Equipment - in the next year	1,843	4,106
- in the second to fifth years	359	2,202
	<hr/>	<hr/>
	£ 2,202	£ 6,308
	<hr/>	<hr/>