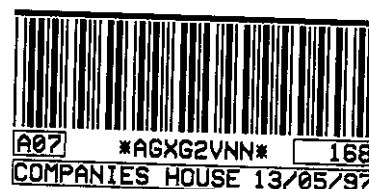


535836

**ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 1996**



**CLARK WHITEHILL**  
**Chartered Accountants**

25 New Street Square London EC4A 3LN  
Telephone 0171-353 1577 Facsimile 0171-583 1720  
DX 0014 London Chancery Lane  
A member of Horwath International



**ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**  
**YEAR ENDED 31 AUGUST 1996**

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<b>COMPANY NUMBER</b>	535836
<b>REGISTERED CHARITY NUMBER</b>	311062
<b>DIRECTORS</b>	D K Baker Miss A Jacob N A Robertson Mrs M E Marsh B G Goodall Mrs A Priestley
<b>COMPANY SECRETARY</b>	Mrs P Murray-Jones
<b>BUSINESS ADDRESS</b>	Barrington Road Letchworth Hertfordshire SG6 3JZ
<b>REGISTERED OFFICE</b>	Barrington Road Letchworth Hertfordshire SG6 3JZ
<b>AUDITORS</b>	Clark Whitehill 25 New Street Square London EC4A 3LN
<b>PRINCIPAL BANKERS</b>	Barclays Bank plc Station Place Letchworth Hertfordshire

**ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 1996**

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The Directors present their report, together with the audited financial statements of St Christopher School (Letchworth) Limited for the year ended 31 August 1996.

**PRINCIPAL ACTIVITY, BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The School is a registered charity and its object is the education of girls, boys and adult students of either sex.

The results are set out on page 6.

The Directors consider the excess of income over expenditure to be satisfactory. The review of the year is in the Chairman's report on page 4.

**ORGANISATION**

The Directors determine the general policy of the School. The day to day management is delegated to the Headmaster and the Bursar.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the Directors 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 assume that the company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

**MARKET VALUE OF LAND AND BUILDINGS**

The leasehold properties were revalued by the Directors on 31 August 1979 and additions since that date are included at cost.

Due to the specialised nature of the buildings, the market value of the company's properties is difficult to ascertain. However the Directors consider that such value would be greater than the written down value at which they are included in the annexed balance sheet.

**ST CHRISTOPHER SCHOOL (LETCWORTH) LIMITED**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 1996**

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**FIXED ASSETS**

The movements in fixed assets during the year are set out in the notes to the financial statements.

**RESOURCES**

Note 12 splits the funds between those restricted as to their use, those designated for specific purposes and those available for the day to day requirements of the School. The Directors consider that the assets held in these funds are available and adequate to fulfil the obligations of the School.

**DIRECTORS**

The Directors during the year under review and the shares in the company in which they were interested at the beginning and end of the year were:

	Ordinary shares of £1 each	
	At 1 September 1995	31 August 1996
D K Baker	4	4
Miss A Jacob	4	4
N A Robertson	4	4
Mrs M E Marsh	4	4
B G Goodall	-	4
Mrs A Priestley	-	-

**AUDITORS**

Haines Watts resigned as auditors during the year and were replaced by Clark Whitehill. A resolution to re-appoint Clark Whitehill will be made in accordance with Section 385 of the Companies Act 1985.

This report was approved by the board on: 8/2/97 .

Signed on behalf of the board of Directors

  
Secretary

**ST CHRISTOPHER SCHOOL (LETCWORTH) LIMITED**  
**CHAIRMAN'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 1996**

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The Governors consider the results for the year to be satisfactory given the difficult market for independent schools in 1995/96. The demand for boarding places was weak, especially in the middle years, and the shortfall was only partially covered by an increase in day pupils. The resulting fall in fee income, and an increase in expenses in line with inflation, produced an inevitable reduction in our operating surplus.

On the positive side, demand for places in the Montessori, the Junior School and in the Sixth Form has improved considerably, and the Governors have authorised a new marketing initiative for younger day pupils, including the provision of a school bus service for those living in North London.

There were a number of significant developments during the year:

- excellent results were obtained in public examinations with GCSE grades achieved reaching a new record for the School,
- the magnificent new Craft, Design and Technology wing was completed on time and opened for business at the start of the Autumn Term,
- after extremely protracted and time consuming negotiations, the School finally acquired the lease on the adjacent property, Ladybarn. Some refurbishment of the building is required to provide new classrooms and a Sixth Form Centre ready for September 1997,
- the Governors authorised the formation of a trading company - St. Christopher School Guilds Limited - to enable the most tax effective use of the School's assets for purposes other than education.

The School is developing plans for the future to take account of an increased proportion of day pupils and these will affect decisions in respect of staffing, buildings and capital expenditure.



**Neil Robertson**  
**Chairman**



# CLARK WHITEHILL

## Chartered Accountants

25 New Street Square London EC4A 3LN  
Telephone 0171-353 1577  
Facsimile 0171-583 1720  
DX 0014 London Chancery Lane

A member of Horwath International



### AUDITORS REPORT

### TO THE SHAREHOLDERS OF

### ST CHRISTOPHER SCHOOL (LETCWORTH) LIMITED

We have audited the financial statements on pages 6 to 16 which have been prepared under the accounting policies set out on page 9.

#### Respective Responsibilities of Directors and Auditors

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

#### Unqualified Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs at 31 August 1996 and of the surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*CLARK WHITEHILL*

Chartered Accountants  
and Registered Auditor

*h.w.*

*8 February 1997*

**ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 AUGUST 1996**



	Notes	Unrestricted School Fund £	Restricted Funds £	1996 £	1995 £
<b>INCOMING RESOURCES</b>					
Fees receivable	2	3,216,034	-	3,216,034	3,269,830
Donations and other income		17,148	51,412	68,560	111,706
Bank and other interest		80,204	-	80,204	66,971
<b>Total Incoming Resources</b>		<b>3,313,386</b>	<b>51,412</b>	<b>3,364,798</b>	<b>3,448,507</b>
<b>RESOURCES EXPENDED</b>					
<b>Direct Charitable Expenditure:</b>					
Teaching costs		1,527,964	-	1,527,964	1,464,208
Welfare		601,273	-	601,273	609,354
Premises		565,251	-	565,251	549,045
Administration of the School		461,713	1,114	462,827	396,847
		<b>3,156,201</b>	<b>1,114</b>	<b>3,157,315</b>	<b>3,019,454</b>
<b>Other Expenditure:</b>					
Interest		8,502	-	8,502	12,800
Management and administration of the Charity		8,137	-	8,137	-
		<b>16,639</b>	<b>-</b>	<b>16,639</b>	<b>12,800</b>
<b>Total Resources Expended</b>	5	<b>3,172,840</b>	<b>1,114</b>	<b>3,173,954</b>	<b>3,032,254</b>
Net Incoming Resources		140,546	50,298	190,844	416,253
Unrealised gain on investment assets		-	43	43	-
<b>Net Movement in funds</b>		<b>140,546</b>	<b>50,341</b>	<b>190,887</b>	<b>416,253</b>
Balances brought forward at 1 September 1995		4,744,424	45,825	4,790,249	4,313,996
Restatement of fixed assets		283,030	-	283,030	343,030
As restated		5,027,454	45,825	5,073,279	4,657,026
<b>Balances carried forward at 31 August 1996</b>		<b>5,168,000</b>	<b>96,166</b>	<b>5,264,166</b>	<b>5,073,279</b>

The notes on pages 9 to 16 form part of these accounts.

**ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**  
**BALANCE SHEET**  
**FOR THE YEAR ENDED 31 AUGUST 1996**

	Notes	1996 £	1995 £
<b>TANGIBLE FIXED ASSETS</b>			
School building and equipment	6	5,093,248	4,498,967
<b>INVESTMENTS</b>	7	243	200
<b>CURRENT ASSETS</b>			
Debtors	8	133,001	192,893
Cash		<u>858,727</u>	<u>1,134,385</u>
		991,728	1,327,278
<b>CREDITORS: amounts due within one year</b>	9	<u>(475,982)</u>	<u>(454,026)</u>
<b>NET CURRENT ASSETS</b>		<u>515,746</u>	<u>873,252</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,609,237	5,372,419
<b>CREDITORS: amounts due after more than one year</b>			
Bank loan	10	(44,137)	(59,606)
Other loan		-	(3,208)
Final term deposits		<u>(300,906)</u>	<u>(236,298)</u>
<b>TOTAL NET ASSETS</b>		<u>5,264,194</u>	<u>5,073,307</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	28	28
<b>RESTRICTED FUNDS</b>	12a	96,166	45,825
<b>UNRESTRICTED FUNDS</b>			
Designated	12b	4,939,637	4,380,663
General	12c	<u>228,363</u>	<u>646,791</u>
		<u>5,264,194</u>	<u>5,073,307</u>

Approved by the Directors on 8 February 1997.  
and signed on its behalf by

 Directors  


The notes on pages 9 to 16 form part of these accounts.



**ST CHRISTOPHER SCHOOL (LETCWORTH) LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 1996**

	Notes	1996 £	1995 £
<b>Net cash inflow from operating activities</b>	15	<b>466,588</b>	<b><u>336,967</u></b>
<b>Returns on investments and servicing of finance</b>			
Interest received		80,204	66,971
Interest paid		<u>(8,502)</u>	<u>(12,800)</u>
Net cash inflow from returns on investments and servicing of finance		71,702	<u>54,171</u>
<b>Investing activities</b>			
Payments to acquire tangible assets		(796,337)	(217,380)
Receipts from sale of tangible fixed assets		<u>859</u>	<u>400</u>
Net cash outflow from investing activities		<u>(795,478)</u>	<u>(216,980)</u>
Net cash (outflow)/inflow before financing		(257,188)	<u>174,158</u>
<b>Financing</b>			
Loan repayments		<u>(18,470)</u>	<u>(17,790)</u>
Net cash outflow from financing		<u>(18,470)</u>	<u>(17,790)</u>
<b>(Decrease)/increase in cash and cash equivalents</b>	17	<b><u>(275,658)</u></b>	<b><u>156,368</u></b>

**ST CHRISTOPHER SCHOOL (LETCWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 1996**

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**1. ACCOUNTING POLICIES**

**a) Basis of Preparation**

The accounts are prepared under the historical cost convention as modified by the revaluation of certain asset and in accordance with applicable standards and the principals of the Statement of Recommended Practice "Accounting by Charities".

On 17 July 1996 the Company formed a subsidiary undertaking in which it holds a 100% interest, St. Christopher School Guilds Limited. The first accounts for this undertaking will be drawn to 31 August 1997. Consolidated accounts have not been prepared as at 31 August 1996. In the period 17 July 1996 to 31 August 1996 St. Christopher School Guilds Limited earned income of £37,394 and incurred expenses of £730, and had an issued share capital of £2.

**b) Tangible Fixed Assets**

Depreciation is provided on all tangible fixed assets in use, other than freehold land, at rates and bases calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	- over 50 years
Long leasehold property, acquired prior to 1979	- over the term of the lease
Long leasehold property - other	- over 50 years
Fixtures, fittings and equipment	- over 5 years
Motor vehicles	- over 5 years
Computer equipment	- over 3 years
Temporary classrooms	- over 10 years

Long leasehold property acquired prior to 1979 represents historic buildings for which the School makes adequate provision in respect of upkeep and maintenance. The Directors consider it to be appropriate to depreciate these buildings over the life of the lease which at 31 August 1996 had 118 years to run.

**c) Fees**

Fees consist of charges for the School year ending 31 August 1996, less bursaries and allowances.

**d) Expenditure**

Expenditure is allocated to expense headings either on a direct cost basis, or apportioned according to time spent.

**e) Teaching costs**

Supplies of games equipment, books, stationery and sundry materials are written off to the General Revenue account when the expenditure is incurred.

**f) Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

**ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 1996**

<b>2. FEES RECEIVABLE</b>	<b>1996</b>	<b>1995</b>
	<b>£</b>	<b>£</b>
Fees receivable consists of:		
Gross fees	3,496,463	3,507,553
Less: Bursaries	(109,743)	(82,607)
Allowances	<u>(170,686)</u>	<u>(155,116)</u>
	<u><b>3,216,034</b></u>	<u><b>3,269,830</b></u>
 <b>3. EXPENDITURE</b>		
Direct charitable expenditure includes:		
Ex-Gratia and redundancy costs	17,442	-
Loss/(profit) on disposal of fixed assets	<u>-</u>	<u>(400)</u>
Other expenditure includes:		
Auditor's remuneration:		
for audit	7,344	6,463
for other services	<u>-</u>	<u>-</u>
 <b>4. STAFF COSTS</b>		
Wages and salaries	1,886,799	1,851,953
Social security costs	151,824	149,452
Pension contributions	<u>105,326</u>	<u>96,225</u>
	<u><b>2,143,949</b></u>	<u><b>2,097,630</b></u>

The average number of employees in the year was 114 (1995 - 118) of which 48 were teaching staff. Neither the Directors nor persons connected with them received any remuneration or other benefits from the School or any connected organisation

The number of employees whose emoluments exceeded £40,000 were:

	<b>No.</b>	<b>No.</b>
£40,001 - £50,000	<u><b>1</b></u>	<u><b>1</b></u>

**ST CHRISTOPHER SCHOOL (LETCWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 1996**

**5. ANALYSIS OF TOTAL RESOURCES EXPENDED**

	Staff costs £	Other £	Depreciation £	Total £
Direct Charitable Expenditure:				
Education	1,330,319	156,029	41,616	1,527,964
Housekeeping	415,257	167,024	18,992	601,273
Premises	183,240	250,628	131,383	565,251
Administration of the School	215,133	238,488	9,206	462,827
	<u>2,143,949</u>	<u>812,169</u>	<u>201,197</u>	<u>3,157,315</u>
Other Expenditure:				
Interest	-	8,502	-	8,502
Management and Administration of the Charity	-	8,137	-	8,137
	<u>2,143,949</u>	<u>828,808</u>	<u>201,197</u>	<u>3,173,954</u>

**6. TANGIBLE FIXED ASSETS**

	Freehold property £	Long Leasehold property £	Total Property £
Cost/valuation			
1 September 1995	162,050	5,058,793	5,220,843
Additions	-	655,204	655,204
Disposals	-	-	-
	<u>162,050</u>	<u>5,713,997</u>	<u>5,876,047</u>
31 August 1996	<u>162,050</u>	<u>5,713,997</u>	<u>5,876,047</u>
Depreciation			
1 September 1995	14,205	1,125,392	1,139,597
Prior year adjustment	-	(283,030)	(283,030)
Charge for year	2,841	103,220	106,061
Disposals	-	-	-
	<u>17,046</u>	<u>945,582</u>	<u>962,628</u>
31 August 1996	<u>17,046</u>	<u>945,582</u>	<u>962,628</u>
<b>Net book values</b>			
<b>31 August 1996</b>	<u>145,004</u>	<u>4,768,415</u>	<u>4,913,419</u>
<i>31 August 1995</i>	<u>147,845</u>	<u>4,216,431</u>	<u>4,364,276</u>

The historical cost of leasehold land and buildings included above at a valuation of £1,116,000 was £400,319. The leasehold land and buildings were revalued by the directors on 31 August 1979.

**ST CHRISTOPHER SCHOOL (LETCWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 1996**

**6. TANGIBLE FIXED ASSETS (CONTINUED)**

	Total Property £	Motor vehicles £	Fixtures fittings and equipment £	Computer equipment £	Total £
Cost/valuation					
1 September 1995	5,220,843	50,784	523,462	131,635	5,926,724
Additions	655,204	-	118,182	22,951	796,337
Disposals	-	-	(859)	-	(859)
31 August 1996	<u>5,876,047</u>	<u>50,784</u>	<u>640,785</u>	<u>154,586</u>	<u>6,722,202</u>
Depreciation					
1 September 1995	1,139,597	40,429	442,522	88,239	1,710,787
Prior year adjustment	(283,030)	-	-	-	(283,030)
Charge for year	106,061	7,926	52,755	34,455	201,197
Disposals	-	-	-	-	-
31 August 1996	<u>962,628</u>	<u>48,355</u>	<u>495,277</u>	<u>122,694</u>	<u>1,628,954</u>
Net book values					
31 August 1996	<u>4,913,419</u>	<u>2,429</u>	<u>145,508</u>	<u>31,892</u>	<u>5,093,248</u>
31 August 1995	<u>4,364,276</u>	<u>10,355</u>	<u>80,940</u>	<u>43,396</u>	<u>4,498,967</u>

**7. INVESTMENTS**

	1996 £	1995 £
At mid-market value		
Balance at 1 September 1995	200	200
Revaluations	<u>43</u>	-
Balance at 31 August 1996	<u>243</u>	<u>200</u>

**8. DEBTORS**

Fees	84,072	102,279
Other debtors	6,212	47,701
Prepayments	<u>42,717</u>	<u>42,913</u>
	<u>133,001</u>	<u>192,893</u>

**ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 1996**

9. CREDITORS: Due within one year	1996 £	1995 £
Bank loan and overdrafts	15,189	14,690
Other loan	3,208	3,500
Fees in Advance	321,721	302,357
Trade creditors	32,714	55,568
Other taxes and social security	47,158	45,500
Accruals and deferred income	46,041	19,821
Other creditors	9,951	12,590
	<u>475,982</u>	<u>454,026</u>

**10. LOAN CREDITOR**

The bank loan is repayable by instalments after five years

Due within two to five years	30,348	40,770
Due within one to two years	13,789	15,189

Due after more than one year	44,137	59,606
Due within one year (See Note 9)	15,189	14,690

	<u>59,326</u>	<u>74,296</u>
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The mortgage is repayable by monthly instalments over 25 years from June 1990 and interest is charged at 2% above the Midland Banks base rate. The loan is secured on the company's freehold property.

**11. SHARE CAPITAL**

	No. 1996	Value 1996	No. 1995	Value 1995
Authorised				
Ordinary shares of £1 each	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>
Allotted and fully paid:				
Ordinary shares of £1 each	<u>28</u>	<u>28</u>	<u>28</u>	<u>28</u>

The ordinary shareholders have no rights to receive any dividend or bonus out of profits and no rights to surplus assets on a winding up.

**ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 1996**

**12. ALLOCATION OF THE CHARITY NET ASSETS**

The net assets are held for the various funds as follows:

	Fixed assets £	Investments £	Net current assets £	Long term liabilities £	Total £
Restricted funds	94,285	243	1,638	-	96,166
General funds:					
Designated funds	4,998,963	-	(15,189)	(44,137)	4,939,637
Unrestricted	-	-	529,269	(300,906)	228,363
Share capital	-	-	28	-	28
	<u>5,093,248</u>	<u>243</u>	<u>515,746</u>	<u>(345,043)</u>	<u>5,264,194</u>

**12a RESTRICTED FUNDS**

	Balance 1 September 1995 £	Incoming Resources £	Resources Expended £	Transfers Investment Gains/(losses) £	Balance 31 August 1996 £
Scholarships and bursaries	1,817	21	-	43	1,881
2,000 Development appeal fund	<u>44,008</u>	<u>51,391</u>	<u>(1,114)</u>	<u>-</u>	<u>94,285</u>
	<u>45,825</u>	<u>51,412</u>	<u>(1,114)</u>	<u>43</u>	<u>96,166</u>

**12b DESIGNATED FUNDS**

Fixed assets in use	3,183,773	-	-	1,214,178	4,397,951
Revaluation reserve	446,890	-	-	-	446,890
Building reserve	<u>750,000</u>	<u>-</u>	<u>-</u>	<u>(655,204)</u>	<u>94,796</u>
	<u>4,380,663</u>	<u>-</u>	<u>-</u>	<u>558,974</u>	<u>4,939,637</u>

The designated fund represents the School's investment in fixed assets less loans secured on property.

**12c. UNRESTRICTED FUNDS**

General	<u>646,791</u>	<u>140,546</u>	<u>-</u>	<u>(558,974)</u>	<u>228,363</u>
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The unrestricted funds are retained as necessary to cover working capital requirements.

**ST CHRISTOPHER SCHOOL (LETCWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 1996**

---

**13. CONTRACTS AND COMMITMENTS**

As at 31 August 1996, the School had contracted for building work amounting to £38,820. There were also amounts totalling £283,790 that were authorised but had not been contracted for at that date.

**14. PENSION COSTS**

The teaching staff are members of the DFE Teachers' Pension Agency Teachers' Superannuation Scheme which is a defined contribution scheme. The assets of the scheme are held separately from those of the school in an independently administered fund. The school also contributes to the personal pension plans of those non-teaching staff who are eligible and wish to avail themselves of the facility. The pension costs charge represents contributions payable by the school and amounted to £105,326 (1995: £96,225).

**15. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATIONS**

	1996 £	1995 £
Net incoming resources	190,844	476,253
Depreciation and amortisation charges	201,197	129,550
Profit on sale of fixed assets	-	(400)
Decrease/(increase) in debtors	59,892	10,497
(Decrease)/increase in creditors	86,357	(224,762)
Net interest received	(71,702)	(54,171)
	<u>466,588</u>	<u>336,967</u>

**16. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS IN THE YEAR**

Balance at 1 September 1995	1,134,385	978,017
Net cash inflow/(outflow)	<u>(275,658)</u>	<u>156,368</u>
	<u>858,727</u>	<u>1,134,385</u>



**ST CHRISTOPHER SCHOOL (LETCWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 1996**

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**17. ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENT AS SHOWN  
 IN THE BALANCE SHEET**

	1995 £	Change in year £	1996 £
Bank account - development fund	100	-	100
Deposit account - bursary	1,134	5	1,139
Bank business premium account	74,393	990,727	1,065,120
Money market account	1,059,379	(1,059,379)	-
Bank account - special donation fund	2,837	28	2,865
Bank account	(4,658)	(207,039)	(211,697)
Cash floats	1,200	-	1,200
	<u>1,134,385</u>	<u>(275,658)</u>	<u>858,727</u>