

Company Registered Number: 911698

Registered Charity Number: 311708

ROSE HILL SCHOOL (ALDERLEY) LIMITED

ABBREVIATED ACCOUNTS

AS AT 31ST AUGUST 1997



TOMLINSON HARRIS & CO  
PROSPECT HOUSE  
5 MAY LANE  
DURSLEY  
GLOS  
GL11 4JH

**AUDITORS' REPORT TO THE COUNCIL OF MANAGEMENT**

**ROSE HILL SCHOOL (ALDERLEY) LIMITED**

**PURSUANT TO SECTION 247B OF**

**THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 6 together with the full financial statements of Rose Hill School (Alderley) Limited prepared under section 226 of the Companies Act 1985 for the year ended 31st August 1997.

**Respective Responsibilities of the Council of Management and Auditors**

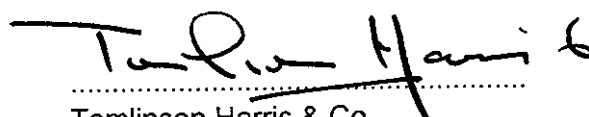
The Council of Management are responsible for preparing the abbreviated accounts in accordance with Schedule 8A to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

**Basis of Opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to deliver abbreviated accounts prepared in accordance with Schedule 8A to that Act in respect of the year ended 31 August 1997 and the abbreviated accounts on pages 2 to 6 have been properly prepared in accordance with that Schedule.



Tomlinson Harris & Co.  
Chartered Accountants  
Registered Auditors

29 November 1997

Date

Prospect House,  
5 May Lane,  
Dursley,  
Glos. GL11 4JH

**ROSE HILL SCHOOL ( ALDERLEY) LIMITED**

Page 2

**BALANCE SHEET AS AT 31ST AUGUST 1997**

		<b>1997</b>		<b>1996</b>	
	<b><u>Note</u></b>	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>
<b>Fixed Assets</b>					
Tangible Assets	2		652,539		646,387
<b>Current Assets</b>					
Stocks		10,991		7,901	
Debtors		27,887		41,192	
Bank - Appeal Fund		6,421		10,586	
Cash at Bank and in Hand		316		386	
		<u>45,615</u>		<u>60,065</u>	
<b>Creditors: amounts falling due within one year</b>	3	<u>278,245</u>		<u>302,690</u>	
<b>Net Current Liabilities</b>			<u>(232,630)</u>		<u>(242,625)</u>
<b>Total Assets Less Current Liabilities</b>			419,909		403,762
<b>Creditors: amounts falling due after one year</b>	4		<u>(120,000)</u>		<u>(60,000)</u>
			299,909		343,762
<b>Funds</b>					
Guarantee					
General Funds:					
Revaluation Reserve			405,173		405,173
(Tangible Assets)			(123,150)		(74,144)
Charity General Funds			17,886		12,733
Restricted Funds					
<b>Members' Funds</b>			299,909		343,762

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Council of Management on **29 Nov 1997** and signed on its behalf:

.....  
J.C. Maxwell

*The accompanying notes are an integral part of these financial statements.*

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST AUGUST 1997**

**1. Accounting Policies**

**Basis of Accounting.**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of freehold land and buildings, and in accordance with the provisions of the Companies Act 1985, the Statement of Recommended Practice Accounting by Charities and applicable accounting standards. Where necessary the headings laid down in the Companies Act have been adapted to meet the special activities of the Company.

The Council of Management have elected to take advantage of the exemption available, under FRS1, to small companies from the requirement to prepare a cash flow statement.

The principal accounting policies have remained unchanged and are as set out below:

**Income**

Donations and legacies are accounted for when received by the Company. Other income is accounted for on an accruals basis as far as it is prudent to do so. Income includes Income Tax recoverable.

**Taxation**

As a registered charity, the Company benefits from Rates relief and is generally exempt from Income Tax and Capital Gains Tax, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

**Depreciation**

Depreciation is provided at rates estimated to write off all fixed assets, other than freehold land and buildings which are not depreciated, over their useful lives. The rates used are:

Freehold Buildings	Nil
Furniture and Equipment	15% reducing balance
Motor Vehicles	25% reducing balance

The Council of Management have decided not to charge depreciation on freehold buildings because it is the Company's practice to maintain these properties in a continual state of sound repair and to extend and make improvements from time to time and accordingly the Council of Management consider that the lives of these assets are so long, and residual values (based on prices prevailing at the time of acquisition or subsequent valuation) are so high that their depreciation is insignificant. Any diminution in the value of such properties is charged to the income and expenditure account as appropriate.

**ROSE HILL SCHOOL ( ALDERLEY) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST AUGUST 1997**

**1. Accounting Policies (cont'd)**

**Stocks**

Stock is valued at the lower of cost and net realisable value.

Cost is based on purchase price including transport and handling costs calculated on a first in first out basis.

Net realisable value is based on estimated selling price less further costs expected to be incurred on disposal.

**Pension Contributions**

Some of the Company's employees are members of the Department of Education and Science Teachers Superannuation Scheme, which provides benefits based on final pensionable pay. The scheme is funded. During the year the Company's contribution reduced from 8.05% to 7.2% of the relevant employees' salary. The contribution rate is determined at a national level. The pension charge for the year, being the Company's contributions, was £12,828 (1996: £10,616).

The Company also contributes to a defined contribution pension scheme, the assets of which are held separately from those of the school in independently administered funds. The pension cost represents contributions payable by the Company to the funds and amounted to £ 2,817 (1996:£2,583).

**Statement of Financial Activities**

In preparing the Statement of Financial Activities, the Council of Management have attributed, where readily determinable, the costs between direct charitable expenditure, fund - raising and publicity, and management and administration.

The other costs have been apportioned 90%/10% between direct charitable expenditure and management and administration. This is considered to be the most meaningful way of allocating such costs.

**ROSE HILL SCHOOL ( ALDERLEY) LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST AUGUST 1997****2. Tangible Assets**

	Freehold Land & Buildings £	Motor Vehicles £	Furniture & Equipme £	Total £
<b>Cost</b>				
Balance at 1st September 1996	587,593	8,349	139,245	735,187
Additions	3,585	-	13,789	17,374
Disposals	-	-	(229)	(229)
Balance at 31st August 1997	591,178	8,349	152,805	752,332
<b>Depreciation</b>				
Balance at 1st September 1996	-	6,950	81,850	88,800
Charge for Year	-	350	10,643	10,993
Depreciation on Disposal	-	-	-	-
Balance at 31st August 1997	-	7,300	92,493	99,793
<b>Net Book Value</b>				
Balance at 1st September 1996	587,593	1,399	57,395	646,387
Balance at 31st August 1997	591,178	1,049	60,312	652,539

The freehold land and buildings were professionally valued by a Chartered Surveyor in April 1993 on an open market vacant possession basis at £550,000 and are included in the accounts at that valuation.

On an historical cost basis the land and buildings would have been included in the accounts at:

	1997 £	1996 £
Cost		
Depreciation	190,575	190,575
	(26,468)	(26,468)
	164,107	164,107

The Company has not depreciated its freehold buildings since 31st August 1992(see note 1). Improvements to the property of £41,178 since the valuation have been capitalised.

**ROSE HILL SCHOOL ( ALDERLEY) LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST AUGUST 1997****3. Creditors: amounts falling due within one year**

The balance sheet total of £278,245 ( 1996: £302,690 ) includes a bank loan and overdraft of £178,308 ( 1996: £195,674 ) which are secured by a first charge over the Company's freehold land and buildings.

**4. Creditors: amounts falling due after one year**

	1997 £	1996 £
Bank Loan		
Amounts due in one to two years	15,000	15,000
Amounts due in two to five years	60,000	45,000
Amounts due after five years	45,000	-
	<u>120,000</u>	<u>60,000</u>

During the year the Company re-negotiated its loan with its bankers.

The bank loan is repayable by monthly instalments and is due to be repaid in 2006.

Interest is being charged quarterly at the bank's base rate plus 2.5% per annum.

In the event of a default the bank may make the loan repayable on demand as specified in the agreement.

**5. Guarantee**

The Company is limited by guarantee. Every member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the Company contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound.