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Cothill Educational Trust

Registered Company Number: 961616

Registered Charity Number: 309639

Accounts

for the year ended

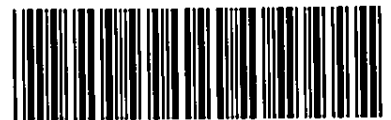
31st August 2009

Wenn Townsend

Chartered Accountants

Oxford

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Cothill Educational Trust
Report of the Governors
for the year ended 31st August 2009

Reference and Administrative Details

Governors:	The Right Hon. Lord Wakeham D L (Chairman) Sir Henry Aubrey-Fletcher, Bt DL R M Bailey C J Cazalet P M Cook A D Darroch Mrs P G Ferriera G P F Inge J Marriage (appointed 9th March 2009) J A S Nash (resigned 14th July 2009) Lady Poltimore A D Richardson J H Rogers (retired 1st December 2008) J R Royds D R W Silk CBE Dr M S Spurr R P Taylor Dr R D Townsend The Hon. Nigel Turner
Secretary:	S P Blackmore
Principal:	A D Richardson
Registered Office:	Cothill House Nr Abingdon
Company Number:	961616
Charity Number:	309639
Auditors:	Wenn Townsend Chartered Accountants and Registered Auditors Oxford
Bankers:	Barclays Bank plc Oxford
Solicitors:	Veale Wasbrough Bristol

Cothill Educational Trust
Report of the Governors
for the year ended 31st August 2009

Structure, Governance and Management

The Cothill Educational Trust incorporates six distinct and separate schools Cothill House (All boys boarding 8 - 13+), Chandlings Manor (Co-educational day nursery - 11+), Kitebrook House (Co-educational day nursery - 8+, girls only day and boarding 8 - 13+), Sauveterre (Co-educational boarding in France, 11 - 13+), Mowden Hall School (Co-educational day nursery 3-13+, Co-educational boarding 8-13+) and from 3rd December 2008, The Old Malthouse School (week long co-educational science courses for children aged 10-13). The Directors, who are also the Trustees of the charity and who are known as the Governors, present their report and accounts for the year ended 31st August 2009.

Charitable and company status

Cothill Educational Trust is a company which does not have share capital and is limited by the guarantee of the members to a maximum of £1 each. The membership at 31st August 2009 was 18 (2008: 18). The Educational Trust is governed by the Memorandum and Articles of the company.

Governors

The Governors are listed on page 1. There has been 1 appointment and 1 retirement since 31st August 2008. The Governors meet at least three times a year and assume governance for each school in the Trust. Each school has a Head Teacher responsible for the day to day running. Regular management meetings are held between The Head Teachers, The Trust Bursar and The Principal. The Governors entrust the coordination of management for the Trust's schools to the Principal.

The Trust has a policy of recruiting Governors with specialist skills and a knowledge of the Trust's objectives. They are appointed in accordance with the Memorandum and Articles of Association.

Governor's induction and training

Governors are briefed on their obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes and business plan and recent performance of the charity. Governors are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Risk management

The board continues to keep the Trust's activities under review. They have considered the major risks that may arise from time to time. The Trust has established systems which under normal conditions should allow these risks to be mitigated to an acceptable level in its day to day operations. Risk and Performance Assessments are carried out on an annual basis. Where weaknesses are found, appropriate measures are taken and, if necessary, further training is arranged.

Principal activity and operational policy

The principal activity of the Trust is that of education.

The aim of the Trust is to provide first class preparatory education to children to the age of 14 through a mix of day and boarding, co-educational and single sex schools. The Trust believes in strength through partnership and the development of individuality, which extends parental options and enables the right choice to be made for each child.

Involvement with local primary schools through the provision of teaching, shared facilities and specialist services is a further important aspect of the Trust's commitment to Education.

Each school including Sauveterre retains its own name and preserves its own identity, while the Trust provides support and expertise in the encouragement of all that is special and particular to each.

Cothill Educational Trust

Report of the Governors (continued) for the year ended 31st August 2009

Review of activities and future developments

Cothill Educational Trust applied its income received during the year to the costs of operating schools at Cothill House, Chandlings Manor, Kitebrook House, Mowden Hall and The Old Malthouse in England and Sauveterre in France.

During 2009 the pupils at all five operating schools achieved good standards across the curriculum and did well in Common Entrance and Scholarship examinations.

87 Trust pupils spent a term at the Trust's Chateau (Sauveterre) in France providing the unique opportunity of learning a language in its native context but within the framework of an English school.

Pupil numbers

Cothill's average number of boarding pupils for the year was 260 a term (2008: 246).

Chandlings average number of day pupils for the year was 399 a term (2008: 412) and 28 children attended the nursery (2008:26).

Kitebrook's average number of pupils for the year was 93 a term (2008: 102).

Mowden's average number of pupils for the year was 162 a term (2008: 194).

111 external pupils visited Sauveterre in South West France for a term in 2009 (2008: 116).

Public Benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

Financial

- The Trust awarded 16 music bursaries in recognition of ability, 33 families received financial help during the year due to hardship. Without this help the children would not have been able to continue their education at the school.
- Fees are reduced where there is more than one child from the same family. 242 children benefited from this scheme.
- No fees are charged to pupils at Dry Sandford Primary School who receive the benefit of a full-time Special Needs teacher and related services paid for by the Trust. This equates to 105 bursaries with an estimated value of £111,100.
- The Trust is actively creating a scientific study centre on the Dorset coast in close collaboration with the Natural History Museum. Once fully functional it is anticipated that pupils from non-fee paying schools will have access to all the benefits this short stay facility will have to offer.
- The Cothill Educational Trust has educated 979 children at nil cost to the state thereby saving the public purse in excess of £4m

Educational

- The independent sector as a whole provides excellence in "challenging subjects".
- While nationally the numbers of children studying languages has declined, the Trust continues to teach all children modern foreign languages (French, Spanish and Mandarin) as well as Latin.
- All children are screened for Special Educational Needs. The provision of specialist support to those identified with needs is in itself a public good.

Cothill Educational Trust

Report of the Governors (continued) for the year ended 31st August 2009

Public Benefit (continued)

- The standards of the Trust's education are reviewed annually against national benchmarks and the Trust's educational provision exceeds those benchmarks.
- The Trust uses its own resources to recruit people into the teaching profession, then to induct and train them. Teachers are actively assisted in achieving Qualified Teacher Status, which allows teachers to move to the maintained sector should they wish.

General

- The Trust's school sites provide facilities for local functions including village council meetings, carol services and church and village fetes. The premises are used by the Fire Brigade for fire and rescue practice on a regular basis.

Wider Community

- The Trust is constantly seeking new ways in which to deliver its Charitable Objects to a young public without regard to wealth, race, religion, social or academic status.
- The Trust has developed links with the local primary schools. In particular, during the past year the Trust has provided the following without charge: A full-time special needs teacher to Dry Sandford County Primary School, fully supported by all the necessary resources and a part-time teacher of French to Kennington County primary School.
- The Principal and Bursar of the Trust spend a proportion of their working time in the support of charities that specifically relate to the objects of the Trust. For example, the Trust has also developed links with a local Oxfordshire charity "See Saw" which provides specialist support for bereaved young. This ensures that our commitment is local and focused on an age group that corresponds with those that we care for and educate in our schools. Help has been both financial and practical.
- The schools take an active part in local church life and support them financially. The Churches provide places of worship for youngsters which would otherwise be closed or sold off by the Diocesan Authorities.
- Many contacts have been made with the neighbouring school and community in France, especially in the sporting arena. The Cothill choir has become well known for its annual tour throughout the region, giving concerts without charge.

Financial results

The results for the year are shown in the income and expenditure account on page 8.

The schools have continued to grow and thus income exceeded budget. The Trust achieved a surplus for the year of £48k (2008: £321k).

Payroll costs, which represent 68% of expenditure were within forecast.

£608k was spent on the repair and maintenance of the six Trust properties.

Cothill Educational Trust

Report of the Governors (continued) for the year ended 31st August 2009

Fixed assets

Changes in fixed assets during the year are set out in the notes to the accounts as follows:

Tangible fixed assets	- note 12
Land and buildings	- note 13

The Governors consider that the market value of freehold land and buildings is in excess of the amount shown in the accounts. However, as these assets are used in the Trust's activities and no disposals are envisaged, this excess has not been quantified.

Reserves policy

The Governors are currently borrowing to invest in the development of the Trust, funding interest and loan repayments out of current income. The improvements and modernisation are planned to cope with the development of its schools over the next few years. The long term aim is to increase reserves such that the Trust is not dependent on borrowing. The Trust has no free reserves (unrestricted reserves less tangible fixed assets and commitments) and it is not anticipated that free reserves will be available in the next five years. Reserves are monitored termly by reference to cash flows projected to the end of the academic year and then for a further three years, with the object of scheduling major expenditure as early as possible.

Investment policy

The Trust holds no permanent endowment but any temporary surplus cash is held on short term deposits to secure a high rate of interest.

Plans for future periods

The Trust will continue with its principal objective: to achieve excellence in the educational development of the whole child. The Trust is committed to playing an active role in the wider community. Further, the Trust will continue to seek opportunities for strategic acquisitions and mergers with other similar educational establishments in order to fulfil its objectives. Ashdown House joined the Trust on 18th September 2009.

Cothill Educational Trust

Report of the Governors (continued) for the year ended 31st August 2009

Statement of Governors' Responsibilities

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

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

The trustees 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

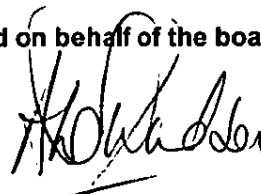
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Wenn Townsend have agreed to offer themselves for re-appointment as auditors of the Trust. A resolution to reappoint the auditors will be proposed at the annual general meeting.

Signed on behalf of the board



7th December 2009

Cothill Educational Trust

Independent Auditors' Report to the members of Cothill Educational Trust Limited

We have audited the financial statements of Cothill Educational Trust Limited for the year ended 31st August 2009 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under 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 so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The Governors' (who are also the directors of Cothill Educational Trust for the purposes of company law) responsibilities for preparing the Governors' 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 they give a true and fair view are set out in the Statement of Governors' 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 the Companies Act 2006. We also report to you whether in our opinion the information given in the Governors' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosure of trustees' remuneration specified by law are not made.

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

Basis of audit opinion

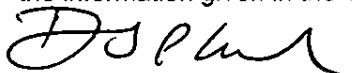
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all 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.

Opinion

In our opinion:

- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006;
- the financial statements give a true and fair view of the state of the charitable company's affairs as at 31st August 2009, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- the information given in the Governors' Annual Report is consistent with the financial statements.



Mrs Deborah Pluck FCA (Senior Statutory Auditor)

For and on behalf of Wenn Townsend

Chartered Accountants

Oxford

7th December 2009

Cothill Educational Trust

**Statement of Financial Activities (including income and expenditure account)
for the year ended 31st August 2009**

		Unrestricted Funds	Restricted Fund	2009 Total	2008 Total
	Note				
Incoming resources					
Income from charitable activities					
Fees	3	12,292,390	-	12,292,390	11,774,770
Other educational income		700,780	-	700,780	638,947
Ancillary income	4	15,913	-	15,913	21,023
Incoming resources from generated funds					
Investment income	5	9,361	-	9,361	19,626
Donations		22,150	8,738	30,888	48,435
Total incoming resources		<u>13,040,594</u>	<u>8,738</u>	<u>13,049,332</u>	<u>12,502,801</u>
Resources expended					
Costs of generating funds					
Overdraft and loan interest		9,759	-	9,759	35,832
Fee composition discount		42,664	-	42,664	37,417
		<u>52,423</u>	<u>-</u>	<u>52,423</u>	<u>73,249</u>
Charitable activities					
School running costs	6	12,901,659	3,622	12,905,281	12,063,725
Governance costs	7	<u>43,474</u>	<u>-</u>	<u>43,474</u>	<u>44,070</u>
Total resources expended		<u>12,997,556</u>	<u>3,622</u>	<u>13,001,178</u>	<u>12,181,044</u>
Net incoming resources		43,038	5,116	48,154	321,757
Merger of net assets of The Old Malthouse School Trust Ltd	24	262,492	-	262,492	472,540
Transfer between funds	20	9,255	(9,255)	-	-
Net movement in funds		<u>314,785</u>	<u>(4,139)</u>	<u>310,646</u>	<u>794,297</u>
As at 1st September 2008		<u>7,047,618</u>	<u>4,139</u>	<u>7,051,757</u>	<u>6,257,460</u>
As at 31st August 2009		<u>£ 7,362,403</u>	<u>£ -</u>	<u>£ 7,362,403</u>	<u>£ 7,051,757</u>

All amounts are derived from continuing activities.

All gains and losses recognised in the year are included in the Statement of Financial Activities.

Cothill Educational Trust

**Note of historical cost surpluses and deficits
for the year ended 31st August 2009**

	2009	2008
Reported surplus for the year per income and expenditure account	48,154	321,757
Difference between an historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	<u>9,021</u>	<u>9,021</u>
Historical cost surplus for the year	<u>£ 57,175</u>	<u>£ 330,778</u>

Cothill Educational Trust

Balance Sheet 31st August 2009

2008

Note

Fixed assets

Tangible assets	12	11,455,774	10,077,919
Investments	14	-	-
		<u>11,455,774</u>	<u>10,077,919</u>

Current assets

Stock	15	26,426	35,779
Debtors	16	347,653	337,527
Cash at bank and in hand		9,598	30,804
		<u>383,677</u>	<u>404,110</u>

Creditors: Amounts falling due within one year	17	<u>(3,525,550)</u>	<u>(2,687,265)</u>
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Net current liabilities		<u>(3,141,873)</u>	<u>(2,283,155)</u>
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Total assets less current liabilities		<u>8,313,901</u>	<u>7,794,764</u>
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Creditors: Amounts falling due after one year	18	<u>(951,498)</u>	<u>(743,007)</u>
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Net assets		<u><u>£ 7,362,403</u></u>	<u><u>£ 7,051,757</u></u>
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Reserves

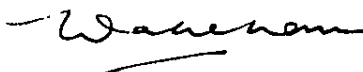
Unrestricted funds

Revaluation reserve	20	90,216	99,237
Income and expenditure account	20	<u>7,272,187</u>	<u>6,948,381</u>
		<u>7,362,403</u>	<u>7,047,618</u>

Restricted funds

Hardship fund	20	-	-
Learning support donation	20	-	2,406
Woodland fund	20	-	<u>1,733</u>
		<u><u>£ 7,362,403</u></u>	<u><u>£ 7,051,757</u></u>

On behalf of the board



Lord Wakeham

7th December 2009

Cothill Educational Trust

Cash Flow Statement for the year ended 31st August 2009

Reconciliation of operating surplus to net cash inflow from operating activities:

	2009	2008
Net incoming resources	48,154	321,757
Interest charged	52,423	73,249
Interest receivable	(9,361)	(19,626)
Depreciation	543,584	530,864
Loss on disposal of fixed assets	-	6,391
Decrease in stocks	9,749	12,873
Increase in debtors	(4,793)	(45,850)
Decrease in creditors	(33,385)	(322,916)
New fees in advance	949,695	505,386
Fees in advance applied in year	(639,570)	(593,689)

Cash flow statement

Net cash inflow from operating activities	916,496	468,439
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Returns on investments and servicing of finance:

Interest paid	(9,759)	(35,832)
Interest received	9,361	19,626
	(398)	(16,206)

Capital expenditure:

Payments to acquire tangible fixed assets	(1,026,452)	(99,417)
Receipts from sale of tangible fixed assets	-	29,050
	(1,026,452)	(70,367)

Acquisitions:

Loan balance paid on merger	(558,576)	(465,593)
Net overdraft acquired on merger	(72,235)	(214,189)
	(630,811)	(679,782)

Financing:

Repayment of loans	(32,100)	(114,646)
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Decrease in cash

£ (773,265)	£ (412,562)
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Reconciliation of net cash flow to movement in net debt

Decrease in cash in the period	(773,265)	(412,562)
Cash repaying loans	32,100	114,646
Change in net debt	(741,165)	(297,916)
Net debt at 1st September 2008	(706,221)	(408,305)
Net debt at 31st August 2009	£ (1,447,386)	£ (706,221)

Analysis of changes in net debt

	At 1st September 2008	Cash Flow	At 31st August 2009
Cash at bank and in hand	30,804	(21,206)	9,598
Overdrafts	(651,425)	(752,059)	(1,403,484)
	(620,621)	(773,265)	(1,393,886)
Debt due within one year	(32,100)	-	(32,100)
Debt due after one year	(53,500)	32,100	(21,400)
	£ (706,221)	£ (741,165)	£ (1,447,386)

Cothill Educational Trust
Notes to the Accounts
for the year ended 31st August 2009

1 Accounting policies

Basis of accounting

The accounts have been prepared on an accruals basis and under the historical cost accounting convention as modified by the revaluation of certain fixed assets on 23rd March 1982. They are also prepared under applicable accounting standards and the current Statement of Recommended Practice on accounting and reporting by charities: the Charities SORP 2005, and in accordance with the Companies Act 2006.

Company status

The charity is a company limited by guarantee. The members of the company are the Governors named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member.

Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

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. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Governance costs are those incurred in connection with administration of the Charity as a legal entity and are not connected with generating income or charitable expenditure.

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to expenditure.

Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and included at cost.

Depreciation of fixed assets is provided, at the following rates, in order to write off the assets over their estimated useful lives:

Freehold land	Nil
Freehold buildings	4% Straight line
Assets under the course of construction	Nil
Computer equipment	33.33% Straight line
Other equipment, fixtures and fittings	15% Reducing balance
Vehicles	25% Reducing balance

Profits or losses arising on the disposal of fixed assets are adjusted in the depreciation charge for the year. An amount equal to the excess of the annual depreciation charge on assets revalued in 1995 over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the accumulated income and expenditure account. The Trust has taken advantage of the transitional provisions of FRS 15 to freeze the valuation of the Trust's freehold properties as at the value at 31st August 2000, any subsequent additions being included at cost.

Investments

Investments are stated at cost less provision for any diminution value.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Cothill Educational Trust

Notes to the Accounts (continued) for the year ended 31st August 2009

1 Accounting policies (continued)

Foreign currencies

Assets and liabilities expressed in foreign currencies are translated into sterling at the rate of exchange ruling at the end of the financial year. Transactions during the year are translated at an average rate. Foreign exchange differences are taken to the profit and loss account.

Pension costs

Pension costs represent contributions under the DES Teachers' Pension Scheme and a defined contribution scheme (I.A.P.S.). The Teachers Pension Scheme, operated by the Teachers' Pension Agency is specifically for teaching staff. It is an unfunded defined benefit scheme providing benefits based on final pensionable salary. The scheme funds are valued every five years by the Government Actuary who determines the approximate level of contributions. The contributions to The Teachers' Pension Scheme and to the defined contribution scheme are charged to income and expenditure as they become payable. The cost of pensions is thus recognised during the employees working lives at the school.

Finance leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Operating leases

Rentals applicable to operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are charged against surpluses as incurred.

Fund accounting

Unrestricted funds consist of a general fund which the trustees may use, for the furtherance of the objects of the Charity at their discretion.

Restricted funds are subject to specific conditions imposed by the donor or by the terms of an appeal, these conditions being legally binding upon the Trustees.

Group accounts

The Charity does not prepare group accounts as its subsidiary company (Mowden Hall Estates Limited) has not traded during the year, and its results are immaterial to the group.

2 Turnover

In the opinion of the Governors, none of the turnover of the Trust is attributable to geographical markets outside the EU (2008: £nil).

3. School fees

	2009	2008
Fees	12,912,145	12,401,912
Discounts and awards	(619,755)	(627,142)
	<u>£12,292,390</u>	<u>£11,774,770</u>

Cothill Educational Trust

Notes to the Accounts (continued) for the year ended 31st August 2009

4. Other incoming resources	2009	2008
School fee insurance	6,965	9,226
Denplan insurance	342	305
Other income	8,606	11,492
	<u>£ 15,913</u>	<u>£ 21,023</u>

5. Investment income		
Bank interest receivable	<u>£ 9,361</u>	<u>£ 19,626</u>

6. Charitable activities	Staff costs	Other costs	2009 Total	2008 Total
Teaching	6,329,786	833,519	7,163,305	6,837,545
Welfare	1,403,826	888,204	2,292,030	2,052,132
Premises	319,042	1,775,191	2,094,233	1,957,294
Support costs of schooling	864,108	491,605	1,355,713	1,216,754
	<u>£ 8,916,762</u>	<u>£ 3,988,519</u>	<u>£ 12,905,281</u>	<u>£ 12,063,725</u>

The major components of support costs include:-	2009	2008
Administrative staff costs	864,108	756,541
Postage, stationery, telephone and other administrative costs	329,421	270,578
Advertising for staff and promotion	56,044	23,535
Bad debts	14,843	50,436
Legal and professional fees	63,968	93,662
Bank charges	16,050	11,102
Office depreciation	11,279	10,900
	<u>£ 1,355,713</u>	<u>£ 1,216,754</u>

7. Governance costs	Staff costs	Other costs	2009 Total	2008 Total
Staff	22,464	-	22,464	19,493
Audit	-	19,286	19,286	18,368
Other	-	1,724	1,724	6,209
	<u>£ 22,464</u>	<u>£ 21,010</u>	<u>£ 43,474</u>	<u>£ 44,070</u>

Cothill Educational Trust

Notes to the Accounts (continued) for the year ended 31st August 2009

8 Staff costs

	2009	2008
Staff costs		
Wages and salaries	7,539,543	7,083,371
Social security costs	733,050	616,113
Pensions - Teachers Pension Scheme	588,849	570,406
- Defined contribution scheme	77,784	82,054
	<u>666,633</u>	<u>652,460</u>
	<u>£ 8,939,226</u>	<u>£ 8,351,944</u>

Cothill Educational Trust participates in the Teachers' Pension Scheme (England and Wales) ("the Scheme"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the company.

The latest actuarial valuation of the Scheme by the Government Actuary issued in October 2006 relating to the period 1st April 2001 to 31st March 2004 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) exceeded the value of the Scheme's assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) by 2.0%.

From 1st January 2007, as part of the cost-sharing agreement between employers' and teachers' representatives, the standard contribution rate has been assessed at 19.75%, and the supplementary contribution rate has been assessed to be 0.75% (to balance the Scheme's assets and liabilities within 15 years as required by the regulations); a total contribution rate of 20.5%. This translates into an employer contribution rate of 14.1% and an employee contribution rate of 6.4%. The cost-sharing agreement has also introduced – effective for the first time for the 2008 valuation – a 14% cap on employer contributions payable. The valuation of the Scheme by the Government Actuary as at 31st March 2008 is expected to be issued early in 2010.

Contributions totalling £61,765 (2008: £71,931) were outstanding at the year end date.

	Number	Number
Average number employed including Governors:		
Governors	18	18
Teachers	249	237
Household	144	142
Office	22	20
	<u>433</u>	<u>417</u>
 Number of employees earning within the following bands:		
£ 60,001 - £ 70,000	-	2
£ 70,001 - £ 80,000	2	1
£ 80,001 - £ 90,000	2	1
	<u></u>	<u></u>

Governors remuneration

Governors receive no remuneration nor reimbursement of expenses for their services as Governors. The principal, who is a Governor, is remunerated for the work he carries out on behalf of the Trust.

	2009	2008
Governors emoluments	<u>£ 82,855</u>	<u>£ 78,864</u>

Cothill Educational Trust

Notes to the Accounts (continued) for the year ended 31st August 2009

9 Deferred income

During the year fees amounting to £949,695 (2008: £749,907) were received in advance for students for future years. Fees released to income amounted to £639,570 (2008: £593,689).

All amounts owing at 31st August 2009 are shown as liabilities in notes 17 and 18.

10 Net incoming resources

Results for the year are stated after charging:		2009 £	2008 £
Depreciation:	owned assets	541,568	528,311
	leased assets	2,016	2,553
Auditors fees:	audit work	19,286	18,368
	non-audit work	44,875	45,662
Operating leases:	equipment	74,658	90,123
	motor vehicles	45,038	34,693

11 Taxation

The Trust has no liability for taxation.

12 Tangible fixed assets

	Vehicles	Computers	Fixtures, Fittings & Equipment	Land and Buildings	Assets under the course of construction	Total
1st September 2008	111,712	39,307	1,064,251	13,059,781	-	14,275,051
Assets obtained on merger	-	-	79,026	815,961	-	894,987
Additions	28,250	-	41,382	107,917	848,903	1,026,452
31st August 2009	139,962	39,307	1,184,659	13,983,659	848,903	16,196,490
Depreciation						
1st September 2008	62,179	16,131	648,643	3,470,179	-	4,197,132
Charge for year	17,644	6,900	70,547	448,493	-	543,584
31st August 2009	79,823	23,031	719,190	3,918,672	-	4,740,716
Net book value						
31st August 2009	£ 60,139	£ 16,276	£ 465,469	£ 10,064,987	£ 848,903	£11,455,774
1st September 2008	£ 49,533	£ 23,176	£ 415,608	£ 9,589,602	£ -	£10,077,919

Land and buildings includes freehold land of £2,632,602 that is not depreciated.

Cothill Educational Trust

Notes to the Accounts (continued) for the year ended 31st August 2009

13 Land and buildings

	2009	2008
Freehold land and buildings		
Cost and valuation	14,832,562	13,059,781
Revalued amounts	(225,531)	(225,531)
Historical cost	14,607,031	12,834,250
Total depreciation	3,918,672	3,470,179
Depreciation on revalued amounts	(135,315)	(126,294)
Depreciation on historical cost	(3,783,357)	(3,343,885)
Historical cost net book value	£ 10,823,674	£ 9,490,365

Freehold land and buildings include buildings revalued in 1995, and an asset of £73,779 previously shown as an investment.

The Trust has taken advantage of the transitional provisions of FRS15 to freeze the valuation of its property as at the value at 31st August 2000, subsequent additions being included at cost.

The Governors consider that the market value of freehold land and buildings is in excess of the amount shown in the accounts. However, as these assets are used in the Trust's activities and no disposals are envisaged, this excess has not been quantified.

	2009	2008
Future capital commitments		
Expenditure contracted for	£ 3,385,000	£ -
Expenditure authorised, but contracts not place	£ 524,000	£ -

14 Investments

Cost	Unlisted Investments
At 1st September 2008 and at 31st August 2009	£ 1
Provision against diminution of value	
At 1st September 2008 and at 31st August 2009	£ 1
Net book values	
At 31st August 2009	£ -
At 31st August 2008	£ -

Cothill Educational Trust

Notes to the Accounts (continued) for the year ended 31st August 2009

14 Investments (continued)

As part of the merger with Mowden Hall (Newton) School Trust Limited, the company obtained 100% of the allotted share capital of the following undertaking:

	Country of registration	Class of share capital held	Nature of business	Capital and reserves at 31st August 2009	Loss for year ended 31st August 2009
Mowden Hall Estates Limited	England and Wales	Ordinary	Dormant	£(955)	£ (2)

15 Stocks

	2009	2008
Stock - consumables	£ 26,426	£ 35,779

16 Debtors: amounts falling due within one year

Trade debtors	179,110	190,962
Other debtors	15,252	7,300
Prepayments and accrued income	144,350	130,324
Amounts owed by group companies	8,941	8,941
	£ 347,653	£ 337,527

17 Creditors: amounts falling due within one year

Bank loans	32,100	32,100
Bank overdraft	1,403,484	651,425
Trade creditors	1,618,784	1,581,134
Other taxation and social security	156,302	160,718
Other creditors	71,659	153,237
Accruals and deferred income	243,221	108,651
	£ 3,525,550	£ 2,687,265

Trade creditors include £818,763 (2008: £1,070,234) in respect of fees received in advance for Autumn 2009 term, and £424,613 (2008: £274,754) for the rest of 2009/10. The bank loans and overdraft are secured - see note 19 for details.

Cothill Educational Trust

Notes to the Accounts (continued) for the year ended 31st August 2009

18 Creditors: amounts falling due after one year

	2009	2008
Bank loans	21,400	53,500
Other creditors	930,098	689,507
	<u>£ 951,498</u>	<u>£ 743,007</u>

Other creditors include £587,042 (2008: £384,111) for fees received in advance for academic years 2010/11 onwards.

Maturity of debt

The bank loans are wholly repayable within five years by instalments.
Other loans are also wholly repayable within five years by instalments.

19 Bank overdraft and loans

The bank loan is repayable in instalments of £10,700 at four monthly intervals. Interest is charged at a rate of Libor plus 1.25%. The loan is wholly repayable within 5 years.

The Trust's bank borrowings are secured by a fixed charge over some of its UK freehold property.

20 Reserves

	Woodland fund	Hardship fund	Learning support fund	Revaluation reserve	Income and expenditure	Total 2009
At 1st September 2008	1,733	-	2,406	99,237	6,948,381	7,051,757
Retained for the year	(1,733)	8,642	(1,793)	-	305,530	310,646
Transfers between funds	-	(8,642)	(613)	(9,021)	18,276	-
At 31st August 2009	<u>£ -</u>	<u>£ -</u>	<u>£ -</u>	<u>£ 90,216</u>	<u>£ 7,272,187</u>	<u>£ 7,362,403</u>

The transfer of funds from both the Hardship fund and Learning Support fund to the Income and Expenditure account is to reimburse the costs incurred by the General fund on behalf of those restricted funds in 2008/09.

21 Analysis of net assets between funds

	Revaluation reserve	Income and expenditure	Total 2009
Fund balances at 31st August are represented by:			
Tangible fixed assets	90,216	11,365,558	11,455,774
Net current liabilities	-	(3,141,873)	(3,141,873)
Long term liabilities	-	(951,498)	(951,498)
	<u>£ 90,216</u>	<u>£ 7,272,187</u>	<u>£ 7,362,403</u>

Cothill Educational Trust
Notes to the Accounts (continued)
for the year ended 31st August 2009

22 Related parties

Parent Governors receive educational services on the same terms as all other parents.

23 Guarantees and other financial commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 31st August 2010.

Expiring:

	2009	2008
Within one year	44,051	52,544
Within two and five years	40,612	67,025
After more than five years	-	2,167
	<u>£ 84,663</u>	<u>£ 121,736</u>

24 Merger

On 3rd December 2008, Cothill Educational Trust merged with The Old Malthouse School (charity number 306317). The assets and liabilities of The Old Malthouse School were transferred into Cothill Educational Trust, as at that date.

25 Post balance sheet event

On 18th September 2009, Cothill Educational Trust merged with Ashdown House School Trust (charity number 269929). The assets and liabilities of Ashdown House School Trust, totalling £4,578,906, were transferred into Cothill Educational Trust, as at that date.

26 Approval of accounts

These accounts were approved by the Governors at a meeting held on 7th December 2009