

ALLIED SCHOOLS AGENCY LIMITED

Financial Statements 31 July 2009
Together with Trustees' and Auditors' Reports

Registered Charity Number 313158
Registered Company Number 306977

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COMPANIES HOUSE

Allied Schools Agency Limited
Trustees and Officers

Nicholas John Durlacher CBE (Chairman)
Michael Keith Bewes MA FCIPD FCMI FRSA
Reverend John Ellison FCA
Christopher Honeyman Brown FCA
Richard Henry Marriott OBE MA
Gordon Francis De Courcy Page CBE, MA, FRAeS DL
Gordon Michael Beauchamp Mansel Porter BA MSc
Christopher Reynolds-Jones TD
Alan Francis Skidmore

Company Secretary
Alan Blowers CPFA

Registered and Principal Office

Cross House
38 High Street
Banbury
Oxfordshire
OX16 5ET

Auditors

Saffery Champness
Lion House
Red Lion Street
London WC1R 4GB

Bankers

Barclays Bank Plc
PO Box 858
Wytham Court
11 West Way, Botley
Oxford OX2 0XP

Solicitors

Charles Russell LLP
5 Fleet Place
London EC4M7RD

Insurance advisors

SFS Group Ltd
Crossways House
54-60 South Street
Dorking RH4 2HQ

Trustees' Duties and Responsibilities

The directors of the Charity are trustees for the purpose of the Charities Act 2006. Reference to the "Charity" also means the "Company" and reference to the "Company" also means the "Charity".

The trustees are jointly responsible for the preparation of the Annual Report and Accounts. 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 surplus or deficit 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the company's directors, we confirm that

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware, and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Trustees/Directors

The trustees/directors of the company who served during the year are as follows

Nicholas John Durlacher CBE (Chairman)	
Richard George Alexander Baxter MA (Oxon)	<i>(retired 8 December 2008)</i>
Andrew Robert Fowell Buxton CMG	<i>(retired 8 December 2008)</i>
Michael Keith Bewes MA	
Nevil Andrew Eltringham Coulson MA, MBA	<i>(resigned 31 December 2008)</i>
Reverend John Ellison FCA	
Christopher Honeyman Brown FCA	
Mrs Gillian Hylson-Smith BA	
Richard Henry Marriott OBE MA	
Gordon Francis De Courcy Page CBE, MA, FRAeS DL	<i>(appointed 8 December 2008)</i>
Michael Beauchamp Mansel Porter BA MSc	<i>(appointed 8 December 2008)</i>
Christopher Reynolds-Jones TD	
Richard Francis Jocelyn Simon MA	
Alan Francis Skidmore	

In accordance with the Articles of Association Mr Durlacher, Mr Honeyman Brown and Mr Reynolds-Jones retire by rotation, but being eligible offer themselves for re-election. Mr Page and Mr Porter were appointed to the Board at the Annual General Meeting held on 8 December 2008. Mrs Hylson-Smith and Mr Simon have retired since the year end. None of the directors had a beneficial interest in any contract to which the Company was a party during the year.

Annual General Meeting

The Annual General Meeting of the Company was held at Lion House, Red Lion Street, London on 24 March 2010

Governance

The Charity's governing document is the Memorandum and Articles of Association as most recently amended on 8 December 1998. The trustees, who are also company directors, are responsible for the overall management and control of Allied Schools Agency ("the Agency"). Together with the representatives of the Associated Members, they usually meet four times a year. The trustees are appointed by the Allied Schools Council, which is described below, and which seeks to ensure that a relevant range of skills and experience is represented. The Agency has wide powers to provide financial services (which include the administration of investments on behalf of member schools and associated bodies). New trustees are provided with an information pack and a list of seminars for trustees. Governors, who are trustees of the Agency, are inducted through their own school procedures. Responsibility for day to day management is delegated to the General Manager and Trustee, Mr M Porter.

Relationship with the Allied Schools Group

The Allied Schools Group consists of five Founder schools (Canford School, Harrogate Ladies' College, Stowe School, Westonbirt School, The Wrekin Old Hall Trust) and three Associate schools (Riddlesworth Hall, Barnardiston Hall Preparatory School and St John's-on-the-Hill) which have been nearly all closely associated for over 75 years. They share common bank facilities and, in order to strengthen their financial security, the five Founder schools each, together with the Agency, jointly and severally guarantee the balance of the other Founder schools' current bank accounts up to defined limits. It has been agreed that any liability arising from a call on the guarantee should be shared by the schools and the Charity in proportion to the limit on their guarantees, in the case of the Charity the maximum contribution being £50,000.

In order to discuss and agree on matters that affect all member schools, a Council is established whose members comprise the Chairmen of Governors of each of the Founder member schools and certain co-opted members. The Council operates according to a Scheme of Management, but is not a legal entity. The Agency acts as its operating arm, its objectives being the advancement of education at member schools by providing cost-effective services and expertise. These services consist principally of secretariat, accounting, payroll and insurance services and advice to governors and staff. Its costs, being incurred for the schools' benefit and thus that of their pupils, are met by the member schools. The charge to member schools was £376,780 for the year (2008 £298,486).

Objectives and Principal Activities

The object of the Charity is the advancement of education at the several schools for the time being comprising the Allied Schools through the provision of services as described above. Its aim is to ensure the spread of best management practice through the schools and the continued financial health of the schools.

Public Benefit

The charity delivers public benefit by providing cost-effective services and advice to the schools with which it is linked, thus assisting schools maximize the public benefit they themselves offer. In setting our objectives the directors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to the supplementary public benefit guidance on advancing education.

Review of the Year

The Charity has continued to perform its obligations to the schools through the year satisfactorily. During the year, Mr Coulson was succeeded by Mr Porter as General Manager. Trustees had agreed to transfer trusteeship of the Wrekin College Scholarship, Bursary and Prize Fund to the Wrekin College Foundation (charity number 1103684), the associated assets (£415,198) were transferred to that charity during the year.

During the year St John's-on-the Hill, Chepstow, a leading preparatory school in South Wales, became an associate member of the Allied Schools Group, thereby allowing an increased range of experience and good practice to be exchanged between the larger number of prep schools at cross school meetings of Headmasters and Bursars.

Financial Review

The Charity's net operating costs of £376,780 (2008 £298,486) continue to be paid by member schools. The Charity waived £465,701 (2008 £465,701) of loans to member schools in the year, in accordance with the terms of those loans. The Charity continues to administer a number of restricted funds on behalf of member schools, from which it has paid £1,654,755 (2008 £1,345,024) for the provision of composition fees, scholarships, bursaries and prizes.

Reserves Policy

In addition to its own retained income of £3,628 the Allied Schools Agency Limited is supported by the guarantees of the member schools. Therefore, a more substantial reserve would not be appropriate.

Investment Policy

The Charity administers investments on behalf of the member schools. The policy is:

For scholarship, bursary and prize funds, to maintain a balance between equity and fixed interest investment of approximately 70%/30% so as to provide sufficient income to fund annual scholarships, bursaries and prizes, while seeking equity growth over the long term.

For composition fees, to maintain a balance between equity, fixed interest stocks and building society deposits/cash of approximately 25%/33%/42% so as to provide sufficient income to fund annual payments of composition fees, while maximising the long-term return of the fund.

Details of the investments are given in note 6.

The Memorandum of Association permits the Charity to invest and deal with its moneys not immediately required in such manner as may from time to time be thought fit. Towards the end of the year, the Charity began the process of moving the day-to-day investment management to fund managers.

Risk Management

The Trustees have formally reviewed and analysed the major risks to the Charity, and are satisfied that action has been taken to mitigate the risks to the extent possible. The Charity will continue to monitor and re-assess the risks on an annual basis.

Plans for Future Periods

The Charity's continuing objective is to provide a high standard of service to member schools and to increase the number of its Associate Schools. Since the year end, the transfer of day-to-day investment management to fund managers was completed successfully.

Auditors

Saffery Champness have expressed their willingness to continue as auditors.

This report was approved by the Board on 24 March 2010.



Alan Blowers
Company Secretary

We have audited the financial statements on pages 7 to 16. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the 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 company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

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

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

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' 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 the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

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

Basis of audit opinion

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

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether 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 give a true and fair view of the charity's state of affairs as at 31 July 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Trustees' Report is consistent with the financial statements.

John Shuffrey (Senior Statutory Auditor)
For and on behalf of
Saffery Champness
Chartered Accountants
Statutory Auditors

Lion House,
Red Lion Street
London WC1R 4GB

24 March 2010

Allied Schools Agency Limited
Statement Of Financial Activities Including The Income and Expenditure Account
For the year ended 31 July 2009

	Notes	Unrestricted general fund	Restricted trust funds	Total 2009	Total 2008
		£	£	£	£
INCOMING RESOURCES					
Income from charitable activities					
Composition fees received		-	1,231,270	1,231,270	1,419,439
Contributions from Allied schools		376,780	-	376,780	298,486
Incoming resources from generated funds					
Investment income		-	182,784	182,784	213,903
Legacy income		-	27,898	27,898	69,500
Bank interest received		684	56,047	56,731	122,358
Other incoming resources		6	2,220	2,226	14,717
Total incoming resources		377,470	1,500,219	1,877,689	2,138,403
RESOURCES EXPENDED					
Cost of generating funds					
Bank charges and interest paid	2	386	-	386	428
Charitable activities					
Provision of services and other support to schools	2	812,424	-	812,424	752,202
Provision of composition fees, scholarships, bursaries and prizes	2	-	1,654,755	1,654,755	1,345,024
Governance costs	2	30,361	-	30,361	30,475
Total resources expended		843,171	1,654,755	2,497,926	2,128,129
Net (outgoing)/incoming resources for the year	3	(465,701)	(154,536)	(620,237)	10,274
Losses on investment assets	12	-	(418,891)	(418,891)	(691,533)
Transfer of funds	12	-	(415,198)	(415,198)	-
Net movement in funds		(465,701)	(988,625)	(1,454,326)	(681,259)
Fund balances at 1 August		1,121,311	6,194,865	7,316,176	7,997,435
Fund balances at 31 July		655,610	5,206,240	5,861,850	7,316,176

The surplus for the year for Companies Act purposes would include realised gains on investments of £nil (2008 £nil)

All operations of the company continued throughout both years and no operations were acquired or discontinued in either period under review. The accompanying notes are an integral part of this statement of financial activities.

Allied Schools Agency Limited
Balance Sheet
For the year ended 31 July 2009

	Notes	2009 £	2008 £
Tangible fixed assets	5	8,115	20,078
Investments			
Restricted funds	6	5,193,591	6,167,056
Other		-	2
		<u>5,193,591</u>	<u>6,167,058</u>
Current assets			
Debtors - due within 1 year	8	45,772	47,210
- due after 1 year	8	651,982	1,117,683
Cash at bank and in hand		<u>2,462</u>	<u>196</u>
		<u>700,216</u>	<u>1,165,089</u>
Creditors amounts falling due within one year	9	<u>(40,056)</u>	<u>(36,033)</u>
Net current assets		660,160	1,129,056
Total assets less current liabilities		<u>5,861,866</u>	<u>7,316,192</u>
Net assets		<u>5,861,866</u>	<u>7,316,192</u>
Share capital	10	<u>16</u>	<u>16</u>
Unrestricted funds			
Designated funds	11	651,982	1,117,683
Retained income	11	<u>3,628</u>	<u>3,628</u>
		655,610	1,121,311
Restricted funds	12	5,206,240	6,194,865
Total funds	13	<u>5,861,866</u>	<u>7,316,192</u>

The financial statements on pages 7 to 16 were approved by the Board of directors on 24 March 2010 and signed on its behalf by



Director

Company registered number: 306977

The accompanying notes are an integral part of this balance sheet

1. Accounting Policies

a) Basis of accounting

The financial statements have been drawn up on the historical cost basis of accounting, with the exception of investments, which are included on a market value basis. The financial statements have been prepared in accordance with the Statement of Recommended Practice ("SORP 2005") "Accounting and Reporting by Charities", and in accordance with applicable accounting standards. The financial information is presented for the Agency as an individual undertaking and not about its group. No cash flow statement has been prepared, as the company is classified as a small company and is permitted to an exemption as given by paragraph 5(f) of Financial Reporting Standard Number 1 Revised (Cash Flow Statements).

b) Income and Expenditure

Income and expenses are included in the financial statements on an accruals basis, expenses are borne by the several schools known as the Allied Schools.

c) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Donations of tangible fixed assets are capitalised at their cash value or at estimated cash value if received in kind. Improvements to leasehold property are amortised over the remaining term of the lease.

Depreciation is provided on other tangible fixed assets so as to write off their cost, less estimated residual value, by equal instalments over the estimated useful lives of the assets concerned. The estimated useful lives are considered to be as follows:

Computer equipment	- 4 or 5 years
Furniture, fixtures and fittings	- 10 years
Motor Vehicles	- 4 years

Fixed assets costing more than £1,000 are capitalised and carried in the balance sheet at cost.

d) Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

e) Finance leases

Assets held under finance leases, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the Statement of Financial Activities over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding.

g) Restricted funds investments

The restricted fund investments are stated at market value, less any provision for permanent diminution in value. Market value is taken to be the market selling price ruling at the balance sheet date. Gains or losses on investments are included in the Statement of Financial Activities.

h) Pensions

Staff are members of a defined contribution scheme. The amounts charged to the Statement of Financial Activities in respect of pension costs are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2 Analysis of total resources expended

	Staff costs £	Other costs £	Depreciation £	Total £
Costs of generating funds				
Finance costs	-	386	-	386
Charitable activities				
Support and other services	260,217	547,304	4,903	812,424
Provision of composition fees, scholarships, bursaries & prizes	-	1,654,755	-	1,654,755
Total charitable activities	260,217	2,202,059	4,903	2,467,179
Governance costs	14,419	15,942	-	30,361
Total resources expended	274,636	2,218,387	4,903	2,497,926

Included in 'Support and other services' (£547,304) above is £465,701 which relates to amortisation of loans due from associated schools (see also note 8)

3 Net outgoing resources are stated after charging / (crediting):

	2009 £	2008 £
Salaries	226,855	194,219
Social security costs	26,053	21,989
Other pension costs	21,728	18,428
	<u>274,636</u>	<u>234,636</u>
Depreciation - on owned assets	4,903	9,401
Auditors' remuneration for audit work	11,687	14,308
Commission and charges receivable	(6)	(12,993)
Operating lease rentals - land and buildings	<u>14,000</u>	<u>14,000</u>

3 Net outgoing resources (continued)

Directors' emoluments

	2009	2008
The remuneration of the directors was as follows		
	£	£
Emoluments	114,284	74,869
Company contributions to money purchase pension schemes	9,604	6,978
	<u>123,888</u>	<u>81,847</u>

The number of directors who were members of pension schemes was as follows

	2009	2008
Money purchase schemes	<u>1</u>	<u>1</u>

Retirement benefits amounting to £nil (2008 nil) were paid in respect of past directors

None of the Trustees receive any remuneration except for Mr N Coulson and Mr M Porter, who, as General Manager, were authorised to receive remuneration under clause 3(c)(8) of the Memorandum of Association

The Company's pension contributions for Mr Coulson and Mr Porter in the year were £9,604 (2008 £6,978)

Twelve Trustees were reimbursed travelling expenses of £2,777 (2008 twelve received £2,521)

4 Employees

The average number of employees of the company during the financial year was 5 (2008 5), all employed in management and administration functions Mr Porter succeeded Mr Coulson as General Manager during the year

The number of employees whose emoluments exceeded £60,000 were

	2009	2008
£70,001 - £80,000	<u>1</u>	<u>1</u>

5 Tangible assets

	Computer equipment	Furniture, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
1 August 2008	18,426	11,065	18,992	48,483
Additions	-	2,158	-	2,158
Disposals	(4,806)	(3,239)	(18,992)	(27,037)
31 July 2009	13,620	9,984	-	23,604
Depreciation				
1 August 2008	13,448	5,461	9,496	28,405
Charge for the year	1,910	1,015	1,978	4,903
Disposals	(4,806)	(1,539)	(11,474)	(17,819)
31 July 2009	10,552	4,937	-	15,489
Net book value				
31 July 2009	3,068	5,047	-	8,115
31 July 2008	4,978	5,604	9,496	20,078

6 Restricted funds investments

	2009 £	2008 £
Investments at market value	2,778,391	3,566,295
Bank balances and Building Society deposits	2,415,200	2,600,761
	<u>5,193,591</u>	<u>6,167,056</u>

Under the historic cost rules as defined by the Companies Act 2006, these assets would be stated at £4,841,838 (2008 £5,213,065), resulting in a decrease in net assets of £351,753 (2008 £953,991) All of these assets are held within the United Kingdom

Material non-cash investments held are

	£
Cazenove Income Trusts for Charities	421,367
M & G Charifunds	1,426,664
BlackRock Charishares	244,253
CAF Bond Income Fund	326,584
Lazard Diversified Charity Fund	190,491
Schroders Charity Fixed Interest Fund	217,004

6 Restricted funds investments (continued)

	2009		2008
	£	£	£
Investments at market value comprise the following			
Fixed interest			
Government stocks	5,909		24,983
Other	326,040	331,949	349,086
Liquid interest			
Common investment funds & exempt unit trusts		2,446,442	3,192,226
		<u>2,778,391</u>	<u>3,566,295</u>

Income arising is credited to the relevant funds during the year as follows

- | | | |
|-----|--------------------|----------------------|
| (1) | Listed investments | dividends receivable |
| (2) | Bank balances | interest receivable |

Any surpluses or deficits on the realisation of investments are accrued to or are borne by the relevant funds

7 Capital commitments

Capital expenditure authorised at the balance sheet date amounted to £nil (2008 £nil)

8 Debtors

	2009	2008
	£	£
Amounts owed by associated schools	651,982	1,117,683
Other debtors	2,350	668
Prepayments and accrued income	43,422	46,542
	<u>697,754</u>	<u>1,164,893</u>

The amounts owed by associated schools of £651,982 (2008 £1,117,683) are payable only if a school withdraws from the Allied Schools Scheme of Management, or ceases to operate, before 31 December 2010. In either event the amount to be repaid has been fixed in accordance with a sliding scale. The amortisation of the loan on a sliding scale began on 1 January 2005. The loan will be fully amortised on 31 December 2010.

9 Creditors: amounts falling due within one year

	2009 £	2008 £
Bank overdraft	-	7,604
Other creditors	14,384	3,694
Taxation and social security	10,724	11,066
Accruals	14,948	13,669
	<u>40,056</u>	<u>36,033</u>

10 Share capital

	Authorised		Issued, allotted and fully paid	
	2009 Number	2008 Number	2009 £	2008 £
£1 ordinary shares	<u>100</u>	<u>100</u>	<u>16</u>	<u>16</u>

11 Unrestricted funds

	Retained Income £	Felixstowe Fund £
At 1 August 2008	3,628	1,117,683
Result for the year	-	-
Amortisation of loan	-	465,701
At 31 July 2009	<u>3,628</u>	<u>651,982</u>

The Felixstowe Fund arises from the net proceeds from the sale of the Felixstowe College site, following the closure of that school. The net proceeds have been loaned to the remaining members of the Allied Schools Group on the terms outlined in Note 8. The fund is therefore represented by debtors due after more than one year. The loan is now being amortised on a sliding scale and will be fully amortised by 31 December 2010.

Allied Schools Agency Limited
Notes to the Financial Statements (continued)
For the year ended 31 July 2009

12 Restricted funds

	At 31 July 2008	Income, donations and legacies	Payments	Gains/ (losses)	Funds transferred	At 31 July 2009
	£	£	£	£	£	£
Wrekin Old Hall Trust						
Sir John Bayley Fund	4,778	(721)	-	(732)	(3,325)	-
Scholarship, Bursary & Prize Fund	491,393	19,007	(12,062)	(86,465)	(411,873)	-
	496,171	18,286	(12,062)	(87,197)	(415,198)	-
Canford School						
Canford School Society	27,193	512	-	-	-	27,705
Scholarship, Bursary & Prize Fund	583,717	57,208	(9,441)	(44,722)	-	586,762
	610,910	57,720	(9,441)	(44,722)	-	614,467
Harrogate Ladies' College						
Scholarship Fund	27,206	1,064	-	(24)	-	28,246
Scholarship, Bursary & Prize Fund	92,446	5,251	(3,165)	(14,396)	-	80,136
	119,652	6,315	(3,165)	(14,420)	-	108,382
Westonbirt College						
Scholarship, Bursary & Prize Fund	191,192	11,982	(6,519)	(26,565)	-	170,090
	191,192	11,982	(6,519)	(26,565)	-	170,090
Allied Schools						
Lowther Awards Charitable Trust	501,563	29,212	(14,651)	(75,746)	-	440,378
Felixstowe Awards Charitable Trust	132,092	6,749	(2,440)	(13,887)	-	122,514
	633,655	35,961	(17,091)	(89,633)	-	562,892
Composition Fees Fund	3,684,426	1,344,360	(1,573,275)	(105,102)	-	3,350,409
	3,684,426	1,344,360	(1,573,275)	(105,102)	-	3,350,409
Interest equalisation funds	25,835	(553)	-	-	-	25,282
	25,835	(553)	-	-	-	25,282
Funds administered on behalf of other charities						
Hall Bequest	433,024	26,148	(33,202)	(51,252)	-	374,718
	433,024	26,148	(33,202)	(51,252)	-	374,718
Grand Total	6,194,865	1,500,219	(1,654,755)	(418,891)	(415,198)	5,206,240

Restricted funds comprise investments of £2,778,391 (2008 £3,566,295), bank balances and building society deposits of £2,415,200 (2008 £2,600,761) and net debtors/creditors of £12,649 (2008 £27,809). During the year Trustees agreed that the Trustees of Wrekin College Foundation should become Trustees of the funds held by the Agency. The associated investments were transferred during the year.

The Interest Equalisation Fund represents the difference between interest earned and interest paid to the various funds managed by the Agency on behalf of the schools. During the year, £553 was transferred from the Fund to other funds.

The Lowther Awards Charitable Trust and The Felixstowe Awards Charitable Trust are held in separate trusts, of which the Charity is the trustee. The funds are used for the award of bursaries and prizes. The Charity administers the funds and allocates the income to the member schools in the proportions set out in the trust deeds. The funds were originally for use in Lowther and Felixstowe schools, which closed.

13 Net funds

	Investments £	Tangible fixed assets £	Net current assets £	Total £
Unrestricted funds				
General Reserves	-	8,115	(4,471)	3,644
Designated funds				
Felixstowe Fund	-	-	651,982	651,982
Restricted Funds	5,193,591	-	12,649	5,206,240
	<u>5,193,591</u>	<u>8,115</u>	<u>660,160</u>	<u>5,861,866</u>

14 Contingent liabilities and guarantees

The company, together with the Allied Schools, has guaranteed (limited to £50,000) bank advances to itself and those associated schools. At 31 July 2009 the indebtedness to the bank in respect of such advances amounts to £nil (2008 £nil) of which £nil (2008 £nil) is included in the balance sheet of this company.

15 Commitments under operating leases

The charity is committed to annual payments under operating leases as follows:

	Land and buildings	
Expiry date	2009 £	2008 £
1 to 5 years	<u>14,000</u>	<u>14,000</u>

16 Controlling party

No one party exerts significant control and therefore there is no controlling party.

17 Related party transactions

During the year an amount of £7,524 (2008 £5,011) was paid to Moorhead James for legal advice. Mr Richard Simon, who was a Trustee, was a consultant at Moorhead James throughout the year.