

HEATHFIELD SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 1995

Company No. 556463



HEATHFIELD SCHOOL

FINANCIAL STATEMENTS

For the year ended 31 AUGUST 1995

Company registration number:

556463

Registered office:

Heathfield School
Ascot
Berkshire
SL5 8BQ

Directors who are also the Members of Council:

Mr A B V Hughes
Mr J F Meighan
Miss Nina Campbell
Mrs J Dollar
Dr J S Eykyn
Dr A E C Letley
Mr M G Packe
Mr I A D Pilkington
Mrs C Deedes

Secretary:

Mr R Tierney

Auditors:

Grant Thornton
Registered Auditors
Chartered Accountants

Solicitor:

Biddle & Co
1 Gresham Street
London
EC2V 7BW

HEATHFIELD SCHOOL

FINANCIAL STATEMENTS

For the year ended 31 AUGUST 1995

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HEATHFIELD SCHOOL

REPORT OF THE DIRECTORS

The directors submit herewith their Report and Accounts for the year ended 31 August 1995.

Director

Mr. A.B.V. Hughes (Chairman of the Council)
Mr. J.F. Meighan (Chairman of the General Purposes Committee)
Mrs. D.A. Burgess - resigned 2 January 1996
Miss Nina Campbell
Mrs. J. Dollar
Dr. J.S. Eykyn
Dr. A.E.C. Letley
Mr. M.G. Packe
Mr. I.A.D. Pilkington
Mrs. C. Deedes

Activities

The company is a Registered Charity, No. 309086, which operates as a non-profit making body and runs a Girls' School at Heathfield, Ascot, Berkshire.

Review of business

The accounts for the year show an unappropriated surplus of income over expenditure of £41,937 after transfers to Reserves (1994: £40,047). As a Registered Charity all surpluses are applied for the benefit of the school.

This surplus has been arrived at without taking into account the expenditure incurred in the year of £378,209 (1994: £217,469) on capital improvements.

Rotation of directors

Mrs C Deedes, Mr IAD Pilkington and Mr M G Packe retire by rotation, but, being eligible, offer themselves for re-election.

Insurance effected for the Directors

The company has purchased insurance for the directors of the school against liability arising for negligence in relation to the company, as permitted under section 310 of the Companies Act 1985, with the approval of the Charity Commission.

HEATHFIELD SCHOOL

REPORT OF THE DIRECTORS

Directors' responsibilities for the financial statements

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;
- 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, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

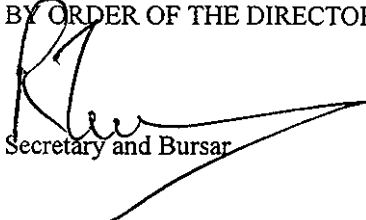
Staff

The Directors wish to express their gratitude to the Headmistress (Mrs Julia Benammar), the Bursar (Mr Robert Tierney) and all other members of the Staff for their continued dedication to the interests of the pupils of Heathfield School.

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE DIRECTORS



Secretary and Bursar

Heathfield School,
Ascot,
Berkshire SL5 8BQ.
6 March 1996

REPORT OF THE AUDITORS TO THE MEMBERS OF HEATHFIELD SCHOOL

We have audited the financial statements on pages 4 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 4.

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 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 information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 August 1995 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
LONDON
6 MARCH 1996**

HEATHFIELD SCHOOL

ACCOUNTING POLICIES

For the year ended 31 AUGUST 1995

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

Turnover

Turnover represents fees charged to pupils, including incidental fees and disbursements.

Tangible fixed assets

No depreciation has been provided on freehold buildings as the routine maintenance cost charged against income is considered by the Directors to make good any depreciation suggested by Statement of Standard Accounting Practice No 12. In 1995 major refurbishment costs have been included in additions to freehold buildings where the quality of the buildings has been permanently enhanced.

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

Equipment	20%
Motor vehicles	20%
Organ and Grand Piano	5%

Stock

Stock is valued at the lower of cost and net book value to the school.

Leased equipment

Rentals paid under operating leases are charged to the Income and Expenditure account as incurred.

Reserves

The General Reserve is comprised of appropriations made and appeal monies received and applied against capital projects undertaken since 1986.

The Centenary Fund represents donations received in anticipation of the launch of an appeal to mark the centenary of the establishment of the school with a view to enhancing the available facilities.

The Bursary Reserve was appropriated against the need to assist pupils in cases of hardship and is applicable at the discretion of the Directors.

HEATHFIELD SCHOOL**INCOME AND EXPENDITURE ACCOUNT**

For the year ended 31 AUGUST 1995

	Note	1995 £	1994 £
Turnover		2,743,905	2,593,983
Administrative Expenses		<u>2,498,021</u>	<u>2,452,906</u>
Operating profit	1	245,884	141,077
Interest receivable		11,792	14,234
Interest payable	3	<u>(15,739)</u>	<u>(15,174)</u>
Surplus on ordinary activities		241,937	140,137
Transfer to reserves	10	<u>200,000</u>	<u>100,090</u>
Unappropriated surplus for the year	10	41,937	40,047
Surplus brought forward		<u>1,243,142</u>	<u>1,203,095</u>
Surplus carried forward		<u><u>1,285,079</u></u>	<u><u>1,243,142</u></u>

There were no other recognised gains or losses for the financial year.

The accompanying accounting policies and notes form an integral part of these financial statements.

HEATHFIELD SCHOOL

BALANCE SHEET AT 31 AUGUST 1995

	Notes	£	1995 £	£	1994 £
Fixed assets					
Tangible assets	4	2,916,046		2,603,645	
Investments	5	-		109	
			2,916,046		2,603,754
Current assets					
Stocks	6	10,737		14,537	
Debtors	7	720,999		708,557	
Cash at bank and in hand		31,712		58,748	
		763,448		781,842	
Creditors:					
Amounts falling due within one year	8	(1,200,477)		(1,151,292)	
Net current liabilities			(437,029)		(369,450)
Total assets less current liabilities			2,479,017		2,234,304
Creditors:					
Amounts falling due after more than one year	9		(144,480)		(151,630)
			2,334,537		2,082,674
Reserves					
Income and expenditure account	10		1,285,079		1,243,142
General Reserve	10		1,022,431		648,000
Bursary Reserve	10		17,101		17,101
Appeal and organ fund Reserves	10		-		174,431
Centenary fund	10		9,926		-
	11		2,334,537		2,082,674

The financial statements were approved by the Directors on 6 March 1996.

A B V Hughes

J F Meighan

) Directors and
) Members of
) the Council

The accompanying accounting policies and notes form an integral part of these financial statements.

HEATHFIELD SCHOOL**CASH FLOW STATEMENT**

For the year ended 31 AUGUST 1995

	Note	£	1995 £	£	1994 £
Net cash inflow from operating activities	13		434,783		314,675
Return on investments and servicing of finance					
Interest received		11,792		14,234	
Interest paid		<u>(15,739)</u>		<u>(15,174)</u>	
Net cash outflow from returns on investments and servicing of finance			(3,947)		(940)
Investing activities					
Payments to acquire tangible fixed assets		(378,209)		(217,469)	
Receipts from sales of tangible fixed assets		<u>-</u>		<u>825</u>	
Net cash outflow from investing activities			<u>(378,209)</u>		<u>(216,644)</u>
Net cash inflow before financing			52,627		97,091
Financing					
Donations received		9,926		-	
Receipts from borrowing		-		40,000	
Repayments of borrowing		<u>(47,500)</u>		<u>-</u>	
Net cash outflow/inflow from financing			<u>(37,574)</u>		<u>40,000</u>
Increase in cash and cash equivalents	14,15		<u>15,053</u>		<u>137,091</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

HEATHFIELD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 AUGUST 1995

1 OPERATING PROFIT

	1995	1994
	£	£
The operating profit is stated after charging:		
Hire of plant and machinery	14,477	15,767
Depreciation	65,808	62,641
Staff costs (note 2)	1,546,557	1,637,234
Auditors' remuneration	3,850	3,750
	<u>1,630,692</u>	<u>1,719,392</u>

2 DIRECTORS AND EMPLOYEES

	£	£
Wages and salaries	1,377,357	1,460,087
Social security costs	117,375	127,364
Pension costs	51,825	49,783
	<u>1,546,557</u>	<u>1,637,234</u>

The average weekly number of employees during the period was as follows:

Teaching	64	57
Administration, grounds (and catering in 1994)	62	90
	<u>126</u>	<u>147</u>

In accordance with charity law and the Articles of Association of the company the directors cannot receive any remuneration.

3 INTEREST PAYABLE

	£	£
On bank loans and overdraft	<u>15,739</u>	<u>15,174</u>

HEATHFIELD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 AUGUST 1995

4 TANGIBLE FIXED ASSETS

	Freehold Property £	Motor vehicles, equipment & organ £	Total £
Cost			
At 1 September 1994	2,423,608	373,047	2,796,655
Additions	331,628	46,581	378,209
Disposals	-	(98,682)	(98,682)
At 31 August 1995	<u>2,755,236</u>	<u>320,946</u>	<u>3,076,182</u>
Depreciation			
At 1 September 1994	-	193,010	193,010
Charge for year	-	65,808	65,808
Disposals	-	(98,682)	(98,682)
At 31 August 1995	<u>-</u>	<u>160,136</u>	<u>160,136</u>
Net book value			
At 31 August 1995	<u>2,755,236</u>	<u>160,810</u>	<u>2,916,046</u>
At 31 August 1994	<u>2,423,608</u>	<u>180,037</u>	<u>2,603,645</u>

Freehold Property includes expenditure on major projects, of which the actual cost to the School is as follows:-

Staff room extension	157,434
Upper VI bungalow	128,998
Margaret Clarke major works	87,983
New Chapel roof	20,118
	<u>394,533</u>

The insured value of the Main School, Sports Hall and other buildings is £9,650,000.

HEATHFIELD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 AUGUST 1995

5 INVESTMENTS

	1995 £	1994 £
Listed Investments at Market Value on 31 December 1982	109	109
Less: amounts written off in the year	(109)	-
	<u>-</u>	<u>109</u>

6 STOCKS

	£	£
Household and Consumable Materials	<u>10,737</u>	<u>14,537</u>

7 DEBTORS

	£	£
Fees receivable	701,560	703,212
Other debtors	10,071	5,345
Prepayments	<u>9,368</u>	<u>-</u>
	<u>720,999</u>	<u>708,557</u>

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£	£
Bank overdraft	60,569	102,658
Bank loan (see note 9[a])	56,250	78,750
Fees in advance	880,534	820,554
Trade creditors	54,310	25,741
Social security and other taxes	38,333	38,903
Accruals	<u>110,481</u>	<u>84,686</u>
	<u>1,200,477</u>	<u>1,151,292</u>

HEATHFIELD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 AUGUST 1995

CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (CONTD)

Under section 38 of the Charities Act 1993 the company has:-

- i.) an overdraft facility of £350,000 and
- ii.) a bank loan of £112,500 which is secured by a charge on the property belonging to the School. It is repayable over 2 years and bears interest at an annual rate of 2% above LIBOR .

9 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1995 £	1994 £
Bank loan (see note [a])	56,250	81,250
Pupils' deposits	88,230	70,380
	<u>144,480</u>	<u>151,630</u>
(a) bank loans are repayable as follows:		
	£	£
Within one year	56,250	78,750
After one and within two years	56,250	56,250
After two and within five years	-	25,000
	<u>112,500</u>	<u>160,000</u>

HEATHFIELD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 AUGUST 1995

10 RESERVES

	Income and Expenditure Account £	General Reserve £	Bursary Reserve £	Appeal and Organ Fund £	Centenary Fund £	Total £
At 1 September 1994	1,243,142	648,000	17,101	174,431	-	2,082,674
Transfers	-	174,431	-	(174,431)	-	-
Transfer from income and expenditure account	-	200,000	-	-	-	200,000
Income for the year	-	-	-	-	9,926	9,926
Surplus for the year	<u>41,937</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,937</u>
At 31 August 1995	<u>1,285,079</u>	<u>1,022,431</u>	<u>17,101</u>	<u>-</u>	<u>9,926</u>	<u>2,334,537</u>

The Appeal and Organ fund represented funds raised for the Sports Hall (£161,769) and the organ (£12,662) in the nine years to 31 August 1994. They were wholly applied against the respective costs of £375,371 and £23,707.

11 RECONCILIATION OF MOVEMENTS IN SCHOOL FUNDS

	1995 £	1994 £
Transfers from income & expenditure account	200,000	100,090
Surplus for the financial year	41,937	40,047
Donations received	<u>9,926</u>	<u>-</u>
Net increase in school funds	251,863	140,137
School funds at 1 September 1994	<u>2,082,674</u>	<u>1,942,537</u>
School funds at 31 August 1995	<u>2,334,537</u>	<u>2,082,674</u>

HEATHFIELD SCHOOL**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 AUGUST 1995

12 CAPITAL COMMITMENTS

Capital expenditure authorised and contracted for at 31 August 1995 totalled £184,420 (1994:£111,994).

13 NET CASH INFLOW FROM OPERATING ACTIVITIES

	1995 £	1994 £
Operating Profit	245,884	141,077
Depreciation Charges	65,808	62,641
Profit on sale of tangible fixed assets	-	(825)
Write off of investment	109	-
Decrease/(Increase) in stocks	3,800	(1,176)
(Increase)/Decrease in debtors	(12,442)	20,268
Increase in creditors	131,624	92,690
	<u>434,783</u>	<u>314,675</u>
Net cash inflow from operating activities	<u>434,783</u>	<u>314,675</u>

14 ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	£	£
Balance at 1 September 1994	(43,910)	(181,001)
Net cash inflow	<u>15,053</u>	<u>137,091</u>
Balance at 31 August 1995	<u>(28,857)</u>	<u>(43,910)</u>

15 ANALYSIS OF THE CASH AND CASH EQUIVALENTS

	1995 £	1994 £	Change in year £
Cash at bank and in hand	31,712	58,748	(27,036)
Bank overdrafts	<u>(60,569)</u>	<u>(102,658)</u>	<u>42,089</u>
	<u>(28,857)</u>	<u>(43,910)</u>	<u>15,053</u>

HEATHFIELD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 AUGUST 1995

16 LEASING COMMITMENTS

Operating lease payments amounting to £13,395 (1994 £15,560) are due within one year. The leases to which these amounts relate are for plant and machinery and expire as follows:

	1995 £	1994 £
In one year or less	8,673	3,527
Between one and five years	<u>4,722</u>	<u>12,033</u>
	<u>13,395</u>	<u>15,560</u>