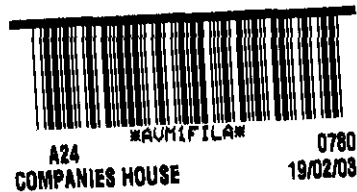


**PACKWOOD HAUGH SCHOOL LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST AUGUST 2002**  
**(A company limited by guarantee)**

**Company Number: 563845**

**Charity Number: 528411**



**WHITTINGHAM RIDDELL**  
**CHARTERED ACCOUNTANTS**  
**15 BELMONT, SHREWSBURY**

**PACKWOOD HAUGH SCHOOL LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST AUGUST 2002**

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**PACKWOOD HAUGH SCHOOL LIMITED**

**LEGAL AND ADMINISTRATION INFORMATION**

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**Governing body:** M N Mitchell MA, ACIS - Chairman  
R Fildes MA - Vice Chairman

Mrs S Duncan MA  
J W R Goulding MA  
J J Knight FCA  
Mrs F E McAlpine  
Professor A P L Minford CBE  
Mrs R E Paterson MA  
A P Shearer FCA  
R G Tovey Cert Ed (Oxon)  
H P Trevor-Jones B.Sc. Hons  
Mrs A V Tuck BA, MA, MIL  
R F B Watson FRICS  
A M Wright BA

**Company Registered Number:** 563845

**Charity Registered Number:** 528411

**Auditors:** Whittingham Riddell  
Chartered Accountants  
15 Belmont  
Shrewsbury  
SY1 1TE

**Bankers:** Barclays Bank Plc  
44-46 Castle Street  
Shrewsbury  
SY1 2BU

# **PACKWOOD HAUGH SCHOOL LIMITED**

## **GOVERNORS' REPORT**

**FOR THE YEAR ENDED 31ST AUGUST 2002**

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The Governors, who are also Directors of the Charity for the purposes of the Companies Act, submit their Annual Report and the Financial Statements of Packwood Haugh School Limited (the School) for the year ended 31st August 2002. The Governors confirm that the Annual Report and Financial Statements of the School comply with current statutory requirements, the requirements of the School's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2000.

### **Method of appointment or election of Governors**

The management of the School is the responsibility of the Governors who are elected and co-opted under the terms of the Articles of Association.

### **Constitution policies and objectives**

The School is registered as a charity and a company limited by guarantee and was set up by a Memorandum of Association.

The principal object of the School is to run an independent, preparatory school for boys and girls aged from four to thirteen. The School covers all that is required by the National Curriculum Key Stages 1 and 2, and the first two years of Key Stage 3 and substantially more. It also focuses on providing pupils of all abilities with intellectual, physical, moral and spiritual growth.

There have been no changes in the objectives since the last annual report.

### **Organisational structure and decision making**

The School is run by a Board of Governors who are also Directors and Trustees. They are responsible for the strategic and financial direction of the School and for policy making.

Under their direction strategic options are explored and policies are formulated by the House Committee. This comprises nominated Governors working with members of the School's Senior Management. They cover the Future Development of the School, Marketing and the Remuneration of Staff.

The Headmaster is responsible for the day-to-day management of the School. The Headmaster, the Bursar and Deputy headmaster make up the senior management team.

### **Review of activities and future developments**

During the year, the total number of pupils in the School averaged 248, which was slightly higher than forecast / budgeted for.

During the year, an appeal has been set up to raise funds to build a new hall for the School. A Steering Committee has been set up to control this project.

Academically, the school had a very successful year with 16 children gaining 17 entry awards to senior schools and all leavers securing places at their selected schools.

There were also many outstanding sporting successes both in team games and in individual sports.

### **Financial activities and results**

The school has had a satisfactory year with net incoming resources of £205,507 from educating children and a further £102,930 raised towards the new school hall.

**PACKWOOD HAUGH SCHOOL LIMITED**

**GOVERNORS' REPORT**

**FOR THE YEAR ENDED 31ST AUGUST 2002**

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**Reserves policy**

The reserves shown on the balance sheet are £2,585,202 (2001: £2,275,784), and after deducting £2,202,070 (2001: £2,200,728) relating to fixed assets and £102,930 (2001 - £NIL) restricted funds, free reserves available for current activities are £280,202 (2001: £75,056). The School's policy is to build up the reserves through the current appeal and by generating operating surpluses, so that sufficient money is available to invest in new infrastructure.

**Risk management**

The Governors conduct an annual review of the major risks to which the School is exposed, and the systems for their mitigation.

**Governors' responsibilities**

Company and charity law applicable to charities in England/Wales requires the Governors to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the School and of the surplus or deficit of the School for that period. In preparing those Financial Statements, the Governors have:

- Selected suitable accounting policies and apply them consistently;
- Made judgements and estimates that are reasonable and prudent;
- Stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepared the accounts on a going concern basis (unless it is inappropriate to presume that the School will continue in operation).

The Governors have overall responsibility for ensuring that the School has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the School and to enable them to ensure that the Financial Statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the governors on 25 November 2002 and signed on its behalf, by:



M N Mitchell  
Chairman

**PACKWOOD HAUGH SCHOOL LIMITED**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**  
**PACKWOOD HAUGH SCHOOL LIMITED**

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We have audited the financial statements of Packwood Haugh School Limited for the year ended 31st August 2002 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 historical cost convention and the accounting policies set out therein.

**Respective responsibilities of Governors and Auditors**

As described in the Statement of Governors' Responsibilities, the Governors are responsible for the preparation of the Governors Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the Financial Statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the Financial Statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Governors' Report is not consistent with the Financial Statements, if the School has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Governors' remuneration and transactions with the School is not disclosed.

We read other information contained in the Governors' Annual Report, and consider whether it is consistent with the audited Financial Statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Financial Statements. Our responsibilities do not extend to any other information.

**Basis of Audit Opinion**

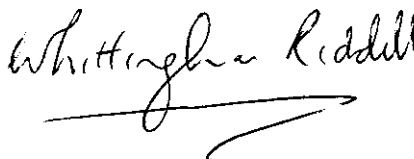
We conducted our audit in accordance with the United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgments made by the Governors in the preparation of the Financial Statements, and of whether the accounting policies are appropriate to the School'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 an 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 School's affairs as at 31st August 2002 and of the incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**Whittingham Riddell**  
Chartered Accountants  
Registered Auditors  
Shrewsbury  
25 November 2002



**PACKWOOD HAUGH SCHOOL LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
(Incorporating Income and Expenditure Account)  
FOR THE ENDED 31ST AUGUST 2002**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2002 £	Total 2001 £
<b>INCOMING RESOURCES</b>					
School fees	2	2,306,759	-	2,306,759	2,025,095
Other ancillary income	2	40,050	-	40,050	36,647
Donations		-	124,148	124,148	22,317
<i>Activities for generating funds:</i>					
Ancillary trading income	3	-	-	-	10,516
Investment income	4	13,156	-	13,156	9,321
<b>Total incoming resources</b>		<b>2,359,965</b>	<b>124,148</b>	<b>2,484,113</b>	<b>2,103,896</b>
<b>Less: Cost of Generating Funds</b>					
Finance Costs		(2,432)	-	(2,432)	(3,600)
<b>NET INCOMING RESOURCES AVAILABLE FOR CHARITABLE APPLICATION</b>		<b>2,357,533</b>	<b>124,148</b>	<b>2,481,681</b>	<b>2,100,296</b>
<b>CHARITABLE EXPENDITURE</b>					
<b>Cost of activities in furtherance of the charity's objectives:</b>					
Teaching costs	5	1,460,331	-	1,460,331	1,281,840
Welfare costs		291,738	-	291,738	259,687
Premises expenses		194,094	21,218	215,312	230,877
Support costs	5	177,667	-	177,667	162,588
Management and administration	5	26,284	-	26,284	9,544
<b>Total charitable expenditure</b>		<b>2,150,114</b>	<b>21,218</b>	<b>2,171,332</b>	<b>1,944,536</b>
<b>TOTAL RESOURCES EXPENDED</b>		<b>2,152,546</b>	<b>21,218</b>	<b>2,173,764</b>	<b>1,948,136</b>
<b>NET INCOMING RESOURCES</b>		<b>207,419</b>	<b>102,930</b>	<b>310,349</b>	<b>155,760</b>
Total funds at 1st September 2001		2,138,539	-	2,138,539	1,982,779
<b>TOTAL FUNDS AT 31ST AUGUST 2002</b>		<b>2,345,958</b>	<b>102,930</b>	<b>2,448,888</b>	<b>2,138,539</b>

All transactions are derived from continuing activities.

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

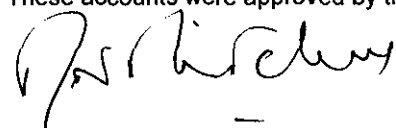
**PACKWOOD HAUGH SCHOOL LIMITED**

**BALANCE SHEET**

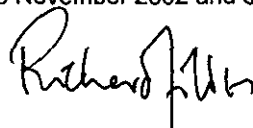
**AS AT 31ST AUGUST 2002**

		<b>2002</b>		<b>2001</b>	
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>					
Tangible fixed assets	8		<b>2,204,822</b>		2,200,728
<b>CURRENT ASSETS</b>					
Stock	9	<b>40,787</b>		34,020	
Debtors	10	<b>141,067</b>		125,886	
Cash at bank and in hand		<b>370,098</b>		104,301	
		<b>551,952</b>		264,207	
<b>CREDITORS: amounts falling due within one year</b>	11	<b>(170,641)</b>		(189,151)	
<b>NET CURRENT ASSETS</b>			<b>381,311</b>		75,056
<b>NET ASSETS</b>			<b>2,586,133</b>		2,275,784
<b>FUNDS</b>	12				
Restricted funds		<b>102,930</b>		-	
Unrestricted - General funds		<b>2,345,958</b>		2,138,539	
Capital Reserves		<b>137,245</b>		137,245	
			<b>2,586,133</b>		2,275,784

These accounts were approved by the Governors on 25 November 2002 and signed on their behalf by:



M N Mitchell MA, ACIS - Chairman  
Governor



R Fildes MA - Vice Chairman  
Governor



**PACKWOOD HAUGH SCHOOL LIMITED**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31ST AUGUST 2002**

	<b>Note</b>	<b>2002 £</b>	<b>2001 £</b>
<b>Net cash flow from operating activities</b>	<b>14</b>	<b>247,792</b>	<b>149,516</b>
<b>Appeal fund income</b>		<b>124,418</b>	<b>-</b>
<b>Capital Expenditure</b>			
Payments to acquire tangible fixed assets		<b>(109,162)</b>	<b>(108,149)</b>
Sale proceeds from tangible fixed assets		<b>2,749</b>	<b>588</b>
<b>INCREASE IN CASH IN THE YEAR</b>		<u><b>265,797</b></u>	<u><b>41,955</b></u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS / DEBT**

	<b>2002 £</b>	<b>2001 £</b>
Increase in cash for the year	<b>265,797</b>	<b>41,955</b>
<b>Net cash 1st September 2001</b>	<b>104,301</b>	<b>62,346</b>
<b>NET CASH 31ST AUGUST 2002</b>	<u><b>370,098</b></u>	<u><b>104,301</b></u>

**PACKWOOD HAUGH SCHOOL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST AUGUST 2002**

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**1 ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's Financial Statements:

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the historical cost convention and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in October 2000 and with applicable accounting standards. They incorporate the results of the continuing operational activities described in the Governors' Report. The comparative figures relate to the ended 31st August 2001.

**1.2 Company status**

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

**1.3 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the governors in furtherance of the general objectives of the School and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors *which have been raised by the School for particular purposes*. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the Financial Statements.

Investment income, gains and losses are allocated to the appropriate fund.

**1.4 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the School is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**1.5 Resources expended**

All expenditure is accounted for on an accruals basis and have been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

**1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Land & building	-	2% straight line
Fixtures and fittings	-	10% straight line
Educational I.T.	-	20% straight line
Motor Vehicles & grounds equipment	-	25% straight line

**1.7 Operating leases**

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

**PACKWOOD HAUGH SCHOOL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST AUGUST 2002**

**1.8 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**1.9 Pension**

The School operates various defined contribution schemes for its non academic staff. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

The School contributes to a defined benefit pension scheme (final salary scheme) for the academic staff, which is a national scheme operated by the Department for Education and Skills, and the pension charge represents the amount payable by the School to the fund in respect of the year.

**2 OTHER ANCILLARY INCOME**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2002 £	Total Funds 2001 £
Gross school fees	2,561,389	-	2,561,389	2,238,514
Bursaries	(254,630)	-	(254,630)	(213,419)
School fees	<u>2,306,759</u>	<u>-</u>	<u>2,306,759</u>	<u>2,025,095</u>
Shop income	39,665	-	39,665	36,578
Other income	385	-	385	69
Other Ancillary income	<u>40,050</u>	<u>-</u>	<u>40,050</u>	<u>36,647</u>

**3 ANCILLARY TRADING INCOME**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2002 £	Total Funds 2001 £
Rental income	-	-	-	10,516
	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,516</u>

**4 INVESTMENT INCOME**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2002 £	Total Funds 2001 £
Bank & other interest receivable	13,156	-	13,156	9,321
	<u>13,156</u>	<u>-</u>	<u>13,156</u>	<u>9,321</u>

**PACKWOOD HAUGH SCHOOL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST AUGUST 2002**

**5 CHARITABLE EXPENDITURE BY FUNCTIONS**

**SUMMARY BY EXPENDITURE TYPE**

	Staff costs £	Depreciation £	Other costs £	Total 2002 £	Total 2001 £
Teaching costs	1,297,983	84,043	78,305	1,460,331	1,281,840
Welfare costs	155,381	-	136,357	291,738	259,687
Premises costs	36,880	21,024	157,408	215,312	230,877
Subtotal charitable functions	<u>1,490,244</u>	<u>105,067</u>	<u>372,070</u>	<u>1,967,381</u>	<u>1,772,404</u>
Support costs	82,417	-	95,250	177,667	162,588
Management and administration	-	-	26,284	26,284	9,544
Total	<u>1,572,661</u>	<u>105,067</u>	<u>493,604</u>	<u>2,171,332</u>	<u>1,944,536</u>

**6 NET INCOMING RESOURCES**

This is stated after charging:

	2002 £	2001 £
Depreciation of tangible fixed assets: - owned by the company	105,067	98,127
Auditors remuneration	5,876	5,997
Operating lease rentals	6,426	7,637
Pension costs	<u>87,271</u>	<u>75,202</u>

No member of the Governing body received remuneration for their services during the year.

Expenses relating to travel and subsistence totalling £377 (2001:£462) were reimbursed to 2 members (2001:2).

**7 STAFF COSTS**

	2002 £	2001 £
Staff costs were as follows:		
Salaries and wages	1,390,256	1,239,395
Social security costs	95,137	86,908
Other pension costs	<u>87,271</u>	<u>75,202</u>
	<u>1,572,664</u>	<u>1,401,505</u>

The average full time equivalent number of employees during the year was as follows:

	2002 No.	2001 No.
Teachers	45	38
Matrons	6	5
Administrative	8	8
Catering & grounds	<u>34</u>	<u>36</u>
	<u>93</u>	<u>87</u>

The number of higher paid employees was:

	2002 No.	2001 No.
In the band £50,001 to £60,000	<u>1</u>	<u>1</u>

**PACKWOOD HAUGH SCHOOL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST AUGUST 2002**

**8 TANGIBLE FIXED ASSETS**

	Freehold Land & Buildings £	Fixtures & Fittings £	Educational I.T. £	Motor Vehicles & Grounds Equipment £	Total £
<b>Cost or valuation</b>					
1st September 2001	2,099,523	767,500	83,629	102,579	3,053,231
Additions	33,682	34,648	13,619	27,213	109,162
Disposals	-	-	(46,695)	-	(46,695)
<b>31st August 2002</b>	<b>2,133,205</b>	<b>802,148</b>	<b>50,553</b>	<b>129,792</b>	<b>3,115,698</b>
<b>Accumulated depreciation</b>					
1st September 2001	287,611	431,194	47,663	86,035	852,503
Charge for the year	21,125	59,414	13,261	11,267	105,067
On disposals	-	-	(46,694)	-	(46,694)
<b>31st August 2002</b>	<b>308,736</b>	<b>490,608</b>	<b>14,230</b>	<b>97,302</b>	<b>910,876</b>
<b>Net book value</b>					
<b>31st August 2002</b>	<b>1,824,469</b>	<b>311,540</b>	<b>36,323</b>	<b>32,490</b>	<b>2,204,822</b>
31st August 2001	1,811,912	336,306	35,966	16,544	2,200,728

**9 STOCKS**

	2002 £	2001 £
Raw materials and consumables	11,879	13,443
Finished goods and goods for resale	28,908	20,577
	<b>40,787</b>	<b>34,020</b>

**10 DEBTORS**

	2002 £	2001 £
Fee debtors	116,444	95,226
Other debtors and prepayments	24,623	30,660
	<b>141,067</b>	<b>125,886</b>

**PACKWOOD HAUGH SCHOOL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST AUGUST 2002**

**11 CREDITORS: amounts falling due within one year**

	2002	2001
	£	£
Fees received in advance	101,775	124,015
Social security and other taxes	27,233	25,555
Guaranteed fees	9,650	11,610
Accruals and deferred income	31,983	27,971
	<u>170,641</u>	<u>189,151</u>

Sums received in respect of guaranteed fees are deposited in a separate bank account and only transferred to the School when fees become due or are forfeited. As at 31st August 2002 a total of £9,650 (2001:£11,610) was held in this manner.

*The bank overdraft is secured by a legal charge over the main school property.*

**12 STATEMENT OF FUNDS**

	Brought Forward £	Incoming Resources £	Resources Expended £	Closing Balance £
<b>UNRESTRICTED FUNDS</b>				
General funds	2,138,539	2,359,965	2,152,546	2,345,958
<b>RESTRICTED FUNDS</b>				
New School Hall	-	124,148	21,218	102,930
<b>CAPITAL RESERVES</b>	137,245	-	-	137,245
<b>Total of Funds</b>	<u>2,275,784</u>	<u>2,484,113</u>	<u>2,173,764</u>	<u>2,586,133</u>

**New Hall**

This represents donations received from parents, and is to be spent on a new School Hall.

**13 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2002 £	Total Funds 2001 £
Tangible assets	2,204,822	-	2,204,822	2,200,728
Current assets	449,022	102,930	551,952	264,207
Current liabilities	(168,820)	-	(170,641)	(189,151)
<b>Total</b>	<u>2,485,024</u>	<u>102,930</u>	<u>2,586,133</u>	<u>2,275,784</u>

**PACKWOOD HAUGH SCHOOL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST AUGUST 2002**

**14 NET CASH FLOW FROM OPERATING ACTIVITIES**

	2002 £	2001 £
Net incoming resources	310,349	155,760
Depreciation on tangible fixed assets	105,067	98,127
(Profit)/Loss on sale of fixed assets	(2,748)	(588)
(Increase)/Decrease in stocks	(6,767)	(3,139)
Decrease/(Increase) in debtors	(15,181)	2,006
(Decrease)/Increase in creditors	(18,510)	(102,650)
Appeal fund income	(124,418)	
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b><u>247,792</u></b>	<b><u>149,516</u></b>

**15 RECONCILIATION OF NET CASH OUTFLOW TO MOVEMENT IN NET CASH**

	At 1st September 2001	Cash Flows	At 31st August 2002
Cash at bank and in hand	104,301	265,797	370,098
	<b><u>104,301</u></b>	<b><u>265,797</u></b>	<b><u>370,098</u></b>

**16 CAPITAL COMMITMENTS**

At 31st August 2002 the company had capital commitments as follows:

	2002 £	2001 £
Contracted for but not provided in these financial statements	<b><u>22,479</u></b>	<b><u>2,421</u></b>

**17 PENSION COMMITMENTS**

**Teachers Pension Scheme**

The School contributes to a defined benefit pension scheme (final salary scheme) for the academic staff, which is a national scheme operated for the Department for Education and Skills, which requires contributions to be made to a separately administered fund. The scheme is a multiple employer scheme and so the School is unable to identify its share of the underlying assets and liabilities. Contributions are charged to the Statement of Financial Activities on a systematic basis over the employees' expected working lives with the School. The total premiums paid during the year amounted to £86,106 (2001 - £73,632).

**Other Pension Schemes**

The School also contributes to a Group Personal Pension Scheme for the benefit of certain employees. The scheme is a defined contribution scheme administered by Scottish Widows. The pension cost charged in the accounts is the amount payable by the School during the year which amounted to £1,295 (2001 - £1,570).

**PACKWOOD HAUGH SCHOOL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST AUGUST 2002**

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**18 OPERATING LEASE COMMITMENTS**

At 31st August 2002, the School had annual commitments under non-cancellable operating leases as follows:

	2002	2001
	£	£
Within 1 year	429	-
Between 2 and 5 years	<u>5,997</u>	<u>5,997</u>

**19 RELATED PARTY TRANSACTIONS**

Four of the Governors: Mrs S Duncan, Mrs R E Paterson, Mrs F E McAlpine and H P Trevor-Jones have children at the School. These Governors received no remission of fees by virtue of their membership of the Governing Body, nor did they claim any expenses.

During the year, these four Governors paid fees totalling £85,428. At 31 August 2002, there were outstanding balances of £2,866 in respect of summer term 2002 extras. These sums have subsequently been received in full.

**20 CONTROLLING PARTY**

The School, having no share capital, is under the control of the Board of Governors, who are also the Trustees and the Directors of the School.