

Truro Cathedral School Limited (Limited by guarantee)

Directors' report and financial statements

For the year ended 31 July 2003

Company registration number 675586

Charity registration number 306582



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Truro Cathedral School Limited (Limited by guarantee)

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Truro Cathedral School Limited (Limited by guarantee)

Legal and administrative information

For the year ended 31 July 2003

Name of the charity:	Truro Cathedral School Limited
Company registration number:	675586
Charity registration number:	306582
Governing instrument:	Memorandum and articles of association
Constitution:	Limited company
Directors who served during the year:	The Rt Rev W Ind The Very Rev MA Moxon (Chairman) JC Dowding AJ Davidson The Rev Canon PR Gay The Rev Canon KP Mellor JG Pykett RFS Harris The Rev Canon PAA Walker
Secretary to the Board:	AJ Davidson
Principal address of the charity:	14 St Mary's Street TRURO
Auditors:	Robinson Reed Layton Peat House Newham Road TRURO
Solicitors:	Follett Stock Malpas Road TRURO
Bankers:	Barclays Bank Plc 14 King Street TRURO

Truro Cathedral School Limited (Limited by guarantee)

Directors' report

For the year ended 31 July 2003

The directors present their annual report and financial statements for the year ended 31 July 2003.

Principal activities and business review

The principal activity of the company is to assist boys, girls and students including the choristers of Truro Cathedral to attend Schools, Colleges, Institutions or Classes for the purpose of education by contributing towards or paying their fees and/or travelling expenses or by providing them with maintenance allowances, provided that candidates for those benefits shall be boys, girls and students who are resident in the diocese of Truro or whose Father or Grandfather attended Truro Cathedral School.

The company is a registered charity.

Review of developments during the period and financial review

A summary of the year's income and expenditure is given on page 6 of the accounts. Grant allocations totalling £55,400 (2002: £58,487) have been included in these accounts.

Investment policy

The directors engage CCLA Investment Management Limited as investment managers. The funds of the company are invested in specialised deposit funds and unit trusts designed for the charity sector to generate both income and capital growth. The directors consider the return of investments, at 4.5% for the year to be satisfactory.

Reserves policy

The directors have decided to maintain free reserves at a level to meet annual resources expended of approximately £60,000.

£915,000 has currently been designated to fund the education of the choristers of Truro Cathedral for the foreseeable future.

Risk management

The directors have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems are in place to mitigate exposure to the major risks.

Grant making policy

The directors have an established policy of considering as their primary obligation assistance with the education of the Cathedral choristers. Other applications are considered on their merits noting particularly the income level of the family concerned, as the directors are anxious in the first instance to help in cases of genuine need and hardship.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of Robinson Reed Layton as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Truro Cathedral School Limited (Limited by guarantee)

Directors' report

For the year ended 31 July 2003

Directors' responsibilities

Section 172

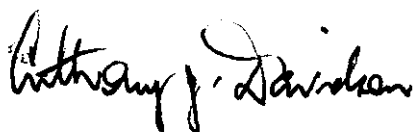
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that year. In preparing those financial statements, the governors are required to:

- 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By order of the Board

14 St Marys Street
TRURO
TR1 2AF



Anthony J Davidson

Secretary

15 October 2003

15-10-2003

Truro Cathedral School Limited (Limited by guarantee)

Independent auditors' report to the members of Truro Cathedral School Limited

We have audited the financial statements of Truro Cathedral School Limited on pages 5 to 11 for the year ended 31 July 2003. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out herein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 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 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 directors and auditors

As described in the statement of directors' responsibilities on page 3 the company's directors are responsible for the preparation of 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 directors' report is not consistent with the financial statements, if the company 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 directors' remuneration and transactions with the company is not disclosed.

We read the directors' 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 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 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.

Truro Cathedral School Limited (Limited by guarantee)

Independent auditors' report
to the members of Truro Cathedral School Limited

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 July 2003 and of the incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Robinson Reed Layton
Chartered Accountants
Registered Auditors

Peat House
Newham Road
TRURO
TR1 2DP

15-10-2003

Truro Cathedral School Limited (Limited by guarantee)

Statement of financial activities

For the year ended 31 July 2003

	<i>Note</i>	Unrestricted Funds £	Restricted Funds £	Total 2003 £	Total 2002 £
Income and expenditure					
Incoming resources:					
Interest receivable and similar income	3	49,907	727	50,634	51,515
		<hr/>	<hr/>	<hr/>	<hr/>
Direct charitable expenditure					
Grants payable	4	55,400	-	55,400	58,487
Management and administration	5	2,237	-	2,237	9,973
		<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended		57,637	-	57,637	68,460
		<hr/>	<hr/>	<hr/>	<hr/>
Net outgoing resources for the year before transfers					
	6	(7,730)	727	(7,003)	(16,945)
Transfers between funds		727	(727)	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net outgoing resources for the year		(7,003)	-	(7,003)	(16,945)
Other recognised gains and losses					
Gains/(losses) on revaluation and disposal of investments		17,919	293	18,212	(238,610)
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		10,916	293	11,209	(255,555)
Fund balances brought forward		1,101,501	28,464	1,129,965	1,385,520
		<hr/>	<hr/>	<hr/>	<hr/>
Fund balances carried forward		1,112,417	28,757	1,141,174	1,129,965
		<hr/>	<hr/>	<hr/>	<hr/>

There were no acquisitions or discontinued operations within the company during the years to 31 July 2003 or 2002.

The reported net outgoing resources for the year does not differ materially from the net outgoing resources on an unmodified historical cost basis.

Truro Cathedral School Limited (Limited by guarantee)

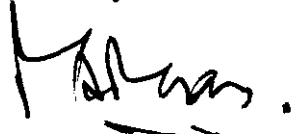
Balance sheet

As at 31 July 2003

	Notes	£	2003 £	£	2002 £
Fixed assets					
Tangible fixed assets	8		19,000		19,000
Investments	9		1,120,648		1,109,510
			<hr/>		<hr/>
			1,139,648		1,128,510
Current assets					
Debtors	10	20		15	
Cash at bank and in hand		2,916		2,850	
		<hr/>		<hr/>	
		2,936		2,865	
Creditors: amounts falling due within one year	11	1,410		1,410	
		<hr/>		<hr/>	
Net current assets			1,526		1,455
			<hr/>		<hr/>
Net assets			1,141,174		1,129,965
			<hr/>		<hr/>
Funds					
<i>Unrestricted funds:</i>	12				
Designated fund		915,000		925,000	
General fund		61,057		58,060	
Revaluation reserve		136,360		118,441	
		<hr/>	1,112,417	<hr/>	1,101,501
<i>Restricted funds:</i>	13				
Endowment charity		17,766		17,766	
Bursary charity		3,049		3,049	
Revaluation reserve		7,942		7,649	
		<hr/>	28,757	<hr/>	28,464
			<hr/>		<hr/>
			1,141,174		1,129,965
			<hr/>		<hr/>

These financial statements were approved by the Board of directors on
and were signed on its behalf by:

18-10-2003



MA Moxon
Director

Truro Cathedral School Limited (Limited by guarantee)

Notes

(forming part of the financial statements)

1 Constitution

The company is incorporated under the Companies Act 1948 as a company limited by guarantee and not having a share capital. Under the guarantee, the members of the company undertake to contribute to the assets of the company in the event of winding up during the time that they are members or within one year after they ceased to be members for payment of the debts and liabilities of the company contracted before the time they ceased to be members and of the cost, charges and expenses of winding up and for the adjustment of the rights of the contributions among themselves such amount as may be required not exceeding £1.

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the accounts.

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention as modified by the revaluation of freehold property and investments and in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities". As a consequence the accounts do not include an Income and Expenditure Account in the form specified by the Companies Act 1985. This is a departure from the statutory format of accounts, but is required by S.226(5) Companies Act 1985 to enable the accounts to give a true and fair view.

Under Financial Reporting Standard 1, the company is exempt from the requirements to prepare a cash flow statement on the grounds of its size.

2.2 Tangible fixed assets

Freehold land is stated at valuation and is not depreciated.

2.3 Investments

Investments are included at market value.

2.4 Grants payable

Grants payable are charged to the statement of financial activities in the year in which they are paid.

2.5 Funds

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the directors for particular purposes.

3 Interest receivable and similar income

	Unrestricted £	Restricted £	2003 £	2002 £
Common deposit and investment funds	49,903	718	50,621	51,372
Listed investments	-	9	9	9
Cash at bank	4	-	4	134
	<hr/>	<hr/>	<hr/>	<hr/>
	49,907	727	50,634	51,515
	<hr/>	<hr/>	<hr/>	<hr/>

Truro Cathedral School Limited (Limited by guarantee)

Notes

(forming part of the financial statements)

4 Grants payable

	2003 £	2002 £
<i>Institutional grants:</i>		
The Cathedral Church of the Blessed Virgin Mary in Truro - Choristers' education	45,000	45,000
Truro High School	-	1,000
Truro School	-	1,000
Grants to 12 (2002: 17) individuals	10,400	11,487
	<u>55,400</u>	<u>58,487</u>

5 Management and administration

	2003 £	2002 £
General administration costs	2,237	2,414
Footpath costs	-	7,559
	<u>2,237</u>	<u>9,973</u>

6 Net outgoing resources for the year

	2003 £	2002 £
This is stated after charging the following:		
Auditors' remuneration and accountancy	1,528	1,516
	<u>1,528</u>	<u>1,516</u>

No director received emoluments of any kind.

7 Taxation

The company is not chargeable to corporation tax as it is a charity.

8 Tangible fixed assets

	Freehold land £
At 31 July 2003 and 2002	<u>19,000</u>

The freehold land was valued by the directors on an open market basis.

The historical cost of freehold land included above is £219 (2002: £219).

Truro Cathedral School Limited (Limited by guarantee)

Notes

(forming part of the financial statements)

9 Fixed asset investments

	Common deposit and investment funds £	UK Listed investments £	Total £
Valuation			
At 1 August 2002	1,109,352	158	1,109,510
Additions	150,426	-	150,426
Disposals	(157,500)	-	(157,500)
Revaluation	18,208	4	18,212
	<hr/>	<hr/>	<hr/>
At 31 July 2003	1,120,486	162	1,120,648
	<hr/>	<hr/>	<hr/>
Restricted funds	17,420	162	17,582
Unrestricted funds	1,103,066	-	1,103,066
	<hr/>	<hr/>	<hr/>
	1,120,486	162	1,120,648
	<hr/>	<hr/>	<hr/>
Cost at 31 July 2003	1,139,703	141	1,139,844
	<hr/>	<hr/>	<hr/>
Cost at 31 July 2002	1,002,561	141	1,002,702
	<hr/>	<hr/>	<hr/>

The investment portfolio includes the following investments which represent over 5% by value of the total investment portfolio.

	£
COIF Charities Fixed Interest Fund	102,724
COIF Charities Investment Fund	849,029
COIF Charities Property Fund	143,933
	<hr/>

10 Debtors

	2003 £	2002 £
Amounts falling due within one year:		
Prepayments and accrued income	20	15
	<hr/>	<hr/>

11 Creditors: amounts falling due within one year

	2003 £	2002 £
Accruals and deferred income	1,410	1,410
	<hr/>	<hr/>

Truro Cathedral School Limited (Limited by guarantee)

Notes

(forming part of the financial statements)

12 Unrestricted funds

	Designated fund - Chorister education £	General fund £	Revaluation reserve £	Total £
Brought forward	925,000	58,060	118,441	1,101,501
Net movement in funds	-	(7,003)	17,919	10,916
Transfer	(10,000)	10,000	-	-
Carried forward	915,000	61,057	136,360	1,112,417
<i>Represented by:</i>				
Tangible fixed assets	-	219	18,781	19,000
Investments	915,000	70,487	117,579	1,103,066
Net current assets/(liabilities)	-	(9,649)	-	(9,649)
	915,000	61,057	136,360	1,112,417

The directors have made a long term commitment to fund the education of the choristers of Truro Cathedral. The designation of £915,000 in a Chorister Education fund is to demonstrate that commitment for the foreseeable future.

13 Restricted funds

	Endowment Charity £	Bursary Charity £	Revaluation Reserve £	Total £
Brought forward	17,766	3,049	7,649	28,464
Income	667	60	-	727
Transfer	(667)	(60)	-	(727)
Revaluation adjustment	-	-	293	293
Carried forward	17,766	3,049	7,942	28,757
<i>Represented by:</i>				
Investments	8,848	792	7,942	17,582
Net current assets	8,918	2,257	-	11,175
	17,766	3,049	7,942	28,757

The capital from the above funds cannot be distributed but annual income can be used to meet direct charitable expenditure.

14 Related party transactions

A grant of £45,000 (2002: £45,000) was made to the Cathedral Church of the Blessed Virgin Mary in Truro (Truro Cathedral). Four of the company's directors are members of the Chapter of Truro Cathedral.