

733644

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 1999
FOR
BALLARD SCHOOLS LIMITED
(Limited by Guarantee)




BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

NOTICE IS HEREBY GIVEN that the fourth Annual General Meeting of the Company will be held at The Ballard Schools, New Milton, Hampshire, on 9 March 2000 at 2pm for the following purposes:

1. To receive and consider the financial statements for the year ended 31 August 1999, together with the reports of the Council of Management and the Auditors thereon.
2. To elect members to the Council of Management.
3. To re-appoint Smith and Williamson as Auditors and to authorise The Council of Management to fix their remuneration.
4. To receive reports of the Head of Ballard School, and the Head of Ballard Preparatory School.
5. To transact any other business which, under the company's Articles of Association, may be transacted at an ordinary general meeting.

Dated the ... *15/15 February 2000*


.....
Secretary

New Milton
Hampshire
BH25 5SU

A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote for him, and such proxy need not be a member of the company. Such notice of appointment of proxy must be lodged at The Ballard Schools, New Milton, Hampshire, BH25 5SU, not later than 48 hours before the meeting.

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

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BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

COMPANY INFORMATION

Council of Management:

Mr J K Broadley (Chairman)
Mr G L Alexander
Mrs M L Blake
Mrs J M W Cansdale (resigned 24/1/99)
Rev R Drown (resigned 24/6/99)
Mrs Anne Beeby
Mr P Rogers
Mrs P Bellars
Mr W Howard
Capt. P Messinger
Mrs L K Simkins (resigned 5/5/99)
Mrs M Stevenson (~~resigned 5/5/99~~)
Mr J Hockley (appointed 11/8/99)

Secretary:

Mr R B M Lobo

Registered Office:

Fernhill Lane
New Milton
Hampshire
BH25 5SU

Registered Charity Number:

307328

Company Number:

733644

Auditors:

Smith and Williamson
Old Library Chambers
21 Chipper Lane
Salisbury
Wiltshire SP1 1BG

Bankers:

HSBC
59 Old Christchurch Road
Bournemouth
Dorset BH1 1EH

Solicitors:

Derek T Wilkinson & Co
4 Durley Chine Road
Bournemouth
Dorset BH2 5QT

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

REPORT OF THE COUNCIL OF MANAGEMENT

The management submit their report and financial statements for the year ended 31 August 1999.

These financial statements have been prepared in accordance with the Charities SORP.

LEGAL AND ADMINISTRATIVE INFORMATION

Details of the following may be found on page 1 of these financial statements:

Members of the Council of Management
Registered Office
Bankers
Solicitors
Auditors
Company registration number
Charity registration number

The charity is a limited company, limited by guarantee and is governed by its memorandum and articles of association.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

Prospective Trustees are nominated by current Trustees. Credentials are then discussed at Council Meetings and details circulated through the Minutes. Unless objections are raised upon receipt of the minutes, the potential candidate is invited to attend the following Council Meeting. Voting then takes place for the appointment to the Association for a 3 month "probationary period", then co-opted onto the Board and ratified at the AGM.

Any Council Member can nominate, but appointment can only take place by vote.

OTHER INFORMATION

The company is a day and boarding school for girls and boys, comprising, Ballard College and Ballard Lake Preparatory School.

The school aims to provide first class education combined with sound religious training on Protestant and Evangelical principles. There have been no significant changes in the policy during the year.

The general management of the charity is carried out by the Council of Management.

Mr R Lobo is the Bursar and deals with the day to day financial affairs of the school.

Mr P Stockdale and Mr S Duckitt are heads of the senior and junior schools respectively.

REVIEW OF THE YEAR'S ACTIVITIES

The results for the year and financial position of the company are as shown in the annexed financial statements. The retained surplus of £10,058 (1998: £37,840 surplus) has been transferred to reserves.

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

REPORT OF THE COUNCIL OF MANAGEMENT

INTRODUCTION BY CHAIRMAN

The development programme referred to in my report last year has been successfully completed. The new facilities comprise a self-contained classroom block for the Senior School complete with well resourced Science Laboratories, Art Room, Library, Information Technology Suite, Home Economics Department, Modern Foreign Language and general classrooms; and also a new Pre-Prep Department and playground.

The completion of the sale of Ballard College site has enable us to clear our liabilities with the Bank. We look to the future of Ballard School with renewed enthusiasm and determination to capitalise on the excellent assets we now have, and to attract a growing number of pupils.

The high standard of public examination results continues, encouraged by the professionalism and dedication of all the staff. The Inspection of the Prep School confirmed the excellent educational standard while highlighting the need for some improvement in facilities.

HEADMASTER'S REPORT FOR THE SENIOR SCHOOL

The move this year into the Senior School's splendid new teaching block provides the pupils with a modern, up-to-date and well-resourced learning environment. This compliments the fine teaching the School is renowned for, where 'care for each pupil' is the touchstone of the educational provision.

Examination results at both A and GCSE Levels for 1999 were very good, continuing the School's fine record. Such results placed the School amongst the top state and independent schools in Dorset and Hampshire.

HEADMASTER'S REPORT FOR THE JUNIOR SCHOOL

Pupil numbers continued to increase and in July 1999, there were 257 boys and girls in the Pre-Prep and Prep School with 40 in the Nursery.

Examination results were good: 8 were awarded Grammar School places, 12 Scholarships and Exhibitions were gained at Public Schools in Art, Sport and all-round, as well as Academic.

BURSAR'S REPORT

The new development and allied costs were financed through a bridging loan arrangement with the bank. Consequently, the cashflow was not affected but, nevertheless, required tight control to remain within the overdraft facility.

The Governors resolved not to attempt to refurbish the farmhouse for use by the Headmaster. Instead, a new property, was purchased on a nearby estate; the funding was by means of a loan of £150,000 repayable over a 10 year period. The Bank, therefore, has a registered charge on the property.

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

REPORT OF THE COUNCIL OF MANAGEMENT

STATEMENT OF COUNCIL MEMBERS RESPONSIBILITIES

Company law requires the council members 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 council members 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 council members 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 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.

YEAR 2000 COMPLIANCE AND EURO REVIEW

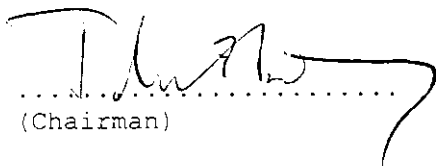
As far as we are aware the computer systems used as a basis in the preparation of these financial statements are year 2000 compliant. Plans have been made to reduce risk to the school wherever possible. We installed a new computer system on 1 September 1999.

The school has no plans to implement systems that allow transactions using the Euro currency. Currently it is not felt that this issue will impact materially, if at all, on the school.

AUDITORS

The auditors, Smith and Williamson, have indicated their willingness to continue in office in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE COUNCIL


.....
(Chairman)

Dated: 9/3/2000

REPORT OF THE AUDITORS TO THE COUNCIL OF MANAGEMENT

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

We have audited the financial statements on pages six to twenty which have been prepared under the historical cost convention and on the basis of the accounting policies set out on pages eleven and twelve.

Respective Responsibilities of Council Members and Auditors

As described on page four the council members are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial 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 council members 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 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, 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 Charitable company's affairs at 31 August 1999 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



SMITH AND WILLIAMSON
Chartered Accountants
Registered Auditors
Old Library Chambers
21 Chipper Lane
Salisbury
Wiltshire SP1 1BG

Dated : 15 March 2000

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)
STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 August 1999

INCOME AND EXPENDITURE	Notes	1999		Restricted Funds	Total	1998
		Unrestricted School	Funds Other			
£	£	£			£	£
INCOMING RESOURCES						
School fees - gross		2,010,595	-	-	2,010,595	1,910,019
Extras		-	26,041	-	26,041	33,118
		-----	-----	-----	-----	-----
		2,010,595	26,041	-	2,036,636	1,943,137
Less: Grants, scholarships bursaries and other allowances		190,359	-	-	190,359	173,257
		-----	-----	-----	-----	-----
		1,820,236	26,041	-	1,846,277	1,769,880
Entrance fees		3,745	-	-	3,745	5,690
Holiday and other lettings		-	12,348	-	12,348	13,770
Rent received		-	30,000	-	30,000	29,808
Investment income		-	645	-	645	94
Wayleave		-	2,040	-	2,040	2,040
Insurance commission		-	2,912	-	2,912	2,471
Donations		-	-	600	600	3,686
Milk subsidy		-	90	-	90	159
Other income		-	2,126	-	2,126	2,037
		-----	-----	-----	-----	-----
Total Incoming Resources		1,823,981	76,202	600	1,900,783	1,829,635
		-----	-----	-----	-----	-----
RESOURCES EXPENDED						
Direct Charitable Expenditure						
Education	5	1,129,059	-	550	1,129,609	1,012,275
Housekeeping	6	275,099	-	-	275,099	270,929
Establishment	7	218,195	-	-	218,195	241,435
Administration	8	58,003	-	-	58,003	55,701
Bank charges and interest		73,259	-	-	73,259	83,642
		-----	-----	-----	-----	-----
		1,753,615	-	550	1,754,165	1,663,982
		-----	-----	-----	-----	-----
Other Expenditure						
Management and administration of the school	9	127,761	-	-	127,761	123,476
Fundraising and publicity	10	8,799	-	-	8,799	4,337
		-----	-----	-----	-----	-----
		136,560	-	-	136,560	127,813
		-----	-----	-----	-----	-----
Total Resources Expended		1,890,175	-	550	1,890,725	1,791,795
		-----	-----	-----	-----	-----

The notes form part of these financial statements

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)
STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 August 1999

INCOME AND EXPENDITURE	1999		Restricted Funds	Total	1998
	Unrestricted School £	Funds Other £			£
Net incoming/(outgoing) resources before transfers and revaluations	(66,194)	76,202	50	10,058	37,840
Transfers between funds	76,252	(76,202)	(50)	-	-
	-----	-----	-----	-----	-----
Net incoming resources	10,058	-	-	10,058	37,840
Balances brought forward at 1 September 1998	659,316	-	-	659,316	621,476
	-----	-----	-----	-----	-----
Balances carried forward at 31 August 1999	669,374	-	-	669,374	659,316
	=====	=====	=====	=====	=====

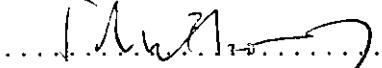
There were no recognised gains or losses in 1999 or 1998 other than the surplus for the year. All operations are classed as continuing.

The notes form part of these financial statements

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

BALANCE SHEET
As at 31 August 1999

	Note	1999	1998
		£	£
FIXED ASSETS			
Tangible assets	13	2,302,636	1,863,057
Goodwill	14	-	32,500
		-----	-----
		2,302,636	1,895,557
CURRENT ASSETS			
Tangible fixed assets	13	668,829	-
Stocks	15	6,067	6,977
Debtors	16	34,722	38,627
Cash at bank and in hand		22,379	2,202
		-----	-----
		731,997	47,806
CREDITORS: Amounts falling due within one year	17	(2,218,837)	(734,043)
		-----	-----
NET CURRENT LIABILITIES		(1,486,840)	(686,237)
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		815,796	1,209,320
CREDITORS: Amounts falling due after more than one year	18	(146,422)	(550,004)
		-----	-----
		669,374	659,316
		=====	=====
RESERVES			
Income and expenditure account		669,374	659,316
		=====	=====

Approved by the Council of Management on 9/1/2000 and signed on their behalf by:


 Chairman

The notes form part of these financial statements.

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

CASH FLOW STATEMENT
For the Year Ended 31 August 1999

	Notes	1999 £	1998 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	A	523,914	115,316
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	B	(71,441)	(80,783)
CAPITAL EXPENDITURE	C	(1,110,927)	(35,440)
FINANCING	D	758,550	(6,895)
DECREASE IN CASH		----- 100,096 =====	----- (7,802) =====
RECONCILIATION OF NET CASH OUTFLOW TO MOVEMENT IN NET DEBT			
Decrease in cash in the year		100,096	(7,802)
New hire purchase contracts		(13,496)	(20,856)
Cash used to repay finance lease hire purchase liabilities		11,800	6,485
Cash used to repay loans		58,140	56,250
Interest charged to loan account		(55,959)	(55,840)
New loan		(772,531)	-
		----- (671,950)	----- (21,763)
Net debt at 1 September 1998		(1,028,762)	(1,006,999)
Net debt at 31 August 1999	E	----- (1,700,712) =====	----- (1,028,762) =====

The notes form part of these financial statements

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

NOTES TO THE CASH FLOW STATEMENT
For the Year Ended 31 August 1999

A RECONCILIATION OF NET INCOMING
RESOURCES TO NET CASH INFLOW
FROM OPERATING ACTIVITIES

	1999 £	1998 £
Net incoming resources	10,058	37,840
Interest receivable	(645)	(94)
Interest payable	72,086	81,427
Depreciation and amortisation charges	48,815	49,678
(Profit)/loss on fixed asset disposal	(300)	5,678
Decrease in stocks	910	1,531
Decrease in debtors	3,905	2,523
Increase/(decrease) in creditors	389,085	(63,267)
	-----	-----
	523,914	115,316
	=====	=====

B RETURNS ON INVESTMENT AND
SERVICING OF FINANCE

Interest received	645	94
Bank interest paid	(69,512)	(78,851)
Hire purchase interest	(2,574)	(2,026)
	-----	-----
	(71,441)	(80,783)
	=====	=====

C CAPITAL EXPENDITURE

Receipts from disposal of tangible fixed assets	300	2,194
Payments to acquire tangible fixes assets	(1,111,227)	(37,634)
	-----	-----
	(1,110,927)	(35,440)
	=====	=====

D FINANCING

Interest charged to loan account	55,959	55,840
Loan repayments	(58,140)	(56,250)
Finance lease and hire purchase repayments	(11,800)	(6,485)
New loans	772,531	0
	-----	-----
	758,550	(6,895)
	=====	=====

E ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 1998 £	Cashflows £	Non-cash items £	At 31 August 1999 £
Cash in hand	2,202	20,177	-	22,379
Overdrafts	(428,742)	79,919	-	(348,823)

		100,096		
Debt due within one year	(56,256)	(1,169,480)	-	(1,225,736)
Debt due after one year	(524,466)	399,129	-	(125,337)
Finance lease and hire purchase liabilities	(21,500)	11,800	(13,495)	(23,195)
	-----	-----	-----	-----
	(1,028,762)	(658,455)	(13,495)	(1,700,712)
	=====	=====	=====	=====

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 1999

1. ACCOUNTING POLICIES

(a) Basis of accounting:

The financial statements have been prepared under the historical cost accounting convention and in accordance with applicable accounting standards and the Charities SORP (Statement of Recommended Practice 'Accounting by Charities').

The format of the financial statements has been changed in order to comply with the Charities SORP.

(b) Depreciation:

The council members do not consider it appropriate to depreciate the freehold school buildings. This is contrary to SSAP12. However, the property is maintained to ensure that its value does not diminish over time and the maintenance costs are charged to the income and expenditure account in the year incurred.

Depreciation is provided on tangible assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Furniture, fittings and equipment	- 25% reducing balance basis
Heating installation	- 10% straight line basis
Fire precaution work	- 10% straight line basis
Swimming pool	- 10% straight line basis
Minibus	- 25% reducing balance basis
Office computer	- 20% straight line basis
Equipment	- 25% reducing balance basis
School computers	- 20% reducing balance basis

(c) Stocks:

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less selling costs.

(d) Leasing commitments:

Finance leases:

Assets obtained under finance leases are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of these obligations is charged to the income and expenditure account over the relevant period and represents a proportion of the balance of capital repayments outstanding. The capital element of the future repayments is treated as a liability.

Operating leases:

Rentals payable under operating leases are charged to the income and expenditure account on the straight line basis over the lease term.

(e) Pensions:

Ballard Schools Limited operates a defined contribution pension scheme for non-teaching staff. A separate scheme is operated for teaching staff whereby contributions are paid to the Department of Education and Science. Contributions payable for the year for both schemes are charged in the Statement of Financial Activities (note 3).

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 1999

(f) **Voluntary income:**

Voluntary income is received by way of donations, gifts and fund raising activities. The income is all credited to the Statement of Financial Activities on a receipts basis.

(g) **Expenditure:**

All expenditure other than that which has been capitalised, is included in the Statement of Financial Activities.

(h) **Fixed assets:**

Fixed assets are stated at the original cost, or if donated, the value at date of receipt.

(i) **Allocation of costs:**

The administration staff cost and various other support costs were allocated between 'administration' and 'management and administration' on the proportion of time the administration team spend on these two types of work; with the result being approximately 40% administration and 60% management and administration.

(j) **Restricted funds:**

The Charity's restricted funds are those where the donor has imposed restrictions on the use of funds.

(k) **Goodwill**

The goodwill relates to the purchase of Edinburgh House School. The Council of management have agreed that this purchased goodwill should be written off over four years based on the average remaining school life of the pupils who transferred.

2. **FEES AND EXTRAS**

Fees and extras represent charges made for school fees in respect of the year and include chargeable extras relating to that year.

The fees, extras and surplus are attributable to the one principal activity of the company.

3. **STAFF NUMBERS AND COSTS**

The average number of persons employed by the company during the year was as follows:

	1999	1998
	No.	No.
Administration	6	6
Educational	52	50
Establishment	6	6
Housekeeping	37	37
	--	--
	101	99
	==	==

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 1999

The aggregate payroll costs of these persons were as follows:

	1999 £	1998 £
Wages and salaries	1,241,066	1,141,542
Social security costs	89,223	84,607
Other pension costs	66,684	58,211
Compensation costs	8,500	1,721
	-----	-----
	1,405,473	1,286,081
	=====	=====

During the year trustees expenses totalling £85 were reimbursed. These related to travelling expenses for 2 trustees.

4. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £	Depreciation and amortisation £	Auditors remuneration £	Operating leases £	Other £	Total £
Education	1,049,530	3,841	-	4,787	71,451	1,129,609
Housekeeping	184,502	232	-	-	90,365	275,099
Establishment	60,526	7,486	-	239	149,944	218,195
Administration	44,366	1,902	-	3,256	8,479	58,003
Finance charges	-	-	-	-	73,259	73,259
Management and administration	66,549	35,354	4,289	4,884	16,685	127,761
Fundraising and publicity	-	-	-	-	8,799	8,799
	-----	-----	-----	-----	-----	-----
	1,405,473	48,815	4,289	13,166	418,982	1,890,725
	=====	=====	=====	=====	=====	=====

The other management and administration expenses can be analysed as follows:

	1999 £	1998 £
Telephone	2,865	3,400
Printing, postage and stationery	5,379	5,172
Professional fees	2,559	4,150
Computer costs	3,964	2,918
Other	849	427
Travelling	1,069	565
	-----	-----
	16,685	16,632
	=====	=====

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 1999

5. EDUCATION

	1999	1998
	£	£
Teaching salaries - Senior	364,024	360,554
- Junior	677,006	582,389
Teaching books and materials	65,083	51,138
Depreciation	3,841	4,977
Legal and professional fees	353	1,375
Compensation payments	8,500	1,721
Leasing charges	4,787	4,026
Bad debts	6,315	417
(Profit)/loss on sale of assets	(300)	5,678
	-----	-----
	1,129,609	1,012,275
	=====	=====

6. HOUSEKEEPING

	1999	1998
	£	£
Matron and domestic staff salaries and wages	184,502	176,665
Boarding expenses	1,576	1,138
Provisions	60,195	63,050
Cleaning	6,496	6,450
Laundry	-	165
Contract cleaning	8,041	7,321
Consumables	9,854	11,351
Equipment	4,137	4,237
Depreciation	232	309
Staff advertising	66	243
	-----	-----
	275,099	270,929
	=====	=====

7. ESTABLISHMENT

	1999	1998
	£	£
Maintenance and Grounds salaries and wages	60,526	58,987
Rent payable	42,574	45,778
Rates and water	31,629	29,390
Light and heat	33,139	40,359
Insurances	9,480	8,201
Repairs and renewals	15,514	22,172
Swimming pool	2,038	888
Minibuses	13,228	15,724
Depreciation	7,486	9,749
Minibus leasing charges	239	1,630
Grounds	2,342	2,072
Refurbishment - Duplock House	-	6,485
	-----	-----
	218,195	241,435
	=====	=====

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 1999

8. ADMINISTRATION

	1999	1998
	£	£
Office and administration salaries	44,366	42,306
Professional legal and consultancy	1,706	2,733
Staff advertising	-	88
Telephone	1,910	2,266
Travelling and training	712	376
Sundry	204	160
Equipment leasing	3,256	3,285
Equipment	301	182
Depreciation	1,902	857
Stationery and printing	2,087	1,958
Postage	1,499	1,490
	-----	-----
	58,003	55,701
	=====	=====

9. MANAGEMENT AND ADMINISTRATION

	1999	1998
	£	£
Office and administration salaries	66,549	63,459
Professional legal and consultancy	2,559	4,150
Staff advertising	-	133
Telephone	2,865	3,400
Travelling and training	1,069	565
Sundry	307	22
Depreciation	2,854	1,286
Audit	4,289	4,671
Computer costs	3,964	2,918
Stationery and printing	3,131	2,937
Postage	2,248	2,235
Equipment leasing	4,884	4,928
Equipment	542	272
Amortisation	32,500	32,500
	-----	-----
	127,761	123,476
	=====	=====

10. FUNDRAISING AND PUBLICITY

	1999	1998
Advertising	8,799	4,337
	-----	-----
	8,799	4,337
	=====	=====

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 1999

11. SURPLUS FOR THE YEAR
is after charging:

	1999 £	1998 £
Finance charges on capitalised finance leases	-	2,026
Auditors' remuneration	4,239	4,671
Taxation and other financial advice	-	3,149
Operating leases: hire of equipment	9,047	9,843
Depreciation - owned assets	15,880	16,377
Depreciation - leased assets	435	801
Goodwill amortisation	32,500	32,500
(Profit)/loss on disposal of fixed assets	(300)	5,678
	=====	=====
and after crediting:		
Interest receivable	645	94
	=====	=====

12. TAXATION

The company is registered with the Charity Commissioners as an educational charity and, in accordance with Section 505 of the Income and Corporation Taxes Act 1988, is exempt from taxation insofar as income is applied to Charitable purposes only.

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 1999

13. TANGIBLE FIXED ASSETS

	Total £	Freehold property £	Furniture, fittings and equipment £	Heating install- ation £	Fire precaution work £
COST					
1 September 1998	2,304,109	2,005,065	131,899	35,080	13,554
Additions	1,124,723	1,111,227	-	-	-
31 August 1999	3,428,832	3,116,292	131,899	35,080	13,554
DEPRECIATION					
1 September 1998	441,052	194,416	122,624	32,505	13,554
Charge for the year	16,315	-	2,318	699	-
31 August 1999	457,367	194,416	124,942	33,204	13,554
NET BOOK VALUE					
31 August 1999	2,971,465	2,921,876	6,957	1,876	-
31 August 1998	1,863,057	1,810,649	9,275	2,575	-
	Minibus	Swimming pool	Leased office computer	Leased equipment	School computers
	£	£	£	£	£
COST					
1 September 1998	60,326	8,674	28,114	6,888	14,509
Additions	-	-	13,496	-	-
31 August 1999	60,326	8,674	41,610	6,888	14,509
DEPRECIATION					
1 September 1998	33,872	8,674	24,523	5,149	5,735
Charge for the year	6,613	-	4,495	435	1,755
31 August 1999	40,485	8,674	29,018	5,584	7,490
NET BOOK VALUE					
31 August 1999	19,841	-	12,592	1,304	7,019
31 August 1998	26,454	-	3,591	1,739	8,774

Subsequent to the year end certain freehold property was disposed of and therefore has been classified as a current asset.

Disclosed as:

	£
Tangible fixed assets	2,302,636
Current assets	668,829
	2,971,465

BALLARD SCHOOLS LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 1999

14. GOODWILL

	Goodwill

COST	£
As at 1 September 1998 and 31 August 1999	130,000

AMORTISATION	
As at 1 September 1998	97,500
Charge for the Year	32,500

NET BOOK VALUE	130,000

As at 31 August 1999	-
	=====
As at 31 August 1998	32,500
	=====

15. STOCKS

	1999	1998
	£	£
Goods held for resale	900	1,103
Consumables	5,167	5,874
	-----	-----
	6,067	6,977
	=====	=====

16. DEBTORS

	1999	1998
	£	£
Fees and extras	16,847	18,404
Other debtors	5,847	7,472
Prepayments	12,028	12,751
	-----	-----
	34,722	38,627
	=====	=====

17. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	1999	1998
	£	£
Bank overdraft	348,823	428,742
Bank loan	1,225,736	56,256
Fees received in advance	135,759	120,919
Deposit received in advance	263,265	-
Other creditors	163,964	42,738
Accruals	45,910	39,669
Finance lease and hire purchase obligations (see note 20)	7,110	5,962
Other tax and social security	28,270	39,757
	-----	-----
	2,218,837	734,043
	=====	=====

BALLARD SCHOOLS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 1999

18. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR

	1999	1998
	£	£
Bank loan - Head's house	125,337	-
Bank loan (phase 2)	-	524,466
Finance lease and hire purchase obligations (see note 20)	16,085	15,538
Compensation	5,000	10,000
	-----	-----
	146,422	550,004
	=====	=====

The bank overdraft and loans are secured over freehold property held by the school and by a fixed charge over book debts and a floating charge over all assets.

19. CONSTITUTION OF THE COMPANY

The company is limited by guarantee, and each member is under covenant to contribute a sum not exceeding one pound sterling in certain circumstances as set out in clause 6 to the Memorandum of Association.
The number of members is 10. 1998 : 12)

20. OBLIGATIONS UNDER FINANCE LEASE
AND HIRE PURCHASE OBLIGATIONS

	1999	1998
	£	£
Payable in year ending:		
31 August 1999	-	7,983
31 August 2000	9,061	20,200
31 August 2001	19,901	-
	-----	-----
	28,962	28,183
	=====	=====
Less: Finance charges allocated to future periods	(5,767)	(6,683)
	-----	-----
	23,195	21,500
	=====	=====
Summary		
Current liability	7,110	5,962
Non-current liability	16,085	15,538
	-----	-----
	23,195	21,500
	=====	=====

The finance lease and hire purchase liabilities are secured on the assets to which they relate.

OBLIGATIONS UNDER OPERATING LEASES

For operating leases, payments committed to be made during the next year:

	1999	1998
	Other	
	£	£
Operating leases expiring		
Within one year	624	-
Within two to five years	24,413	25,03

BALLARD SCHOOLS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 1999

21. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 August 1999 or 31 August 1998.

22. OTHER FINANCIAL COMMITMENTS

There were no other financial commitments at 31 August 1999 or 31 August 1998.

23. RELATED PARTY TRANSACTIONS

During the year, school fees of £4,632 were received by the school from Mrs L K Simkins, a member of the Council of Management.

24. POST BALANCE SHEET EVENTS

Subsequent to the year end the company sold the Fernhill Manor site for approximately £2.6m.