

732644

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2004
FOR
BALLARD SCHOOL LIMITED
(Limited by Guarantee)



BALLARD SCHOOL LIMITED
(Limited by Guarantee)

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BALLARD SCHOOL LIMITED
(Limited by Guarantee)

Company Registration No. 733644
Charity Registration No. 307328

NOTICE IS HEREBY GIVEN that the ninth Annual General Meeting of the Company will be held at The Ballard School, New Milton, Hampshire, on 23 February 2005 for the following purposes:

1. To receive and consider the financial statements for the year ended 31 August 2004, together with the reports of the Council of Management and the Auditors thereon.
2. To elect Members to the Council of Management.
3. To appoint Nexia Audit Limited as Auditors and to authorise The Council of Management to fix their remuneration.
4. To receive reports from the Headmaster.
5. To transact any other business which, under the company's Articles of Association, may be transacted at an ordinary general meeting.

Dated the

.....
Secretary

New Milton
Hampshire
BH25 5SU

A Member entitled to attend and vote at 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 Ballard School, New Milton, Hampshire, BH25 5SU, not later than 48 hours before the meeting.

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

COMPANY INFORMATION

Council of Management: Mrs Anne Beeby (Chairman) (resigned 31 March 2004)
Mr W Howard (Chairman)
Mr G L Alexander
Mr P Rogers
Mrs M Stevenson
Mrs A Trask
Mr W Hood
Mr C Ford
Mr J Hockley (resigned 31 December 2003)
Mr A Butterworth (resigned 2 May 2004)
Mrs W Roberts (appointed 13 November 2003)
Rev J McDowall (appointed 11 March 2004)
Mr N Hall (appointed 11 March 2004)
Mr C Kean (appointed 11 March 2004)
Mr P Bujak (appointed 11 March 2004)
Mr T Thurston (appointed 1 September 2004)

Secretary Mr R B M Lobo (resigned 12 March 2004)
Mrs P Darley

Registered Office: Fernhill Lane
New Milton
Hampshire
BH25 5SU

Registered Charity Number: 307328

Company Number: 733644

Auditors: Nexia Audit Limited
Notebeme House
84 High Street
Southampton
Hampshire SO14 2NT

Bankers: HSBC Bank plc
59 Old Christchurch Road
Bournemouth
Dorset BH1 1EH

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

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

REPORT OF THE COUNCIL OF MANAGEMENT

The management submit their report and financial statements for the year ended 31 August 2004.

These financial statements have been prepared in accordance with the Companies Act 1985 and Charities SORP 2000 (Statement of Recommended Practice – "Accounting by Charities").

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 company limited by guarantee and is governed by its Memorandum and Articles of Association.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

Trustees (also referred to as Council Members) are elected at a meeting of the Governing Council. Their appointment is then ratified or they are re-elected at the following Annual General Meeting.

Any Council Member can nominate appointees, but appointment can only take place via a majority vote.

STATUS AND ADMINISTRATION

The Charity is constituted by a 1962 Trust Deed and registered with the Charity Commissioners under charity number 307328. The Trust Deed has been amended in subsequent years; the latest amendment being in 2004.

CHARITABLE OBJECTS

The Object of the Charity is to provide first-class education for children, infants or students combined with sound religious training on Protestant and Evangelical principles founded on the Holy Bible. The Charity also seeks to promote its educational and Christian ethos by offering Exhibitions, Scholarships and Bursaries as appropriate. A large proportion of these awards are made to pupils who otherwise would not be able to attend Ballard School.

BOARD POLICY

The Charity provides education in New Milton to boys and girls from the ages of 2 to 16. We are continuing to expand the teaching of Information Communication Technology, Music and Art.

It is Ballard School's policy to strive for the highest academic levels achievable by the pupils as well as providing an extra-curricular programme which aims to develop the life-long leisure interests and help build self-confidence and a desire to contribute to the community.

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

REPORT OF THE COUNCIL OF MANAGEMENT

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

Ballard School has continued its recent trend with a further increase in pupil numbers to an average of 450 pupils on the roll during 2003/2004. There was an upward trend in pupil numbers throughout the School and particularly in the Senior section, which saw an increase in numbers in excess of 20%. Pupils of all ages achieved high academic standards. At all ages pupils are achieving results that exceed national expectation. At GCSE, results were good with 87% of pupils gaining five or more A* to C Grades. School sports teams, particularly senior teams, have played a record number of fixtures and achieved excellent results. In all sports the boys' Under 9 and Under 15 teams won over 90% of their matches. The girls' teams have also recorded very good results.

DEVELOPMENTS

January 2004 saw the completion of the multi-purpose hall, which was renamed Ballard School Performing Arts Centre. A grand opening was held for staff and invited guests on 16th March 2004, with David Fanshawe performing the official opening. A public entertainments licence is now in place and the Performing Arts Centre is home to a local theatrical group – New Forest Players. Local interest in the venue has resulted in the Performing Arts Centre being hired for musical concerts on a regular basis and it is used throughout the day for school activities.

FINANCIAL ACTIVITIES AND RESULTS

Ballard School's operating surplus of £198,134 is a consequence of continued improved recruitment and fee income is up by 12%. Awards, in the form of scholarships, bursaries and discounts increased again this year by 24% on last year. 20% of children were in receipt of an award of one form or another. A further 20% of children were in receipt of a staff or sibling discount.

RESERVES

The School's policy is to maintain reserves sufficient to enable the school to meet its Objects. At the year end reserves were £3,414,216 (2003: £3,216,082).

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

REPORT OF THE COUNCIL OF MANAGEMENT

INVESTMENT POWERS, POLICY AND PERFORMANCE

The Trustee investment powers are governed by the Trust Deed. The Board's policy is to maximize income not immediately required for its main purposes. Accordingly, the Charity's investments have been managed in conformity with our policy and the Trust Deed, and their performance for the year has been in accordance with expectations.

GRANT MAKING POLICY

We awarded £371,074 in fee discounts, scholarships, bursaries and grants to pupils through our general funds. These awards help us to maintain our educational standards.

The Governors' policy, in line with that of other Independent Schools, is to make these awards on the basis of the individual's educational ability.

RISK MANAGEMENT

The Board has examined the principal areas of the School's operations and considered the major risks faced in each of these areas.

In the opinion of the Governors, the Charity has established resources and reviewed systems, which, under normal conditions, should allow these risks to be mitigated to an acceptable level in its day to day operations.

DISABLED STAFF

The company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

AUDITORS

The auditors, Nexia Audit Limited, have indicated their willingness to continue in office in accordance with Section 385 of the Companies Act 1985.

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 enable them to ensure that the financial statements comply with Companies Act 1985, the SORP 2000, and the Memorandum and Articles of Association. 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.

ON BEHALF OF THE COUNCIL


Secretary

Dated: 23/2/05

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BALLARD SCHOOL LIMITED
(Limited by Guarantee)

We have audited the financial statements of Ballard School Limited which includes the statement of financial activities, statement of changes in resources applied for fixed assets for charity use, balance sheet, cash flow statement and the related notes 1 to 19 for the year ended 31 August 2004. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of Council Members and Auditors

As described in the Statement of Council Members' Responsibilities, the Council Members' (who are also the directors of Ballard School Limited for the purposes of company law) are responsible for the preparation of the accounts in accordance with applicable law, United Kingdom Accounting Standards and the Statement of Recommended Practice for Charities.

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

We report to you our opinion as to whether the accounts 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 Council Members' Report is not consistent with the accounts, 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 the information specified by law regarding Council Members' remuneration and transactions with the Company is not disclosed.

We read the Council Members' report and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts.

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 accounts. It also includes an assessment of the significant estimates and judgements made by the Council Members' in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the Company's affairs as at 31 August 2004 and of its 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 and the Statement of Recommended Practice for Charities.

Nexia Audit Limited

NEXIA AUDIT LIMITED

Chartered Accountants
Registered Auditors
Notebeme House
84 High Street
Southampton
Hampshire SO14 2NT

Dated: *25th February 2005*

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 August 2004

	Notes	Unrestricted School £	2004 Funds Other £	Total £	2003 £
INCOMING RESOURCES					
Charitable activities					
School fees – gross		3,057,563	-	3,057,563	2,702,742
Extras		-	45,883	45,883	40,218
		<hr/>	<hr/>	<hr/>	<hr/>
		3,057,563	45,883	3,103,446	2,742,960
Less: Grants, scholarships bursaries and other allowances 4		(371,074)	-	(371,074)	(299,899)
		<hr/>	<hr/>	<hr/>	<hr/>
		2,686,489	45,883	2,732,372	2,443,061
Entrance fees		8,865	-	8,865	6,885
Holiday and other lettings		-	17,231	17,231	16,271
Rent received		-	30,000	30,000	30,000
Investment income – UK interest received		-	31,432	31,432	39,639
Wayleave		-	2,040	2,040	2,040
Insurance commission		-	4,831	4,831	4,299
Profit/(loss) on sale of assets		-	(2,347)	(2,347)	300
Other income		-	13,593	13,593	23,916
		<hr/>	<hr/>	<hr/>	<hr/>
Total Incoming Resources		2,695,354	142,663	2,838,017	2,566,411
		<hr/>	<hr/>	<hr/>	<hr/>
RESOURCES EXPENDED					
Charitable expenditure					
Education	6	1,689,842	-	1,689,842	1,521,687
Housekeeping	6	301,145	-	301,145	259,595
Establishment	6	426,684	-	426,684	387,599
Administration	6	76,640	-	76,640	58,298
Publicity	6	19,293	-	19,293	12,363
Bank interest payable and other charges	6	1,026	-	1,026	1,458
		<hr/>	<hr/>	<hr/>	<hr/>
		2,514,630	-	2,514,630	2,241,000
		<hr/>	<hr/>	<hr/>	<hr/>
Other Expenditure					
Management and administration of the school	7	125,253	-	125,253	97,190
		<hr/>	<hr/>	<hr/>	<hr/>
Total Resources Expended		2,639,883	-	2,639,883	2,338,190
		<hr/>	<hr/>	<hr/>	<hr/>

The notes form part of these financial statements

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 August 2004

	Unrestricted School £	2004 Funds Other £	Total £	2003 £
Net incoming/(outgoing) resources before transfers and revaluations	55,471	142,663	198,134	228,221
Transfers between funds	142,663	(142,663)	-	-
Net income for the year	<u>198,134</u>	<u>-</u>	<u>198,134</u>	<u>228,221</u>
Balances brought forward at 1 September 2003	3,216,082	-	3,216,082	2,987,861
Balances carried forward at 31 August 2004	<u>3,414,216</u>	<u>-</u>	<u>3,414,216</u>	<u>3,216,082</u>

There were no recognised gains or losses in 2004 or 2003 other than the surplus for the year. All operations are classed as continuing.

This Statement of Financial Activities incorporates the income and expenditure account for the year.

BALLARD SCHOOL LIMITED
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**STATEMENT OF CHANGES IN RESOURCES APPLIED FOR FIXED ASSETS FOR
CHARITY USE**
For the Year Ended 31 August 2004

	Unrestricted Funds £	Restricted Funds £	Total 2004 £	Total 2003 £
Net movement in funds for the year	198,134	-	198,134	228,221
Resources used for net acquisitions of tangible fixed assets	(574,904)	-	(574,904)	(453,213)
Net movements in funds available for future activities	<u>(376,770)</u>	<u>-</u>	<u>(376,770)</u>	<u>(224,992)</u>

The notes form part of these financial statements

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

BALANCE SHEET
As at 31 August 2004

	Note	2004		2003	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	10		3,249,442		2,769,048
CURRENT ASSETS					
Stocks	11	3,385		3,467	
Debtors	12	77,666		65,935	
Cash at bank and in hand		559,907		879,439	
		<u>640,958</u>		<u>948,841</u>	
CREDITORS: Amounts falling due within one year	13	(476,184)		(501,807)	
		<u>164,774</u>		<u>447,034</u>	
NET CURRENT ASSETS			164,774		447,034
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,414,216</u>		<u>3,216,082</u>
RESERVES					
Unrestricted income fund	16		<u>3,414,216</u>		<u>3,216,082</u>

Approved by the Council of Management on 23/2/05 and signed on their behalf by:

.....
Chairman

The notes form part of these financial statements

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

CASH FLOW STATEMENT
For the Year Ended 31 August 2004

	Notes	2004 £	2003 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	A	223,940	455,226
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	B	31,432	39,173
CAPITAL EXPENDITURE	C	(574,904)	(452,913)
FINANCING	D	-	(5,694)
		<hr/>	<hr/>
(DECREASE)/INCREASE IN CASH		(319,532)	35,792
		<hr/>	<hr/>
RECONCILIATION OF NET CASH INFLOW TO MOVEMENT IN NET FUNDS			
(Decrease)/increase in cash in the year		(319,532)	35,792
Cash used to repay finance lease hire purchase liabilities		-	5,694
		<hr/>	<hr/>
Net funds at 1 September 2003		(319,532) 879,439	41,486 837,953
		<hr/>	<hr/>
Net funds at 31 August 2004	E	559,907	879,439
		<hr/>	<hr/>

These notes form part of these financial statements

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE CASH FLOW STATEMENT
For the Year Ended 31 August 2004

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

	2004 £	2003 £
Net incoming resources	198,134	228,221
Interest receivable	(31,432)	(39,639)
Interest payable	-	466
Depreciation and amortisation charges	92,163	76,887
Loss/(profit) on fixed asset disposal	2,347	(300)
(Increase)/decrease in stocks	82	(1,307)
Decrease/(increase) in debtors	(11,731)	(14,345)
Increase/(decrease) in creditors	(25,623)	205,243
	<u>223,940</u>	<u>455,226</u>

B RETURNS ON INVESTMENT AND SERVICING OF FINANCE

	2004 £	2003 £
Interest received	31,432	39,639
Hire purchase interest	-	(466)
	<u>31,432</u>	<u>39,173</u>

C CAPITAL EXPENDITURE

	2004 £	2003 £
Receipts from disposal of tangible fixed assets	-	300
Payments to acquire tangible fixed assets	(574,904)	(453,213)
	<u>(574,904)</u>	<u>(452,913)</u>

D FINANCING

	2004 £	2003 £
Finance lease and hire purchase repayments	-	(5,694)

E ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2003 £	Cashflows £	At 31 August 2004 £
Cash in hand	879,439	(319,532)	559,907

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2004

1. ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared under the historical cost accounting convention and in accordance with applicable United Kingdom accounting standards, the Charities SORP 2000 (Statement of Recommended Practice 'Accounting by Charities'), and the Companies Act 1985.

(b) Depreciation

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:

Freehold land and buildings	- 2% straight line basis
Furniture, fittings and equipment	- 25% reducing balance basis
Improvements	- 10% straight line basis
Swimming pool	- 10% straight line basis
Minibus	- 25% reducing balance basis
Computer and equipment	- 20% straight line and 20% reducing balance basis

(c) Stocks

Stocks are goods held for resale. These 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

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 School 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 for Education and Skills, under the Teachers' Pension Scheme ("TPS") which is a multi-employer scheme. Under FRS17 paragraph 9(a) this is accounted for as a defined contribution scheme.

Contributions payable for the year for both schemes are charged in the Statement of Financial Activities (note 3). There were no accrued or prepaid contributions at the year end.

(f) Incoming resources

All incoming resources are included on an accruals basis.

(g) Deferred income

Deferred income consists of fees invoiced and paid in advance that relate to subsequent terms.

(h) 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.

(i) Resources expended

Resources expended are accounted for on an accruals basis. Certain expenditure is apportioned to cost categories on the estimated amount attributable to that activity in the year. The irrecoverable element of VAT is included within the item of expenses to which it relates.

(j) Fixed assets

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

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2004

(k) 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 works; with the result being approximately 40% administration and 60% management and administration.

(l) Unrestricted funds

The Charity operates an unrestricted school fund for fees and costs. Another unrestricted fund is operated for other income and is transferred to the school fund at the year end.

(m) Other unrestricted funds

Net income included within other funds is transferred to the general unrestricted fund at the end of each year.

(n) Restricted funds

The Charity's restricted funds are those where the donor has imposed restrictions on the use of funds. At the end of the current and previous year, no such funds existed.

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 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:

	2004 No	2003 No
Administration	6	5
Educational	76	70
Establishment	8	8
Housekeeping	29	31
	<hr/>	<hr/>
	119	114
	<hr/>	<hr/>

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2004

The aggregate payroll costs of these persons were as follows:

	2004 £	2003 £
Wages and salaries	1,646,479	1,517,924
Social security costs	116,110	100,800
Other pension costs	166,316	124,937
Compensation costs	25,452	6,500
Long service awards	500	-
	<hr/>	<hr/>
	1,954,857	1,750,161
	<hr/>	<hr/>

There was 1 employee with emoluments between £50,000 and £60,000. There were no other employees with emoluments above £50,000. During the year trustees expenses totaling £1,205 (2003: £370) were reimbursed. These related to travelling and telephone expenses for the trustees. There were no amounts outstanding at the year end.

4. GRANTS, SCHOLARSHIPS, BURSARIES AND OTHER ALLOWANCES

	2004 £	2003 £
Fee discounts	227,564	183,008
Scholarships	110,152	92,868
Bursaries	33,358	24,023
	<hr/>	<hr/>
	371,074	299,899
	<hr/>	<hr/>

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £	Depreciation £	Auditors' remuneration £	Operating leases £	Other £	Total £
Education	1,538,423	12,157	-	10,009	129,253	1,689,842
Housekeeping	190,369	2,179	-	-	108,597	301,145
Establishment	71,663	78,093	-	33,514	243,414	426,684
Administration	61,757	(106)	-	1,178	13,811	76,640
Finance charges	-	-	-	-	1,026	1,026
Management and administration	92,635	(160)	5,341	1,768	25,669	125,253
Fundraising and publicity	-	-	-	-	19,293	19,293
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,954,847	92,163	5,341	46,469	541,063	2,639,883
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2004

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

	2004 £	2003 £
Telephone	3,379	2,576
Printing, postage and stationery	6,417	4,454
Professional fees	7,559	2,385
Computer costs	4,951	4,708
Other	1,518	675
Travelling	1,742	1,243
Staff advertising	103	37
	<hr/> 25,669 <hr/>	<hr/> 16,078 <hr/>

6. CHARITABLE EXPENDITURE

Costs of activities in furtherance of the School objects are as follows:

EDUCATION

	2004 £	2003 £
Teaching salaries	1,538,423	1,389,231
Teaching books and materials	110,687	87,290
Depreciation	12,157	10,810
Legal and professional fees	1,054	3,446
Leasing charges	10,009	9,511
Bad debts	17,512	21,399
	<hr/> 1,689,842 <hr/>	<hr/> 1,521,687 <hr/>

HOUSEKEEPING

	2004 £	2003 £
Matron and domestic staff salaries and wages	190,369	166,247
Provisions	84,077	70,056
Cleaning	11,750	9,705
Consumables	5,975	7,658
Equipment	5,705	3,776
Depreciation	2,179	1,148
Staff advertising	82	174
Surgery	1,008	831
	<hr/> 301,145 <hr/>	<hr/> 259,595 <hr/>

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2004

ESTABLISHMENT

	2004 £	2003 £
Maintenance and grounds salaries and wages	71,663	72,981
Rent payable	39,950	40,248
Rates and water	21,157	21,597
Light and heat	26,184	32,612
Insurances	19,502	14,054
Repairs and renewals	42,158	46,423
Swimming pool	1,022	1,991
Minibuses	18,528	18,850
Depreciation	78,093	63,206
Minibus leasing charges	33,514	21,197
Grounds	13,892	10,018
Additional small works	61,021	44,422
	<hr/> 426,684	<hr/> 387,599

ADMINISTRATION

	2004 £	2003 £
Office and administration salaries	61,757	48,681
Professional, legal and consultancy	5,039	1,590
Telephone	2,252	1,718
Travelling and training	1,161	828
Sundry	107	50
Equipment leasing	1,178	1,348
Equipment	905	400
Depreciation	(106)	689
Stationery and printing	1,754	1,470
Postage	2,525	1,499
Staff advertising	68	25
	<hr/> 76,640	<hr/> 58,298

PUBLICITY

	2004 £	2003 £
Advertising	19,293	12,363
	<hr/>	<hr/>

BANK INTEREST PAYABLE AND OTHER CHARGES

	2004 £	2003 £
Finance charges and interest	1,026	1,458
	<hr/>	<hr/>
	2,514,630	2,241,000
	<hr/>	<hr/>

BALLARDS SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2004

7. MANAGEMENT AND ADMINISTRATION

	2004 £	2003 £
Office and administration salaries	92,635	73,021
Professional legal and consultancy	7,559	2,385
Telephone	3,379	2,576
Travelling and training	1,742	1,243
Sundry	161	75
Depreciation	(160)	1,034
Audit	5,341	5,035
Computer costs	4,951	4,708
Stationery and printing	2,630	2,206
Postage	3,787	2,248
Equipment leasing	1,768	2,022
Equipment	1,357	600
Staff advertising	103	37
	<hr/> 125,253 <hr/>	<hr/> 97,190 <hr/>

8. SURPLUS FOR THE YEAR

	2004 £	2003 £
The surplus for the year is stated after charging:		
Auditors' remuneration	5,341	5,035
Taxation and other financial advice	5,470	3,936
Operating leases: hire of equipment	52,474	39,492
Depreciation – owned assets	92,081	76,778
Depreciation – leased assets	82	109
Loss on disposal of fixed assets	2,347	-
and after crediting:		
Profit on disposal of fixed assets	-	300
Interest receivable	31,432	39,639
	<hr/> 31,432 <hr/>	<hr/> 39,639 <hr/>

9. 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 SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2004

10. TANGIBLE FIXED ASSETS

	Total £	Freehold land and buildings £	Assets under the course of construction £	Improve- ments £	Furniture fittings and equipment £
COST					
1 September 2003	3,246,243	2,522,480	344,166	60,998	188,369
Additions	574,904	540,082	5,418	-	29,404
Disposals	(44,196)	-	-	-	-
Transfers	-	180,392	(348,624)	-	168,232
31 August 2004	3,776,951	3,242,954	960	60,998	386,005
DEPRECIATION					
1 September 2003	477,195	208,237	-	3,189	159,659
Charge for the year	92,163	67,888	-	6,099	14,528
Eliminated on disposal	(41,849)	-	-	-	-
31 August 2004	527,509	276,125	-	9,288	174,187
NET BOOK VALUE					
31 August 2004	3,249,442	2,966,829	960	51,710	211,818
31 August 2003	2,769,048	2,314,243	344,166	57,809	28,710
			Minibus £	Swimming pool £	Computers & equipment £
COST					
1 September 2003			60,326	23,941	45,963
Additions			-	-	-
Disposals			(39,470)	-	(4,726)
Transfers			-	-	-
31 August 2004			20,856	23,941	41,237
DEPRECIATION					
1 September 2003			54,048	9,606	42,456
Charge for the year			928	2,394	326
Eliminated on disposal			(37,916)	-	(3,933)
31 August 2004			17,060	12,000	38,849
NET BOOK VALUE					
31 August 2004			3,796	11,941	2,388
31 August 2003			6,278	14,335	3,507

BALLARD SCHOOL LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2004

11. STOCKS

	2004 £	2003 £
Consumables	3,385	3,467
	<u> </u>	<u> </u>

12. DEBTORS

	2004 £	2003 £
Fees and extras	8,691	22,429
Other debtors	14,250	14,380
Prepayments	54,725	29,126
	<u> </u>	<u> </u>
	77,666	65,935
	<u> </u>	<u> </u>

13. CREDITORS: amounts falling due within one year

	2004 £	2003 £
Fees received in advance	275,998	270,163
Deposit received in advance	45,455	45,405
Other creditors	85,692	31,292
Accruals	29,951	119,828
Other tax and social security	39,088	35,119
	<u> </u>	<u> </u>
	476,184	501,807
	<u> </u>	<u> </u>

14. 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 13. (2003: 12).

15. OBLIGATIONS UNDER OPERATING LEASES

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

	2004 £	2003 £
Operating leases expiring:		
Within one year	-	4,498
Within two to five years	57,499	38,431
	<u> </u>	<u> </u>

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2004

16. RESERVES

	2004 £	2003 £
General unrestricted income fund	3,414,216	3,216,082

These funds are held for the current and future operation of the school. They are obtained through fees, gifts and donations. The assets and liabilities representing this fund are shown on the balance sheet.

All funds held are unrestricted and at the year end were transferred to the general fund. Sufficient resources are held within this fund for the continued operation of the school. All movements in this fund are represented in the Statement of Financial Activities and represent the operation of the school.

17. CAPITAL COMMITMENTS

At the year end the Company had committed to £98,775 (2003: £339,575) of capital expenditure.

18. CONTROLLING PARTY

The Company is controlled by the Council of Management.

19. PENSION SCHEME ARRANGEMENTS

The majority of teaching staff are members of the Teachers' Pension Scheme ("TPS") which is a multi-employer defined benefits scheme administered on behalf of the Department of Education and Skills. Contributions to the scheme are set by the Department on the recommendations of the Government Actuary (GA), but it is not possible to determine the extent to which the surplus or deficit in the scheme relates to individual employers. The School's contributions to the scheme are therefore charged to the Statement of Financial Activities at the current rate set by the Department which has been 13.5% (2003 – 13.5%) of the salaries on which they are payable from April 2003.

The last valuation of the TPS was for the period 1 April 1996 – 31 March 2001. The GA's report of March 2003 revealed that the total liabilities of the scheme (pensions currently in payment and estimated cost of future benefits) amounted to £142,880 millions. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £142,880 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 7%.

In addition, the School operates a defined contribution pension scheme for non-teaching staff.

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

DETAILED INCOME AND EXPENDITURE ACCOUNT
for the Year Ended 31 August 2004

	Page	2004		2003	
		£	£	£	£
INCOME					
Fees receivable			2,686,489		2,402,843
Entrance fees			8,865		6,885
Extras : Minibuses		39,612		37,768	
Other extras		6,271		2,450	
		<hr/>		<hr/>	
			45,883		40,218
			<hr/>		<hr/>
			2,741,237		2,449,946
Rents received			30,000		30,000
Interest receivable			31,432		39,636
Holiday and other lettings			17,231		16,271
Sundry receipts			13,593		23,919
Insurance commission			4,831		4,299
Wayleave			2,040		2,040
			<hr/>		<hr/>
			2,840,364		2,566,111
EXPENDITURE					
Educational	22	1,660,173		1,489,478	
Housekeeping	22	298,966		258,447	
Establishment	22	348,591		324,393	
Administration	23	238,964		187,527	
Depreciation	23	92,163		76,887	
Finance charges	23	1,026		1,458	
		<hr/>		<hr/>	
			2,639,883		2,338,190
			<hr/>		<hr/>
			200,481		227,921
			(2,347)		300
(LOSS)/PROFIT ON SALE OF FIXED ASSETS			<hr/>		<hr/>
SURPLUS ON ORDINARY ACTIVITIES			198,134		228,221
			<hr/>		<hr/>

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BALLARD SCHOOL LIMITED
(Limited by Guarantee)

SCHEDULES TO THE DETAILED INCOME AND EXPENDITURE ACCOUNT
for the Year Ended 31 August 2004

	2004 £	2003 £
EDUCATIONAL		
Teaching staff salaries	1,537,721	1,382,731
Teaching books and materials	121,750	100,247
Compensation/redundancy payments	452	6,500
Long service award	250	-
	<hr/>	<hr/>
	1,660,173	1,489,478
	<hr/>	<hr/>
HOUSEKEEPING	2004 £	2003 £
Matron and domestic staff salaries and wages	190,369	166,247
Provisions	84,077	70,056
Cleaning	11,750	9,705
Consumables	5,975	7,658
Equipment	5,705	3,776
Staff advertising	82	174
Surgery	1,008	831
	<hr/>	<hr/>
	298,966	258,447
	<hr/>	<hr/>
ESTABLISHMENT	2004 £	2003 £
Rent payable	39,950	40,248
Maintenance and grounds salaries and wages	71,413	72,981
Rates and water	21,157	21,597
Light and heat	26,184	32,612
Insurance's	19,502	14,054
Repairs and renewals	42,158	46,423
Swimming pool	1,022	1,991
Minibuses	18,528	18,850
Minibus leasing charges	33,514	21,197
Grounds	13,892	10,018
Additional small works	61,021	44,422
Long service awards	250	-
	<hr/>	<hr/>
	348,591	324,393
	<hr/>	<hr/>

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

SCHEDULES TO THE DETAILED INCOME AND EXPENDITURE ACCOUNT
for the Year Ended 31 August 2004

ADMINISTRATION	2004	2003
	£	£
Office and administration salaries	129,392	121,702
Professional, legal and consultancy	12,598	3,975
Audit	5,341	5,035
Computer costs	4,951	4,708
Stationery and printing	4,384	3,676
Postage	6,312	3,747
Equipment leasing	2,946	3,370
Telephone	5,631	4,294
Travelling/training	2,903	2,071
Sundry	268	125
Bad debts	17,512	21,399
Marketing	19,293	12,363
Equipment	2,262	1,000
Staff advertising	171	62
Compensation payment	25,000	-
	<hr/>	<hr/>
	238,964	187,527
	<hr/>	<hr/>
DEPRECIATION	2004	2003
	£	£
Land & buildings	67,888	57,291
Furniture, fittings and equipment	14,528	9,570
Heating installation	447	447
Alarm system	617	617
Minibuses	928	2,093
Leased office computer	(291)	1,690
Leased equipment	82	109
School computers	535	2,676
Swimming pool	2,394	2,394
Capitalised refurbishment	5,035	-
	<hr/>	<hr/>
	92,163	76,887
	<hr/>	<hr/>
FINANCE CHARGES	2004	2003
	£	£
Bank charges	1,026	992
Minibus/mower lease interest	-	466
	<hr/>	<hr/>
	1,026	1,458
	<hr/>	<hr/>

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