

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 1993  
FOR  
FERNHILL MANOR SCHOOL LIMITED  
(Limited by Guarantee)

SMITH AND WILLIAMSON  
Chartered Accountants  
Lime Tree House  
The Plocks  
Blandford Forum  
Dorset DT11 7AA



VERNHILL MANOR SCHOOL LIMITED  
(Limited by Guarantee)

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FERNHILL MANOR SCHOOL LIMITED  
(limited by Guarantee)

NOTICE IS HEREBY GIVEN that the thirtieth Annual General Meeting of the Company will be held at Fernhill Manor School, New Milton, Hampshire, on ~~WEDNES~~ day 9th MARCH 1994 at 11.00am for the following purposes:

1. To receive and consider the financial statements for the year ended 31 August 1993, 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 the reports of the Headmaster and Headmistress.
5. To transact any other business which, under the company's Articles of Association, may be transacted at an ordinary general meeting.

Dated the 14th February 1994

  
Secretary

New Milton  
Hampshire  
BH25 5JL

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 Fernhill Manor School, New Milton, Hampshire, BH25 5JL, not later than 48 hours before the meeting.

FERNHILL MANOR SCHOOL LIMITED  
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COMPANY INFORMATION

Council of Management:

Mr G L Alexander (appointed 27.4.93)  
Mrs M L Blake  
Mrs J M W Cansdale  
Rev R Drown  
Mr H M Evans  
Miss N A E Hibbert  
Mr A W Honeysett  
Mrs S Jones (appointed 20.4.93)  
Mr C Knox  
Mrs S Reardon Smith (appointed 20.4.93)  
Mr P Rogers (appointed 26.4.93)  
Mr J Singleton (Chairman)

Secretary:

Mrs L K Simkins

Registered Office:

Fernhill Manor School  
New Milton  
Hampshire  
BH25 5JL

Registered Charity Number:

307328

Company Number:

733644

Auditors:

Smith and Williamson  
Lime Tree House  
The Plocks  
Blandford Forum  
Dorset DT11 7AA

FERNHILL MANOR SCHOOL, LIMITED  
(Limited by Guarantee)

REPORT OF THE COUNCIL OF MANAGEMENT

The Council of Management submit their report and the audited financial statements for the year ended 31 August 1993.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the company continued to be that of a day and boarding school for girls. The results for the year and state of the company's affairs are shown in the attached financial statements. The surplus transferred to reserves will be £3,293.

FIXED ASSETS

The changes in fixed assets during the year are summarised in the notes to the accounts.

In the Governors' opinion, the market value of the land and buildings at the balance sheet date was considerably greater than the book value as shown in the balance sheet. The governors have reviewed the depreciation policy on freehold school buildings, and have decided that the policy of depreciating these assets at 4% per annum is no longer appropriate and the property will not now be depreciated (further details are given under accounting policies on page 6).

DIVIDENDS

The company is limited by guarantee and is not entitled to distribute dividends.

COUNCIL MEMBERS

For the purpose of this report, directors are described as Council Members.

The Council Members who held office during the year are listed on page 1.

None of the Council Members receives any remuneration or benefits from the Company.

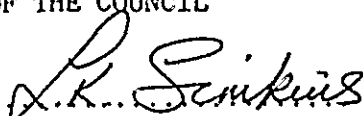
The Council Members retiring by rotation are Mrs J M W Cansdale, Rev R Drown and Mr H M Evans who, being eligible, will offer themselves for re-election.

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

Secretary

  
Mrs L K Simkins

Dated:

FERNHILL MANOR SCHOOL LIMITED  
(Limited by Guarantee)

REPORT OF THE AUDITORS

We have audited the financial statements set out on pages 4 to 10 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 August 1993 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Smith & Williamson*

SMITH AND WILLIAMSON  
Chartered Accountants  
Registered Auditor  
Lime Tree House  
The Plocks  
Blandford Forum  
Dorset DT11 7AA

Dated: *26<sup>th</sup> January 1994.*

FERNHILL MANOR SCHOOL LIMITED  
(Limited by Guarantee)

INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 1993

	Note	1993		1992	
		£	£	£	£
FEEs AND EXTRAS	2		1,236,886		1,283,012
Other Operating Income			26,306		27,670
			<u>1,263,192</u>		<u>1,310,682</u>
Other External Charges		245,229		266,480	
Staff Costs	3	1,011,312		1,007,115	
Depreciation of Tangible Fixed Assets	1(b), 6	14,996		44,194	
			<u>1,271,537</u>		<u>1,317,789</u>
OPERATING DEFICIT			(8,345)		(7,107)
Interest Payable and Similar Charges	4	(1,599)		(1,654)	
Interest Receivable	4	13,237		19,332	
			<u>11,638</u>		<u>17,678</u>
SURPLUS ON ORDINARY ACTIVITIES	4		<u>3,293</u>		<u>10,571</u>
RETAINED SURPLUS BROUGHT FORWARD			700,339		689,768
RETAINED SURPLUS CARRIED FORWARD			<u>£703,632</u> =====		<u>£700,339</u> =====

There were no recognised gains or losses in 1993 or 1992 other than the surplus for the year.

The notes form part of these financial statements.

FERNHILL MANOR SCHOOL LIMITED  
(Limited by Guarantee)

BALANCE SHEET  
AS AT 31 AUGUST 1993

	Note	1993	1992
	-----	-----	-----
		£	£
FIXED ASSETS			
Tangible Assets	6	621,059	636,000
CURRENT ASSETS			
Stocks	7	9,425	10,202
Debtors	8	42,549	42,394
Cash at Bank and in Hand		149,338	99,628
		201,312	152,224
CREDITORS:AMOUNTS FALLING DUE WITHIN ONE YEAR	9a	117,188	84,928
NET CURRENT ASSETS		84,124	67,296
TOTAL ASSETS LESS CURRENT LIABILITIES		705,183	703,296
CREDITORS:AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	9b	1,551	2,957
		£703,632	£700,339
RESERVES			
Income and Expenditure Account		£703,632	£700,339

Approved by the Council of Management on *26th January 1994*  
and signed on their behalf by:

*J. J. Singleton*  
.....  
Mr J Singleton (Chairman)

The notes form part of these financial statements.



FERNHILL MANOR SCHOOL LIMITED  
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

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.

(b) Depreciation:

Following a review of the company's depreciation policy, it has been decided that freehold school buildings should no longer be depreciated (previously property had been depreciated at 4% on a straight line basis). The property is maintained to ensure that its value does not diminish over time and the maintenance costs are charged to the profit and loss account in the year incurred. The effect of this change was a reduction in the depreciation charge from £26,056 in 1992 to nil.

Depreciation is provided on other 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
Phase IV Development	- Nil
Minibus	- 25% reducing balance basis
Office Computer	- 20% straight line basis
Equipment	- 25% reducing balance basis

The Phase IV Development is not depreciated as it is expenditure incurred prior to the construction of the building.

(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 profit and loss 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 profit and loss account on the straight line basis over the lease term.

(e) Pensions:

Fernhill Manor 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 of Education and Science.

Contributions payable for the year for both schemes are charged in the profit and loss account (note 3).

FERNHILL MANOR SCHOOL LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS

(f) Cash Flow Statement:

The company is a small company under the Companies Act and has taken advantage of the exemption relating to Cash Flow statements, and has not prepared a Cash Flow Statement (FRS 1).

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, after deducting scholarships, bursaries and allowances.

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:

	1993	1992
	No.	No.
Administration	6	6
Educational	37	38
Establishment	7	8
Housekeeping	33	34
	--	--
	83	86
	==	==

The aggregate payroll costs of these persons were as follows:

	£	£
Wages and Salaries	882,534	881,634
Social Security Costs	67,256	65,881
Other Pension Costs	61,522	59,600
	-----	-----
	1,011,312	1,007,115
	=====	=====

4. SURPLUS FOR THE YEAR  
is after charging:

	1993	1992
	£	£
Finance Charges on Capitalised Finance Leases	1,599	1,654
Auditors' Remuneration	4,336	3,289
Operating Leases: Hire of Equipment	5,427	2,951
Depreciation - Owned Assets	10,495	39,468
Depreciation - Leased Assets	4,501	4,726
	=====	=====
and after crediting:		
Interest Receivable	13,237	19,332
	=====	=====

FERNHILL MANOR SCHOOL LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS

5. 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.

6. TANGIBLE FIXED ASSETS

	Total	Freehold Property	Furniture, Fittings and Equipment	Heating Installation	Fire Precaution Work
	£	£	£	£	£
<b>COST</b>					
1 September 1992	1,008,711	777,035	119,545	28,088	13,554
Additions	55	-	-	-	-
31 August 1993	1,008,766	777,035	119,545	28,088	13,554
<b>DEPRECIATION</b>					
1 September 1992	372,711	194,416	100,332	22,321	13,399
Charge For the Year	14,996	-	4,803	2,809	63
31 August 1993	387,707	194,416	105,135	25,130	13,462
<b>NET BOOK VALUE</b>					
31 August 1993	621,059	582,619	14,410	2,958	92
31 August 1992	636,000	582,619	19,213	5,767	155

	Phase IV Development	Minibus	Swimming Pool	Leased Office Computer	Leased Equipment
	£	£	£	£	£
<b>COST</b>					
1 September 1992	9,455	29,320	8,674	19,138	3,902
Additions	55	-	-	-	-
31 August 1993	9,510	29,320	8,674	19,138	3,902
<b>DEPRECIATION</b>					
1 September 1992	-	19,131	7,939	13,964	1,209
Charge For the Year	-	2,547	273	3,828	673
31 August 1993	-	21,678	8,212	17,792	1,882
<b>NET BOOK VALUE</b>					
31 August 1993	9,510	7,642	462	1,346	2,020
31 August 1992	9,455	10,189	735	5,174	2,693

FERNHILL MANOR SCHOOL LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS

7. STOCKS	1993	1992
	£	£
Goods held for Resale	6,447	7,363
Consumables	2,978	2,839
	-----	-----
	9,425	10,202
	=====	=====

8. DEBTORS	1993	1992
	£	£
Fees and Extras	24,687	20,636
Other Debtors	3,323	4,268
Prepayments	14,475	14,778
Income Tax	64	2,712
	-----	-----
	42,549	42,394
	=====	=====

9a. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1993	1992
	£	£
Fees Received in Advance	95,270	63,880
Other Creditors	8,058	12,171
Accruals	12,454	4,277
Finance Lease (See Note 11)	1,406	3,600
Appeal Loans	-	1,000
	-----	-----
	117,188	84,928
	=====	=====

9b. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	1993	1992
	£	£
Finance Lease (See Note 11)	1,551	2,957
	=====	=====

10. 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 12. (1992 : 16)

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NOTES TO THE FINANCIAL STATEMENTS

11. OBLIGATIONS UNDER FINANCE LEASES

	1993 £	1992 £
Payable in Year Ending:		
31 August 1993	-	5,396
31 August 1994	2,049	2,049
31 August 1995	554	554
31 August 1996	554	554
31 August 1997	554	554
31 August 1998	278	278
	-----	-----
	3,989	9,385
Less Finance Charges Allocated to Future Periods	1,032	2,828
	-----	-----
	2,957	6,557
	=====	=====
Summary:		
Current Liability	1,406	3,600
Non-current Liability	1,551	2,957
	-----	-----
	2,957	6,557
	=====	=====

OBLIGATIONS UNDER OPERATING LEASES

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

	£	£
Operating Leases Expiring:		
Within Two to Five Years	5,730	3,766
	=====	=====
After Five Years	2,315	-
	=====	=====

12. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 August 1993.

The contingent liability referred to in the previous year's accounts did not subsequently materialise.

13. OTHER FINANCIAL COMMITMENTS

There were no other financial commitments at 31 August 1993 or 31 August 1992.

14. PRIOR YEAR RECLASSIFICATION

The Phase IV Development has been reclassified. In previous years it had been included in other debtors but has now been included in fixed assets and not depreciated as it is expenditure incurred prior to the construction of the building.