

**LAVANT HOUSE SCHOOL
EDUCATIONAL TRUST LIMITED**

Incorporated under the Companies Act 1948 as
a company limited by guarantee and not having
a share capital.

Registered as a Charity under section 4 of the
Charities Act 1960.

**FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST AUGUST 1996**



**RUSSELL NEW
CHARTERED ACCOUNTANTS**

LAVANT HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

FINANCIAL STATEMENTS

for the year ended 31st August 1996

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LAVANT HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**COMPANY INFORMATION****31st August 1996**

GOVERNORS	Rev Canon J F Hester MA (Chairman) Mrs C J Claridge JP K D Elmy Esq MA M E Emmerson Esq D M Green Esq, MA (Cantab), FRSA R H Malcolm-Green Esq, C Eng, BSc Mrs R M Moriarty Mrs M M Sadler, BSc Mrs P E Senior Mrs D F Whitehouse
SECRETARY	A J French Esq, TD, MA
REGISTERED OFFICE	The Courtyard Beeding Court Steyning West Sussex BN44 3TN
REGISTERED NUMBER	887413
CHARITY NUMBER	307372
BANKERS	Barclays Bank plc Chichester West Sussex
SOLICITORS	Thomas Eggar Verrall Bowles 5 East Pallant Chichester West Sussex
AUDITORS	Russell New Chartered Accountants The Courtyard Beeding Court Steyning West Sussex BN44 3TN

LAVANT HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**REPORT OF THE GOVERNORS****31st August 1996**

The Governors present their report and the audited financial statements for the year ended 31st August 1996.

Objects

The objects as set out in the company's Memorandum and Articles of Association are to promote the cause of education generally. This object is achieved by the operation of Lavant House Rosemead providing education for girls as set out in this report.

Organisation

The Governors determine the general policy of the school. The day to day management is delegated to the Headmistress and Bursar.

Policy

The Charity provides independent day and boarding education in Lavant, West Sussex to girls from ages 3 to 18. It is a policy of the school to offer a thorough academic and personal development programme which prepares the pupils for stimulating and worthwhile careers, enabling each one to make the most of her abilities whatever they may be.

Review of activities

Pupil numbers during the year averaged 198, of whom 66 were boarders. These numbers are higher than normal because of the short-term Rosemead influx of GCSE and A level examination candidates. Numbers for 1996/97 are expected to return to 160/170, of whom approximately one third will be boarders.

Achievements in public examinations in 1996 were very good. At 'A' Level 61% of the entries achieved A to C grade passes, whilst at GCSE 86% of the entries achieved C grade or better, with almost 25% of these at A* or A grades.

The Trust provides for scholarships on academic and artistic merits and bursaries where there is financial need, and this enables us to keep up our academic standards as well as ensuring that we are not too financially selective. More than £120,000 was awarded during the year for these two purposes.

Developments

The refurbishment of Drive Cottage to provide separate Sixth Form boarding accommodation was completed in time for occupation at the beginning of the new school year in September 1996. Apart from this, however, the intention is to concentrate in the immediate future on improving the facilities and the long-term maintenance standards of the existing buildings.

The Governors consider the state of affairs to be satisfactory.

Results

The surplus of the company for the year was £6,481 (1995 - £58,431 deficit).

The Governors recommend that this be added to the retained surplus at the beginning of the year and that the balance of £249,104 be carried forward.

Continued

LAVANT HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**REPORT OF THE GOVERNORS
(Continued)****31st August 1996****Fixed assets**

Changes in fixed assets during the year are set out in note 7 to the financial statements.

The valuation of the freehold land and buildings of the company depends largely on their continued use as a boarding and day school or similar activity. The Governors are satisfied that, assuming that they continue to be used for their current purpose and are maintained in good repair, there is no significant difference between the market value of the freehold land and buildings and the value at which they are shown in these financial statements.

Investment powers

These are governed by the Memorandum and Articles of Association and are wide ranging and applied in a prudent manner in agreement with the objects.

Asset cover for funds

The assets of the charity are sufficient to meet its obligations.

Governors

The following Governors were members of the board throughout the financial year unless otherwise stated:

Reverend Canon J F Hester MA (Chairman)
Mrs C J Claridge JP
K D Elmy Esq MA
M E Emmerson Esq
D M Green Esq, MA (Cantab), FRSA
Mrs D Griffiths (Resigned 4th September 1995)
R H Malcolm-Green Esq, C Eng, BSc
Mrs R M Moriarty, MA, MTh
Mrs M M Sadler, BSc
Mrs P E Senior
Mrs D F Whitehouse

Continued

LAVANT HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

REPORT OF THE GOVERNORS
(Continued)

31st August 1996

Statement of Governors' responsibilities

The Governors are required under company law 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 of the company for that period. In preparing those financial statements the Governors are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Governors are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

Auditors

The auditors, Messrs Russell New, will be proposed for re-appointment at the forthcoming AGM in accordance with section 384 of the Companies Act 1985.

Signed on behalf of the Board of Governors:



K D Elmy Esq, MA
Governor

Approved by the Board on: *14 March 1997*

LAVANT HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**AUDITORS' REPORT****Auditors' report to the members of****Lavant House School Educational Trust Limited**

We have audited the financial statements on pages 4 to 7 which have been prepared under the accounting policies set out on page 7a.

Respective responsibilities of Governors and Auditors

As described on page 2a, the company's Governors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

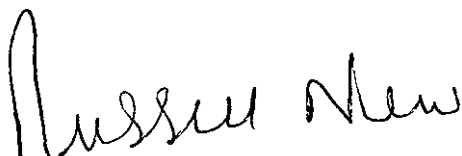
Basis of opinion

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 Governors 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 error or other irregularity. 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 company's affairs as at 31st August 1996 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



RUSSELL NEW
CHARTERED ACCOUNTANTS

The Courtyard
Beeding Court
Steyning
West Sussex BN44 3TN

REGISTERED AUDITORS

24 March 1997.

LAVANT HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31st August 1996

	Note	1996 £	1995 £
Turnover	2	1,071,256	607,046
Net operating expenses			
Administrative expenses		(1,057,165)	(660,553)
Operating profit/(loss)	3	14,091	(53,507)
Investment income		24,534	26,972
Interest payable	5	(32,144)	(31,896)
Profit/(loss) on ordinary activities before taxation		6,481	(58,431)
Taxation	6	-	-
Profit/(loss) on ordinary activities after taxation		6,481	(58,431)
retained for the year	14		

Movements in reserves are shown in the notes to the financial statements.

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1996 or 1995 other than the profit/(loss) for the year.

LAVANT HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

BALANCE SHEET

at 31st August 1996

	Note	1996 £	1995 £
Fixed assets			
Tangible assets	7	768,227	754,196
Current assets			
Debtors	9	39,882	29,771
Cash at bank and in hand		<u>126</u>	<u>561</u>
		40,008	30,332
Creditors: amounts falling due within one year	10	<u>(287,523)</u>	<u>(229,855)</u>
Net current liabilities		<u>(247,515)</u>	<u>(199,523)</u>
Total assets less current liabilities		520,712	554,673
Creditors: amounts falling due after more than one year	11	<u>(264,707)</u>	<u>(305,149)</u>
		<u>256,005</u>	<u>249,524</u>
Capital and reserves			
Appeal Fund		6,901	6,901
Profit and loss account	14	<u>249,104</u>	<u>242,623</u>
Total funds	12	<u>256,005</u>	<u>249,524</u>

The financial statements on pages 4 to 7 were approved by the Board of Governors on 14.03.97.



Signed on behalf of the
Board of Governors

LAVANT HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

CASH FLOW STATEMENT

for the year ended 31st August 1996

	1996		1995	
	£	£	£	£
Net cash inflow/(outflow) from operating activities		27,667		28,069
Returns on investments and servicing of finance				
Investment income	24,534		26,972	
Interest paid	(31,670)		(31,422)	
Hire purchase interest	(474)		(474)	
	<u> </u>		<u> </u>	
Net cash outflow from returns on investments and servicing of finance		(7,610)		(4,924)
Investing activities				
Payments to acquire:				
Tangible fixed assets	(46,800)		(50,641)	
	<u> </u>		<u> </u>	
	(46,800)		(50,641)	
Receipts from sales of:				
Tangible fixed assets	350		1,325	
	<u> </u>		<u> </u>	
Net cash outflow from investing activities		(46,450)		(49,316)
Net cash outflow before financing		(26,393)		(26,171)
Financing				
Bank loan advances/(repayments)	-		176,066	
Capital element of finance loan	(2,942)		(2,942)	
	<u> </u>		<u> </u>	
Net cash inflow from financing		(2,942)		173,124
(Decrease)/increase in cash and cash equivalents		<u><u>(29,335)</u></u>		<u><u>146,953</u></u>

NOTES TO THE CASH FLOW STATEMENT

31st August 1996

**Reconciliation of operating profit/(loss) to
net cash inflow/(outflow) from operating activities**

	1996 £	1995 £
Operating profit/(loss)	14,091	(53,507)
Depreciation charges	32,769	29,860
(Profit)/loss on sale of fixed assets	(350)	857
(Increase) in debtors	(10,111)	(270)
(Decrease)/Increase in creditors	(8,832)	51,129
Net cash inflow/(outflow) from operating activities	<u>27,667</u>	<u>28,069</u>

**Analysis of changes in cash and cash
equivalents as shown in the balance sheet**

Balance at 1st September 1995	(105,378)	(252,331)
Net cash (outflow)/inflow	<u>(29,335)</u>	<u>146,953</u>
Balance at 31st August 1996	<u>(134,713)</u>	<u>(105,378)</u>

**Analysis of the balances of cash and cash
equivalents as shown in the balance sheet**

	1996 £	1995 £	Change in year £
Cash at bank and in hand	126	561	(435)
Bank overdrafts	<u>(134,839)</u>	<u>(105,939)</u>	<u>(28,900)</u>
	<u>(134,713)</u>	<u>(105,378)</u>	<u>(29,335)</u>

Analysis of changes in financing during the year

	Finance Leasing £
Balance at 1st September 1995	<u>8,091</u>
Balance at 31st August 1996	<u>5,149</u>

LAVANT HOUSE SCHOOL EDUCATIONAL TRUST LIMITED**NOTES ON FINANCIAL STATEMENTS****31st August 1996****1 Accounting policies****Basis of accounting**

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is the amount derived from the provision of services falling within the company's ordinary activities.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold buildings	at 2% on cost
Leasehold buildings	at 10% on cost
Motor vehicles	at 20% on cost
Fixtures and fittings	at 10% on cost
Computer Equipment	at 20% on cost

No depreciation is provided on freehold land totalling £100,000.

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Pension

The company operates defined contribution, externally funded pension schemes covering the majority of its employees. Contributions are charged against profits as the contributions are made.

2 Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities, entirely within the United Kingdom, stated net of value added tax.

LAVANT HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

NOTES ON FINANCIAL STATEMENTS

31st August 1996

3 Operating profit/(loss)

	1996 £	1995 £
Operating profit/(loss) is stated after crediting		
Profit on sale of assets	350	325
and after charging		
Staff costs (note 4)	639,567	434,665
Auditors' remuneration	7,702	6,292
Loss on sale of assets	-	1,182
Depreciation of tangible fixed assets (note 7)		
owned assets	30,105	27,196
leased assets	2,664	2,664
	32,769	29,860

4 Staff costs

	1996 £	1995 £
Wages and salaries	574,274	390,294
Social security costs	40,659	26,190
Pension costs	24,634	18,181
	639,567	434,665
	Number	Number
Average number employed		
Teaching staff	31	24
Other staff	28	20
	59	44

No Governor received any emoluments from the company.

5 Interest payable

	1996 £	1995 £
Bank interest	3,594	24,081
Bank loan interest	28,076	7,341
Hire purchase interest	474	474
	32,144	31,896

6 Taxation

The company has no liability for taxation due to its charitable status.

LAVANT HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

NOTES ON FINANCIAL STATEMENTS

31st August 1996

7 Tangible fixed assets

	Motor Vehicles £	Fixtures and Fittings £	Land and Buildings £	Total £
Valuation				
At professional valuation November 1984	-	-	425,000	425,000
Cost				
1st September 1995	20,614	181,670	315,844	518,128
Additions	-	5,675	41,125	46,800
Disposals	(4,999)	-	-	(4,999)
31st August 1996	<u>15,615</u>	<u>187,345</u>	<u>781,969</u>	<u>984,929</u>
Depreciation				
1st September 1995	5,069	86,530	97,333	188,932
Charge for year	3,789	14,684	14,296	32,769
Disposals	(4,999)	-	-	(4,999)
31st August 1996	<u>3,859</u>	<u>101,214</u>	<u>111,629</u>	<u>216,702</u>
Net book amount				
31st August 1996	<u>11,756</u>	<u>86,131</u>	<u>670,340</u>	<u>768,227</u>
1st September 1995	<u>15,545</u>	<u>95,140</u>	<u>643,511</u>	<u>754,196</u>

Included within motor vehicles net book value is an amount of £7,104 relating to an asset held under a hire purchase agreement. The depreciation charge for the year relating to this asset amounted to £2,664.

8 Land and buildings

	1996 £	1995 £
Freehold	661,166	634,379
Short leasehold	<u>9,174</u>	<u>9,132</u>
	<u>670,340</u>	<u>643,511</u>

LAVANT HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

NOTES ON FINANCIAL STATEMENTS

31st August 1996

9 Debtors

	1996 £	1995 £
Amounts falling due within one year		
Trade debtors	26,293	14,242
Prepayments and accrued income	8,376	14,704
Other debtors	5,213	825
	<u>39,882</u>	<u>29,771</u>

10 Creditors: amounts falling due within one year

	1996 £	1995 £
Bank loan (secured)	37,500	-
Bank overdraft (secured)	134,839	105,939
Other taxation and social security	13,517	9,079
Accruals and deferred income	67,201	95,716
Other creditors	31,524	16,179
Obligations under finance leases and hire purchase contracts - note 11	2,942	2,942
	<u>287,523</u>	<u>229,855</u>

LAVANT HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

NOTES ON FINANCIAL STATEMENTS

31st August 1996

**11 Creditors: amounts falling due
after more than one year**

	1996	1995
	£	£
Bank loan (secured)	262,500	300,000
Obligations under finance leases (secured)	2,207	5,149
	<u>264,707</u>	<u>305,149</u>

Maturity of debt

In one year or less, or on demand		
- see note 10	37,500	-
Between one and two years	37,500	37,500
Between two and five years	112,500	112,500
In five years or more	112,500	150,000
	<u>300,000</u>	<u>300,000</u>

Bank loans are repayable as follows:

Not wholly repayable within five years:

repayable by instalments

- within five years	187,500	150,000
- in more than five years	112,500	150,000
	<u>300,000</u>	<u>300,000</u>

**Obligations under finance leases
and hire purchase contracts**These are repayable over varying periods
by monthly instalments as follows:

In the next year - see note 10	2,942	2,942
In the second to fifth years	2,207	5,149
	<u>5,149</u>	<u>8,091</u>

12 Reconciliation of movements in funds

	1996	1995
	£	£
Profit/(loss) for the financial year representing a Net addition to/(subtraction from) funds	6,481	(58,431)
Opening funds	249,524	307,955
Closing funds	<u>256,005</u>	<u>249,524</u>

LAVANT HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

NOTES ON FINANCIAL STATEMENTS

31st August 1996

13 Called up share capital

The Company is limited by guarantee and does not have a share capital. In the event of the company being wound up and unable to meet its liabilities, each member undertakes to contribute such sum as may be required up to a maximum of £1.

14 Reserves

	Profit and Loss Account	Appeal Fund
	£	£
1st September 1995	242,623	6,901
Movement for the year	6,481	-
31st August 1996	<u>249,104</u>	<u>6,901</u>

15 Capital commitments

	1996	1995
	£	£
Contracted but not provided for in the financial statements	<u>11,394</u>	<u>-</u>