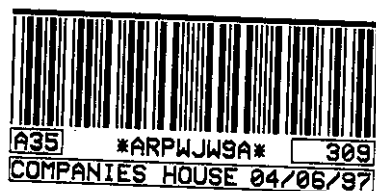


OUNDLE SCHOOL BUILDING COMPANY LIMITED
(Registered Number 1093289)

DIRECTORS' REPORT AND ACCOUNTS
31 AUGUST 1996



COMPANIES HOUSE 09/05/97

OUNDLE SCHOOL BUILDING COMPANY LIMITED

YEAR ENDED 31 AUGUST 1996

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OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 1996

DIRECTORS

J M W Stenhouse
J B Farnsworth
C G Mattingley
J Whitmore

SECRETARY

L Simpson

REGISTERED OFFICE

Oundle School, Bursar's Office, Church Street, Oundle, Peterborough, PE8 4EE

REVIEW OF THE BUSINESS

The company's principal activity is to carry out general building work. Having obtained the approval of the Charity Commission, Oundle School transferred during January 1996, 26 acres of land at Oundle to the company.

RESULTS AND DIVIDEND

The company made a loss for the year of £747 (1995 profit £2,134). The directors do not recommend the payment of a dividend (1995 £Nil). The loss for the year has been transferred from reserves.

DIRECTORS

The present directors are shown above.

DIRECTORS' INTERESTS

Mr C G Mattingley and Col J M W Stenhouse held the shares in the company in their capacity as nominees for the governing body of Oundle School

OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 1996 (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They 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.

AUDITORS

The auditors, Price Waterhouse, are willing to be re-appointed.

On behalf of the Board

L. Simpson

L SIMPSON
Secretary
8 March 1997

Price Waterhouse



AUDITORS' REPORT TO THE SHAREHOLDERS OF OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 August 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse
Chartered Accountants
and Registered Auditors

8 March 1997

OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 AUGUST 1996

| | <u>31 August 1996</u> £ | <u>31 August 1995</u> £ |
|---|----------------------------|----------------------------|
| TURNOVER (Note 2) | 96,805 | 171,951 |
| Cost of sales | <u>(94,492)</u> | <u>(167,757)</u> |
| GROSS PROFIT | 2,313 | 4,194 |
| Administrative expenses | <u>(1,870)</u> | <u>(2,042)</u> |
| OPERATING PROFIT (Note 3) | 443 | 2,152 |
| Covenant to Oundle School (Note 4) | - | (100) |
| Covenants overpaid to Oundle School (Note 4) | - | 34 |
| Interest payable | (1,346) | (63) |
| Interest receivable | <u>156</u> | <u>111</u> |
| (LOSS)/PROFIT BEFORE TAX | (747) | 2,134 |
| TAXATION (Note 3) | <u>-</u> | <u>-</u> |
| (LOSS)/PROFIT FOR PERIOD TRANSFERRED FROM RESERVES (Note 10) | <u>(747)</u> | <u>2,134</u> |

There were no recognised gains or losses in the year, other than the retained profit for the year as shown above.

The notes on pages 6 to 8 form part of these accounts.

OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

BALANCE SHEET - 31 AUGUST 1996

| | <u>1996</u> £ | <u>1995</u> £ |
|---|--------------------|------------------|
| CURRENT ASSETS | | |
| Assets held for resale (Note 6) | 1,872,187 | - |
| Debtors (Note 7) | 149,918 | 147,735 |
| Cash at bank | <u>2,785</u> | <u>4,551</u> |
| CURRENT LIABILITIES | 2,024,890 | 152,286 |
| CREDITORS - Amounts falling due within one year (Note 8) | <u>(1,463,665)</u> | <u>(160,829)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | <u>561,225</u> | <u>(8,543)</u> |
| CAPITAL AND RESERVES | | |
| Share capital (Note 9) | 570,517 | 2 |
| Profit and loss account (Note 10) | <u>(9,292)</u> | <u>(8,545)</u> |
| | <u>561,225</u> | <u>(8,543)</u> |

APPROVED BY THE BOARD ON
8 March 1997



C G MATTINGLEY, DIRECTOR

The notes on pages 6 to 8 form part of these accounts.

OUNDLE SCHOOL BUILDING COMPANY LIMITED

NOTES TO THE ACCOUNTS - 31 AUGUST 1996

1 ACCOUNTING POLICIES

(a) Accounting convention

The accounts have been prepared in accordance with the historical cost convention and in accordance with applicable accounting standards.

(b) Capitalised interest

Interest is capitalised on specific and identifiable borrowings taken to finance buildings contracts or development work. The interest cost is amortised in line with the income generated by the project.

2 TURNOVER

Turnover is recognised in accordance with the stage of completion of contracts and excludes VAT.

3 AUDITORS' REMUNERATION

The operating loss is stated after charging auditors' remuneration of £816 (1995: £800).

4 COVENANT TO OUNDLE SCHOOL AND TAXATION

The company has covenanted to pay its profits liable to corporation tax subject to the availability of sufficient distributable reserves. No covenant was paid for 1995/96 due to the deficit on reserves.

There was no corporation tax charge in the year and taxable losses will be carried forward.

5 DIRECTORS' EMOLUMENTS

None of the directors received any emoluments for their services to this company.

6 ASSETS HELD FOR RESALE

| | Land £ |
|--------------------------|-----------|
| Cost at 1 September 1995 | - |
| Additions | 1,872,187 |
| | <hr/> |
| Cost at 31 August 1996 | 1,872,187 |
| | <hr/> |

Capitalised interest amounting to £62,718 is included in the above balance.

OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

NOTES TO THE ACCOUNTS - 31 AUGUST 1996

7 DEBTORS

| | <u>1996</u> £ | <u>1995</u> £ |
|--------------------------------------|------------------|------------------|
| Trade debtors due from Oundle School | 148,701 | 147,505 |
| Called up share capital not paid | 2 | 2 |
| Other debtors | 67 | 61 |
| VAT | 1,148 | - |
| 1993 excess covenant payments | - | 167 |
| | <hr/> | <hr/> |
| | 149,918 | 147,735 |
| | <hr/> | <hr/> |

8 CREDITORS - Amounts falling due within one year

| | <u>1996</u> £ | <u>1995</u> £ |
|-----------------------------|------------------|------------------|
| Bank loan | 1,250,000 | - |
| Trade creditors | 43,065 | 20,804 |
| Other creditors (Retention) | 123,718 | 123,718 |
| Due to Oundle School | 44,485 | 15,000 |
| Accruals | 2,397 | 1,307 |
| | <hr/> | <hr/> |
| | 1,463,665 | 160,829 |
| | <hr/> | <hr/> |

The bank loan which has no fixed repayment date is secured on the assets held for resale.

9 CALLED UP SHARE CAPITAL

| | <u>1996</u> £ | <u>1995</u> £ |
|------------------------------------|------------------|------------------|
| Authorised 600,000 shares of £1 | 600,000 | 100 |
| Called up share capital of £1 each | 570,517 | 2 |

The authorised share capital was increased to 600,000 during the year and 570,515 shares were allotted during the year in part consideration for the 26 acre site purchased from Oundle School.

OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

NOTES TO THE ACCOUNTS - 31 AUGUST 1996

10 PROFIT AND LOSS ACCOUNT

| | <u>1996</u> £ |
|-----------------------------|------------------|
| Balance at 1 September 1995 | (8,545) |
| Loss for the year | (747) |
| | — |
| Balance at 31 August 1996 | (9,292) |
| | ===== |

11 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

| | <u>1996</u> £ | <u>1995</u> £ |
|---|------------------|------------------|
| Retained (loss)/profit for the financial year | (747) | 2,134 |
| Opening shareholder's deficit | (8,545) | (10,677) |
| Closing shareholders deficit | (9,292) | (8,543) |
| | ===== | ===== |

12 CONNECTED PARTY

The company is considered to be a subsidiary of Oundle School, Church Street, Oundle, Peterborough, PE8 4EE, a registered charity as the Governing Body of Oundle School has the authority to make appointments to the board of directors.

Oundle School produces consolidated accounts which include the company.

OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

For the information
of the directors only

**DETAILED PROFIT AND LOSS ACCOUNT FOR THE YEAR
ENDED 31 AUGUST 1996**

| | £ | <u>1996</u> £ | £ | <u>1995</u> £ |
|---|----------|------------------|-----------|------------------|
| TURNOVER | | 96,805 | | 171,951 |
| Cost of Sales | | <u>(94,492)</u> | | <u>(167,757)</u> |
| GROSS PROFIT | | 2,313 | | 4,194 |
| Companies house fee | 18 | | 18 | |
| Taxation fees | 1,011 | | 1,264 | |
| Audit fees | 841 | | 705 | |
| Administration | <u>-</u> | | <u>55</u> | |
| ADMINISTRATION EXPENSES | | <u>(1,870)</u> | | <u>(2,042)</u> |
| | | 443 | | 2,152 |
| Covenant to Oundle School | | - | | (100) |
| Covenants overpaid to Oundle School | | - | | 34 |
| Interest payable | | (1,346) | | (63) |
| Interest receivable | | <u>156</u> | | <u>111</u> |
| (LOSS)/PROFIT FOR PERIOD TRANSFERRED FROM RESERVES | | <u>(747)</u> | | <u>2,134</u> |