

OUNDLE SCHOOL BUILDING COMPANY LIMITED
(Registered Number 1093289)

DIRECTORS' REPORT AND ACCOUNTS
31 AUGUST 1999



OUNDLE SCHOOL BUILDING COMPANY LIMITED

YEAR ENDED 31ST AUGUST 1999

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OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST AUGUST 1999

DIRECTORS

J.B.Farnsworth
D H Harris
P.P.Rawlins
J.Whitmore
C.G.Mattingley (resigned 30 November 1998)

SECRETARY

L.Simpson

REGISTERED OFFICE

Oundle School, The 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 on behalf of the Oundle and Laxton Schools and to develop and sell land acquired from Oundle School.

RESULTS AND DIVIDEND

The company made a profit for the year of £870,340 (1998 profit £4,858). The directors do not recommend the payment of a dividend (1998 £Nil). The profit for the year has been transferred to reserves.

DIRECTORS

The present directors are shown above.

DIRECTORS' INTERESTS

Mr P.P.Rawlins and Mr D.H.Harris 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 31ST AUGUST 1999

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 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.

The company has not experienced any problems in connection with year 2000 and does not envisage the need to incur costs in this respect.

AUDITORS

The auditors, PricewaterhouseCoopers, are willing to be re-appointed.

On behalf of the Board

L. Simpson

L.SIMPSON
Secretary
11 March 2000

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

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 2, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom Accounting Standards. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, 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 information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

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 the company's affairs as at 31 August 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants
and Registered Auditors

11 March 2000

OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 1999

	31st August 1999 £	31st August 1998 £
TURNOVER (note 2)	1,658,342	77,000
Cost of Sales	(803,622)	(75,121)
GROSS PROFIT	<u>854,720</u>	<u>1,879</u>
Rental received	32,371	5,551
Administrative expenses	(4,910)	(2,480)
Depreciation (note 1 b)	(16,247)	
OPERATING PROFIT (Note 3)	<u>865,934</u>	<u>4,950</u>
Covenant to Oundle School (note 4)	(657,821)	-
Interest payable	(226)	(297)
Interest receivable	4,500	205
PROFIT FOR THE PERIOD (note 11)	<u><u>212,387</u></u>	<u><u>4,858</u></u>

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

The notes on pages 6 to 9 form part of these accounts.

OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

BALANCE SHEET AS AT 31ST AUGUST 1999

	31st August 1999 £	31st August 1998 £
FIXED ASSETS		
Tangible Assets (note 6)	1,263,202	733,528
CURRENT ASSETS		
Assets held for resale (note 7)	1,654,768	2,084,647
Debtors (note 8)	85,534	72,288
Cash at Bank	85,743	47,238
	<u>1,826,045</u>	<u>2,204,173</u>
CURRENT LIABILITIES		
Creditors - amounts falling due within one year (note 9a)	(2,153,044)	(2,368,287)
NET CURRENT ASSETS LESS LIABILITIES	<u>(326,999)</u>	<u>(164,114)</u>
Creditors - amounts falling due after one year (note 9b)	(154,402)	-
TOTAL ASSETS LESS CURRENT LIABILITIES	<u><u>781,801</u></u>	<u><u>569,414</u></u>
CAPITAL RESERVES		
Share Capital (note 10)	570,517	570,517
Profit and Loss account (note 11)	211,284	(1,103)
	<u><u>781,801</u></u>	<u><u>569,414</u></u>

APPROVED BY THE BOARD OF DIRECTORS ON
11 MARCH 2000


D.H.HARRIS, DIRECTOR

The notes on pages 6 to 9 form part of these accounts.

OUNDLE SCHOOL BUILDING COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST AUGUST 1999

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. A cashflow statement is not prepared on the grounds that the company qualifies as small.

(b) Fixed Assets

The leasehold land is being depreciated over the 125 year term of the lease.

Buildings are depreciated over 50 years. Depreciation commences once the building has been constructed and is ready for use.

(c) Leased Assets

The buildings are leased to Oundle School on a 20 year term under an operating lease. The buildings are carried in tangible fixed assets and the rental income is recognised as it falls due.

(d) 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 excludes VAT.

3 AUDITORS' REMUNERATION

The operating profit is stated after charging auditors' remuneration of £1,730 (1998 : £860).

4 COVENANT TO OUNDLE SCHOOL AND TAXATION

The company has covenanted to pay Oundle School its profits liable to corporation tax subject to the availability of sufficient distributable reserves.

The profit for the period is covered by brought forward tax losses.

OUNDLE SCHOOL BUILDING COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST AUGUST 1999

5 DIRECTORS' EMOLUMENTS

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

6 TANGIBLE FIXED ASSETS

	Freehold Land £	Long Leasehold Land £	Buildings £	Total £
Cost at 1 September 1998	30,671	30,000	673,097	733,768
Additions	-	-	545,921	545,921
Cost at 31 August 1999	<u>30,671</u>	<u>30,000</u>	<u>1,219,018</u>	<u>1,279,689</u>
Depreciation at 1 September 1998	-	240	-	240
Charge	-	240	16,007	16,247
Depreciation at 31 August 1999	<u>-</u>	<u>480</u>	<u>16,007</u>	<u>16,487</u>
Net Book Value at 31 August 1999	<u>30,671</u>	<u>29,520</u>	<u>1,203,011</u>	<u>1,263,202</u>
Net Book Value at 31 August 1998	<u>30,671</u>	<u>29,760</u>	<u>673,097</u>	<u>733,528</u>

7 ASSETS HELD FOR RESALE

	<u>Land and Development Costs</u> £
Cost at 1st September 1998	2,084,647
Additions	100,757
Disposals	(393,942)
Amortisation of Capitalised Interest	(136,694)
Cost at 31st August 1999	<u>1,654,768</u>

Capitalised interest amounting to £227,824 (1998 £263,761) is included in the above balance

OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST AUGUST 1999

8 DEBTORS

	<u>1999</u>	<u>1998</u>
	£	£
Trade debtors due from Oundle School	85,535	-
Called up share capital not paid	-	2
Other debtors	-	18
VAT	-	72,268
	<u>85,535</u>	<u>72,288</u>

9 CREDITORS

a) amounts falling due within one year

	<u>1999</u>	<u>1998</u>
	£	£
Bank Loan	860,833	1,250,000
Trade creditors	112,569	156,660
Due to Oundle School	1,148,391	928,833
VAT	26,065	-
Accruals	5,186	32,794
	<u>2,153,044</u>	<u>2,368,287</u>

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

b) amounts falling due after one year

	<u>1999</u>	<u>1998</u>
	£	£
VAT (leasebacks)		
- between one and two years	19,300	-
- between two and five years	57,900	-
- after five years	77,202	-
	<u>154,402</u>	<u>-</u>

VAT is repayable to HM Customs and Excise in instalments following the May 1999 Budget changes to the option to tax legislation.

10 CALLED UP SHARE CAPITAL

	<u>1999</u>	<u>1998</u>
	£	£
Authorised 600,000 shares of £1 each	<u>600,000</u>	<u>600,000</u>
Called up share capital of £1 each	<u>570,517</u>	<u>570,517</u>

OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST AUGUST 1999

11 PROFIT AND LOSS ACCOUNT

Balance at 1st September 1998	(1,103)
Profit for the year	212,387
Balance at 31st August 1999	<u>211,284</u>

12 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	<u>1999</u>	<u>1998</u>
	£	£
Retained profit for the year	212,387	4,858
Opening shareholders' funds	569,414	564,556
Closing shareholders' funds	<u>781,801</u>	<u>569,414</u>

13 CONNECTED PARTY

The company is considered to be a subsidiary of Oundle School, The Bursar's Office, Church Street, Oundle, Peterborough. PE8 4EE. The Governing Body of Oundle School has the authority to make appointments to the board of directors of this company. Oundle School produces consolidated accounts which include the company.