

OUNDLE SCHOOL BUILDING COMPANY LIMITED
(Registered Number 1093289)

DIRECTORS' REPORT AND ACCOUNTS
31 AUGUST 1998



OUNBLE SCHOOL BUILDING COMPANY LIMITED

YEAR ENDED 31 AUGUST 1998

CONTENTS

	<u>Page</u>
Directors' Report	1
Auditors' Report	3
Profit and Loss Account	4
Balance Sheet	5
Notes to the Accounts	6 - 8

OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 1998

DIRECTORS

D H Harris (appointed 16 October 1997)
J B Farnsworth
C G Mattingley (resigned 30 November 1998)
J Whitmore
J M W Stenhouse (resigned 16 October 1997)
P P Rawlins (appointed 1 December 1998)

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.

RESULTS AND DIVIDEND

The company made a profit for the year of £4,858 (1997 £3,331). The directors do not recommend the payment of a dividend (1997 £Nil). The profit for the year has been transferred to reserves.

DIRECTORS

The present directors are shown above.

DIRECTORS' INTERESTS

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 31 AUGUST 1998 (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, PricewaterhouseCoopers, are willing to be re-appointed.

On behalf of the Board

L. Simpson

L SIMPSON
Secretary
13 March 1999

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 1998 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

13 March 1999

OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 1998**

	<u>1998</u> £	<u>1997</u> £
TURNOVER (Note 2)	77,000	223,214
Cost of sales	<u>(75,121)</u>	<u>(217,770)</u>
GROSS PROFIT	1,879	5,444
Administrative expenses	(2,480)	(2,206)
Rental received	<u>5,551</u>	<u>-</u>
OPERATING PROFIT (Note 3)	4,950	3,238
Interest payable	(297)	(161)
Interest receivable	<u>205</u>	<u>254</u>
PROFIT FOR PERIOD (Note 11)	<u>4,858</u>	<u>3,331</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 8 form part of these accounts.

OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

BALANCE SHEET - 31 AUGUST 1998

	<u>1998</u> £	<u>1997</u> £
FIXED ASSETS		
Tangible assets (Note 6)	733,528	-
CURRENT ASSETS		
Assets held for resale (Note 7)	2,084,647	2,016,013
Debtors (Note 8)	72,288	1,243
Cash at bank	<u>47,238</u>	<u>93</u>
	2,204,173	2,017,349
CREDITORS - Amounts falling due within one year (Note 9)	<u>(2,368,287)</u>	<u>(1,452,793)</u>
NET CURRENT (LIABILITIES)/ASSETS	<u>(164,114)</u>	<u>564,556</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>569,414</u>	<u>564,556</u>
CAPITAL AND RESERVES		
Share capital (Note 11)	570,517	570,517
Profit and loss account (Note 12)	<u>(1,103)</u>	<u>(5,961)</u>
	<u>569,414</u>	<u>564,556</u>

APPROVED BY THE BOARD ON
13 March 1999


D H Harris
DIRECTOR

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

OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

NOTES TO THE ACCOUNTS – 31 AUGUST 1998

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 building 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 £860 (1997: £845).

4 COVENANT TO OUNDLÉ SCHOOL AND TAXATION

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

There were no profits liable to a 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.

OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

NOTES TO THE ACCOUNTS – 31 AUGUST 1998 (CONTINUED)

6 TANGIBLE FIXED ASSETS

	Freehold <u>Land</u>	Long leasehold <u>land</u> £	<u>Buildings</u> £	<u>Total</u> £
Cost at 1 September 1997	-	-	-	-
Additions	<u>30,671</u>	<u>30,000</u>	<u>673,097</u>	<u>733,768</u>
Cost at 31 August 1998	<u>30,671</u>	<u>30,000</u>	<u>673,097</u>	<u>733,768</u>
Depreciation at 1 September 1997	-	-	-	-
Charge	<u>-</u>	<u>240</u>	<u>-</u>	<u>240</u>
Depreciation at 31 August 1998	<u>-</u>	<u>240</u>	<u>-</u>	<u>240</u>
Net book value 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 1 September 1997	2,016,013
Additions	<u>68,634</u>
Cost at 31 August 1998	<u>2,084,647</u>

Capitalised interest amounting to £263,761 is included in the above balance.

8 DEBTORS

	<u>1998</u> £	<u>1997</u> £
Called up share capital not paid	2	2
Other debtors	18	23
VAT	<u>72,268</u>	<u>1,218</u>
	<u>72,288</u>	<u>1,243</u>

OUNDLÉ SCHOOL BUILDING COMPANY LIMITED

NOTES TO THE ACCOUNTS – 31 AUGUST 1998 (CONTINUED)

9 CREDITORS - Amounts falling due within one year

	<u>1998</u> £	<u>1997</u> £
Bank loan	1,250,000	1,250,000
Trade creditors	156,660	12,094
Due to Oundle School	928,833	177,485
Accruals	<u>32,794</u>	<u>13,214</u>
	<u>2,368,287</u>	<u>1,452,793</u>

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

10 CALLED UP SHARE CAPITAL

	<u>1998</u> £	<u>1997</u> £
Authorised 600,000 shares of £1	600,000	600,000
Called up share capital of £1 each	570,517	570,517

11 PROFIT AND LOSS ACCOUNT

	<u>1998</u> £
Balance at 1 September 1997	(5,961)
Profit for the year	<u>4,858</u>
Balance at 31 August 1998	<u>(1,103)</u>

12 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	<u>1998</u> £	<u>1997</u> £
Retained profit for the financial year	4,858	3,331
Opening shareholder's funds	<u>564,556</u>	<u>561,225</u>
Closing shareholder's funds	<u>569,414</u>	<u>564,556</u>

13 CONNECTED PARTY

The company is considered to be a subsidiary of Oundle School, Church Street, Oundle, Peterborough, PE8 4EE, a registered charity. 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.