

RE-SCAN

CASTLE HOUSE SCHOOL TRUST LIMITED

GOVERNORS REPORT AND FINANCIAL STATEMENTS

for the year ended 31 August 2001

(A company limited by guarantee not having a share capital)

Company number : 1515144

**BENTLEY JENNISON
CHARTERED ACCOUNTANTS
AND REGISTERED AUDITORS**



CASTLE HOUSE SCHOOL TRUST LIMITED

A registered charity (Number : 510515)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 August 2001

Governors	Mr A F Burgess Dr C A Greaves Mr C M Heath Mrs M A Jones Dr S M Snead Mr M M V Taylor Mr D R Tremayne Canon J R Williams Mrs A M D Hay Dr R J Henderson Mr F Peel Mrs P Fisk Mr S Drew Mr M Payne	(resigned at AGM 18 Jan 01) (resigned at AGM 18 Jan 01)
Chairman	Mrs M A Jones	
Vice Chairman	Dr C A Greaves	
Secretary	Colonel H F Warren	
Trustees	The Hon Mrs A E Heber-Percy Mr P Watson Jones Mr D R Tremayne	
Registered Office	Castle House School Chetwynd End Newport Shropshire	
Auditors	Bentley Jennison 2 Hollinswood Court Stafford Park 1 Telford Shropshire TF3 3BD	

CASTLE HOUSE SCHOOL TRUST LIMITED

A registered charity (Number : 510515)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 August 2001

CONTENTS

Pages	1 - 2	Report of the governors
	3	Report of the auditors
	4	Statement of financial activities
	5	Summary income and expenditure account
	6	Balance sheet
	7 - 11	Notes to the financial statements

CASTLE HOUSE SCHOOL TRUST LIMITED**REPORT OF THE GOVERNORS****INTRODUCTION**

Castle House School Trust Limited was formed in September 1980, a company limited by guarantee and not having a share capital. The object for which the trust company has been established is to promote and provide for the advancement of education of children. In pursuance of this object the trust company has the powers to acquire, conduct and develop the school undertaking known as Castle House School, Newport, Shropshire.

A Parents' Liaison Association has since been established to sponsor the welfare of the school for the benefit of the pupils. The aims of the Association are to organise and promote social functions and fundraising events.

REVIEW OF THE YEAR

The governors have amended their Memorandum and Articles of Association with the approval of the Charity Commission. Our spending this year has been focussed on resources and equipment within the school, improving the school library and continued professional development for staff.

PRINCIPAL ACTIVITIES

The principal activity of the trust in the year under review continued to be that of promoting and providing for the advancement and education of children in the United Kingdom.

GOVERNORS RESPONSIBILITIES

The governors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the trust company at the end of the financial year and of the income and expenditure of the trust company for the period ending on that date. In preparing those financial statements, the governors are required to:

- select suitable accounting policies and apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- prepare the financial statements on a 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the trust company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CASTLE HOUSE SCHOOL TRUST LIMITED**REPORT OF THE GOVERNORS (continued)****GOVERNORS**

The governors who held office during the year were as follows:

Mr A F Burgess	
Dr C A Greaves	
Mr C M Heath	
Mrs M A Jones	
Dr S M Snead	(resigned at AGM 18 Jan 01)
Mr M M V Taylor	
Mr D R Tremayne	(resigned at AGM 18 Jan 01)
Canon J R Williams	
Mrs A M D Hay	
Dr R J Henderson	
Mr F Peel	
Mrs P Fisk	
Mr S Drew	
Mr M Payne	

AUDITORS

The auditors, Bentley Jennison, will be proposed for reappointment in accordance with Section 384(1) of the Companies Act 1985.

This report has been prepared taking advantage of the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 17 January 2002 and signed on its behalf by:



Chairman

**REPORT OF THE AUDITORS TO THE MEMBERS OF
CASTLE HOUSE SCHOOL TRUST LIMITED**

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

As described on page 1, the company's directors (who also act as governors and trustees for the charitable activities of Castle House School Trust Limited) 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.

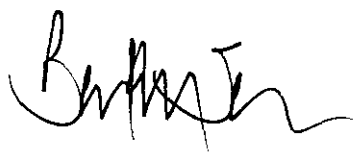
BASIS OF OPINION

We conducted our audit in accordance with the 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 misstatements, 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 charitable company's affairs at 31 August 2001 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Bentley Jennison
Chartered Accountants
and Registered Auditors**

17 January 2002

**2 Hollinswood Court
Telford
TF3 3BD**

CASTLE HOUSE SCHOOL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 August 2001

	Note	General Funds £	Designated Funds £	Total 2001 £	Total 2000 £
INCOMING RESOURCES					
Fees receivable		432,183	-	432,183	357,574
Interest receivable		1,639	-	1,639	355
Grants, donations and refundables		21,447	-	21,447	6,345
Gym Club		-	8,102	8,102	4,700
Other Clubs		-	4,110	4,110	4,481
School trips		-	11,323	11,323	4,980
Extra Curriculum activities		743	-	743	6,957
PLC trading income		6,767	-	6,767	5,720
Fundraising income		7,356	-	7,356	10,925
Covenants and income tax refunds		-	2,477	2,477	5,279
TOTAL INCOMING RESOURCES		470,135	26,012	496,147	407,316
RESOURCES EXPENDED					
Direct charitable expenditure		387,148	19,812	406,960	354,121
Charitable trading expenditure		3,751	-	3,751	5,188
Support costs	3	9,284	-	9,284	12,741
Total direct charitable expenditure	2	400,183	19,812	419,995	372,050
Other expenditure:					
Fundraising expenditure	2	4,064	-	4,064	6,799
Management and administration	4	60,407	-	60,407	50,943
Total other expenditure		64,471	-	64,471	57,742
TOTAL RESOURCES EXPENDED		464,654	19,812	484,466	429,792
NET (OUTGOING) / INCOMING RESOURCES BEFORE TRANSFER		5,481	6,200	11,681	(22,476)
Transfers between funds		3,000	(3,000)	-	-
NET (OUTGOING) / INCOMING RESOURCES		8,481	3,200	11,681	(22,476)
GAINS/(LOSSES) ON INVESTMENT ASSETS:					
Realised		-	-	-	-
Unrealised		-	-	-	-
NET MOVEMENTS IN FUNDS:		8,481	3,200	11,681	(22,476)
Fund balances brought forward		313,787	6,130	319,917	342,393
FUND BALANCES CARRIED FORWARD		322,268	9,330	331,598	319,917

The notes on pages 7 to 11 form part of these accounts.

CASTLE HOUSE SCHOOL TRUST LIMITED
SUMMARY OF INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2001

	2001 £	2000 £
Gross income of continuing operations	496,147	407,316
Total income of continuing operations	496,147	407,316
Total expenditure of continuing operations	484,466	429,792
Net income / (expenditure) for the year before transfers and investment asset disposals	11,681	(22,476)
Net income / (expenditure) for the year	<u>11,681</u>	<u>(22,476)</u>

- . Net income / (expenditure) before asset disposals all relates to the activity of the unrestricted funds.
- . Total income all relates to unrestricted funds.
- . Detailed analysis of the expenditure is provided in the Statement of Financial Activities and the notes to the accounts.
- . The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 4 which together with the notes to the account on pages 7 to 11 provides full information on the movements during the year on all the funds of the trust company.

The notes on pages 7 to 11 form part of these accounts.

CASTLE HOUSE SCHOOL TRUST LIMITED

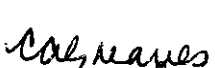
BALANCE SHEET

at 31 August 2001

	Notes	General funds £	2001 Designated funds £	Total £	General funds £	2000 Designated funds £	Total £
FIXED ASSETS							
Tangible assets	6	377,138	-	377,138	370,327	-	370,327
		<u>377,138</u>	<u>-</u>	<u>377,138</u>	<u>370,327</u>	<u>-</u>	<u>370,327</u>
CURRENT ASSETS							
Stock of uniform		4,319	-	4,319	2,755	-	2,755
Debtors	10	939	-	939	-	-	-
Cash at Bank		<u>9,966</u>	<u>9,330</u>	<u>19,296</u>	<u>14,098</u>	<u>6,130</u>	<u>20,228</u>
		15,224	9,330	24,554	16,853	6,130	22,983
CREDITORS: amounts falling due within one year	11	19,594	-	19,594	22,893	-	22,893
NET CURRENT (LIABILITIES)/ASSETS		<u>(4,370)</u>	<u>9,330</u>	<u>4,960</u>	<u>(6,040)</u>	<u>6,130</u>	<u>90</u>
CREDITORS: amounts falling due after more than one year	11	50,500	-	50,500	50,500	-	50,500
TOTAL ASSETS		<u>322,268</u>	<u>9,330</u>	<u>331,598</u>	<u>313,787</u>	<u>6,130</u>	<u>319,917</u>
REPRESENTED BY:							
Funds	12						
General funds		314,304	-	314,304	304,353	-	304,353
Parents' Liaison Committee		7,964	-	7,964	9,434	-	9,434
Designated funds :							
Gym Club fund		-	1,793	1,793	-	373	373
Other Clubs funds		-	4,719	4,719	-	3,667	3,667
School Trips fund		-	2,140	2,140	-	889	889
Development fund		-	678	678	-	1,201	1,201
		<u>322,268</u>	<u>9,330</u>	<u>331,598</u>	<u>313,787</u>	<u>6,130</u>	<u>319,917</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000)

Approved by the board on 18 January 2002 and signed on its behalf by:-


 Mr. A. Jones)
) Governors
 The notes on pages 7 to 11 form part of these accounts.

CASTLE HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2001

1 ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention, in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) and are in accordance with applicable accounting standards, and the Charities Accounting Statement of Recommended Practice (Sorp). There have been no changes in the accounting policies.

Investments

Investments are stated at market value.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets less their estimated residual value, over their expected useful lives on the following bases :-

New buildings	15%	reducing balance
Fixtures and equipment	25%	reducing balance

Freehold property is maintained in a good state of repair so that its estimated residual value is not less than its cost, consequently the buildings are not depreciated.

Expenditure

All expenditure is accounted for gross, and when incurred. Those expenses which are attributable to two or more expense headings are apportioned between those headings on an appropriate basis. Donations made are included in the year in which they are paid.

Income and Donations

Donations and bequests are accounted for when received by the trust company. Other income is accounted for on an accruals basis as far as it is prudent to do so. Income includes income tax, received and recoverable.

Donation of assets

Gifts of tangible assets are included in these accounts at an estimated valuation which approximates to cost. Donations are included in the income and expenditure account as such, and in the balance sheet under the appropriate headings.

Pension Contributions

The trust company contributes to a Teachers Superannuation scheme. Contributions payable are charged in the income and expenditure account.

CASTLE HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2001

2 ANALYSIS OF RESOURCES EXPENDED

	Staff £	Depreciation £	Overheads £	2001 £	2000 £
Direct charitable expenditure	293,777	-	113,183	406,960	354,121
Charitable trading expenditure	-	-	3,751	3,751	5,188
Support costs (note 3)	-	-	9,284	9,284	12,741
	<u>293,777</u>	<u>-</u>	<u>126,218</u>	<u>419,995</u>	<u>372,050</u>
Other expenditure					
Fund-raising and publicity	-	-	4,064	4,064	6,799
Management and administration (note 4)	44,410	5,122	6,975	56,507	50,943
	<u>44,410</u>	<u>5,122</u>	<u>11,039</u>	<u>60,571</u>	<u>57,742</u>
TOTAL EXPENDITURE	<u>338,187</u>	<u>5,122</u>	<u>137,257</u>	<u>480,566</u>	<u>429,792</u>

3 SUPPORT COSTS

	2001 £	2000 £
Communications	5,782	8,946
Office costs	3,502	3,795
	<u>9,284</u>	<u>12,741</u>

4 MANAGEMENT AND ADMINISTRATIVE EXPENSES

	2001		2000	
	General funds £	Designated funds £	General funds £	Designated funds £
Auditors fees	3,055	-	3,506	-
Others	57,352	-	47,437	-
	<u>60,407</u>	<u>-</u>	<u>50,943</u>	<u>-</u>

None of the directors or connected person received any remuneration during the year, nor did they have any financial interests in the company's activities.

The secretary received expenses of £ Nil (2000 : £ Nil)

5 TAXATION STATUS

The trust company has charitable status under Section 586(1) Income and Corporation Taxes Act 1988 and accordingly it is exempt from taxation on its income and deficit for the year.

CASTLE HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2001

6 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Fixtures and equipment £	Total £
Cost or valuation			
At 1 September 2000	354,331	57,464	411,795
Additions	7,441	4,492	11,933
At 31 August 2001	<u>361,772</u>	<u>61,956</u>	<u>423,728</u>
Depreciation			
At 1 September 2000	-	41,468	41,468
Charge for the year	-	5,122	5,122
At 31 August 2001	<u>-</u>	<u>46,590</u>	<u>46,590</u>
Net book value			
At 31 August 2001	<u>361,772</u>	<u>15,366</u>	<u>377,138</u>
At 31 August 2000	<u>354,331</u>	<u>15,996</u>	<u>370,327</u>

7 OPERATING LEASE COMMITMENTS

At the 31 August 2001 the trust company had annual commitments under non-cancellable operating leases as follows :

	2001 £	2000 £
Fixtures and equipment - due within one year	1,269	1,269
- between two and five years	3,807	5,076
	<u>5,076</u>	<u>6,345</u>

8 PENSION CONTRIBUTIONS

	2001 £	2000 £
Pensions		
Contributions payable in the year	13,036	11,830
Amounts payable at the year end	<u>-</u>	<u>-</u>
Number of governors to whom retirement benefits are accruing :-		
In defined benefit pension schemes	<u>-</u>	<u>-</u>

The school subscribes to a contributory pension scheme for the benefit of its employees. The employer's contribution is a fixed percentage of each individual employee's pay. The school does not control the administration of the scheme, nor does it control the final pensions payable by the scheme. The scheme is a defined benefit scheme, but as the school is not in direct control of the scheme, actuarial valuations are not included in these financial statements.

CASTLE HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2001

9 EMPLOYEE NUMBERS AND COSTS

2001 2000

The number of staff employed by the trust company for the year:-

Administration	3	2
Teaching	19	17
Ancillaries	5	6
	<u>27</u>	<u>25</u>

Aggregate amounts paid in respect of:

	£	£
Wages	325,151	278,210
Social security costs	22,952	19,345
Pension costs	13,036	11,830
	<u>361,139</u>	<u>309,385</u>

No governor has received remuneration or benefits in kind from the trust company during the year.

No employee received more than £40,000.

10 DEBTORS

	2001		2000	
	General	Designated	General	Designated
	£	£	£	£
Fees outstanding	416	-	-	-
Income tax recoverable	-	-	-	-
Prepayments and accrued income	523	-	-	-
	<u>939</u>	<u>-</u>	<u>-</u>	<u>-</u>

These amounts are all due within one year.

11 CREDITORS

	2001		2000	
	General	Designated	General	Designated
	£	£	£	£
Amounts falling due within one year:-				
Bank overdraft	15,925	-	-	-
Trade creditors	673	-	12,992	-
Fees in advance	396	-	1,290	-
Taxation & social security	-	-	6,011	-
Other creditors	-	-	-	-
Accruals & deferred income	2,600	-	2,600	-
	<u>19,594</u>	<u>-</u>	<u>22,893</u>	<u>-</u>

Amounts falling due after more than one year:-

Bank loan	50,500	-	-	-
-----------	--------	---	---	---

CASTLE HOUSE SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2001

12 FUNDS

Unrestricted funds

		[-----Designated Funds-----]					
	Total	General	PLC	Gym Club	Other Clubs	School Trips	Development
	£	fund	fund	fund	fund	fund	fund
		£	£	£	£	£	£
Opening value of funds	319,917	304,353	9,434	373	3,667	889	1,201
Income	496,147	456,012	14,123	8,102	4,110	11,323	2,477
Indirect expenditure	(64,471)	(60,407)	(4,064)	-	-	-	-
Charitable expenditure	(419,995)	(396,432)	(3,751)	(6,682)	(3,058)	(10,072)	-
Transfer to / from general fund	-	7,801	(4,801)	-	-	-	(3,000)
Assets purchased	-	2,977	(2,977)	-	-	-	-
Closing value of funds	<u>331,598</u>	<u>314,304</u>	<u>7,964</u>	<u>1,793</u>	<u>4,719</u>	<u>2,140</u>	<u>678</u>

The general fund represents in the main the tangible fixed assets of the school. The general fund included £3,620 donated to the Playground Appeal in 1999. This has been transferred to the Development Fund.

The Parents Liaison Committee (PLC) fund represents the balances held in the designated bank account together with the surplus made on school uniform sales. The transfer to the general fund represents the amount paid on behalf of the school for equipment and teaching aids.

The Development fund represents the balance held on deposit in the designated bank account to fund the remaining costs of the new dining room / hall extension.

The Gym Club fund, Other Clubs fund and the School Trips fund represent part of the balances held in the school current account.

13 CAPITAL COMMITMENTS

	2001	2000
	£	£
At 31 August 2001 there were capital commitments for which contracts have been placed amounting to	<u>Nil</u>	<u>Nil</u>
and amounts authorised by the Governors but not contracted for of	<u>Nil</u>	<u>5,640</u>

14 LIABILITY OF MEMBERS

The trust company is limited by guarantee and does not have a share capital. Each member of the trust company has undertaken to contribute to the assets of the trust company in the event of it being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the trust company contracted before he ceases to be a member, and of the rights of the contributions amongst themselves, such amount as may be required not exceeding £1.

15 INTEREST RECEIVABLE

	General	PLC	2001	2000
	fund	fund	Total	Total
	£	£	£	£
Bank interest	<u>1,639</u>	<u>-</u>	<u>1,639</u>	<u>326</u>