

# Regent's College

## REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

31 August 2001



Company Registration No. 1791760

# Regent's College

## LEGAL AND ADMINISTRATIVE INFORMATION

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### CONSTITUTION

Regent's college is a company limited by guarantee and a registered charity governed by its memorandum and articles of association.

### COUNCILLORS

Mr J Dorgan (Chairman)  
Mr Y Makar  
Revd. Dr J Davies

### SECRETARY

Mr WM Hughes

### REGISTERED OFFICE

Inner Circle  
Regent's Park  
London NW1 4NS

### AUDITORS

Baker Tilly  
Chartered Accountants  
2 Bloomsbury Street  
London WC1B 3ST

### DIRECTORS AND TRUSTEES

The company's directors are its trustees for the purposes of charity law and throughout this report are collectively referred to as the councillors.

The councillors are appointed in accordance with the provisions of the Articles of Association of the College. They offer themselves for re-appointment by rotation at the annual general meeting of the College.

### CHARITY NUMBER

291583

# Regent's College

## COUNCILLORS' REPORT

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The councillors submit their report and the consolidated financial statements of Regent's College for the year ended 31 August 2001.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting for Charities.

### PRINCIPAL ACTIVITIES

Regent's College is an institution of higher education in accordance with its primary objectives of the advancement of education. It delivers American style programmes in central London to students drawn from all over the world and equips them with a broad range of skills ready to take on the challenges of the 21<sup>st</sup> century. The degree programme is accredited by Webster University of St Louis USA. The College also runs a study abroad programme for its affiliate Colleges in America. It currently has contacts with nearly 50 such institutions. A subsidiary of the College, Regent's College School of Psychotherapy & Counselling Ltd, delivers certificate and post graduate programmes in psychotherapy validated by City University. Another subsidiary, Regent's College Conference Centre Ltd, lets rooms, provides catering and organises conferences for external clients.

There have been no changes in the objects of the company during the year.

### REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The Council of Management can report that income for the year was in line with expectations and tight cost control saw expenses below forecast. The group surplus for the year was £554,438 (2000: £584,139). The group suffered a unrealised loss on its investments of £163,137 which was caused by the world wide economic slowdown.

Events of 11 September 2001 had little effect on the student numbers for the first term of the current year. Staff of the College gave tremendous support to the American students during the crisis. The outlook for the future is uncertain due to the current international situation however the College has taken steps to ensure that its students can study in a safe and secure environment. The Conference Centre again reported a significant increase in turnover and is expected to make a positive contribution to the group during the current year.

The Council of Management would like to thank the employees of the Regent's College for their hard work during the year and look forward to the future with cautious optimism.

### COUNCILLORS

The following councillors have held office since 1 September 2000:

Mr J Dorgan  
Mr Y Makar  
Revd. Dr J Davies

### DIVIDENDS

Under the terms of the company's Memorandum and Articles of Association the company is prohibited from paying a dividend.

# Regent's College

## COUNCILLORS' REPORT

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### AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

By order of the board



WM Hughes  
Secretary  
21 March 2002

# Regent's College

## COUNCILLORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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

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

The councillors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985. The councillors 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' REPORT TO THE GOVERNORS OF REGENT'S COLLEGE

We have audited the financial statements on pages 6 to 18.

### **Respective responsibilities of councillors and auditors**

As described on page 4 the company's councillors 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 judgements made by the councillors 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 as to whether 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 group's and company's affairs at 31 August 2001 and of the group's incoming resources and application of resources, including the group's income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Registered Auditors  
Chartered Accountants  
2 Bloomsbury Street  
London WC1B 3ST

21st March 2002

# Regent's College

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

for the year ended 31 August 2001

	<i>Notes</i>	Total Funds 2001 £	Total Funds 2000 £
<b>Incoming resources</b>			
Fees	2	7,571,248	7,425,158
Investment income		105,757	91,791
Other income	6	190,723	79,213
Net income of trading subsidiaries	1	2,150,342	1,604,955
<b>Total incoming resources</b>		<u>10,018,070</u>	<u>9,201,117</u>
<b>Resources expended</b>			
Direct charitable expenditure	3	6,884,316	6,605,960
Fundraising & publicity	4	293,985	263,648
Management & administration of the charity	5	2,118,047	1,807,174
<b>Total resources expended</b>		<u>9,296,348</u>	<u>8,676,782</u>
<b>Net incoming resources</b>	10	721,722	524,335
<b>Other recognised gains and losses</b>			
(Loss)/Gain on investments – realised	12	(4,147)	5,457
<b>Net income for the year</b>		<u>717,575</u>	<u>529,792</u>
(Loss)/Gain on investments – unrealised	12	(163,137)	54,347
<b>Net movement in fund</b>		<u>554,438</u>	<u>584,139</u>
Balances brought forward at 1 September 2000		4,297,540	3,713,401
<b>Balances carried forward at 31 August 2001</b>	16	<u><u>4,851,978</u></u>	<u><u>4,297,540</u></u>

All funds are unrestricted funds.

There are no recognised gains or losses other than those shown above. All the above results are derived from continuing activities.

The surplus for the year for the Companies Act purposes comprises the net incoming resources for the year plus realised gains on investments and was £717,575 (2000: £529,792).

# Regent's College

## BALANCE SHEET

31 August 2001

	Notes	2001 £	Group 2000 £	2001 £	Charity 2000 £
<b>FIXED ASSETS</b>					
Tangible assets	11	2,793,667	2,866,032	2,755,060	2,820,176
Investments	12	956,238	1,102,097	956,346	1,102,205
		<u>3,749,905</u>	<u>3,968,129</u>	<u>3,711,406</u>	<u>3,922,381</u>
<b>CURRENT ASSETS</b>					
Debtors	13	1,130,982	874,095	2,144,914	1,010,911
Cash at bank and in hand		2,405,865	1,652,656	1,811,824	1,072,368
		<u>3,536,847</u>	<u>2,526,751</u>	<u>3,956,738</u>	<u>2,083,279</u>
<b>CREDITORS: Amounts falling due within one year</b>	14	(2,434,774)	(2,197,340)	(2,690,365)	(1,917,002)
<b>NET CURRENT ASSETS</b>		<u>1,102,073</u>	<u>329,411</u>	<u>1,266,373</u>	<u>166,277</u>
		<u>4,851,978</u>	<u>4,297,540</u>	<u>4,977,779</u>	<u>4,088,658</u>
<b>CAPITAL AND RESERVES</b>					
Profit and loss account	16	4,851,978	4,297,540	4,977,779	4,088,658
		<u>4,851,978</u>	<u>4,297,540</u>	<u>4,977,779</u>	<u>4,088,658</u>

Approved by the Council on 21 March 2002

  
J Dorgan

Chairman



**Regent's College**  
**GROUP CASH FLOW STATEMENT**  
for the year ended 31 August 2001

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	<i>Notes</i>	2001 £	2000 £
Cash flow from operating activities	17a	1,260,791	559,419
Returns on investments and servicing of finance	17b	105,757	83,768
Capital expenditure and financial investment	17b	(613,339)	(802,400)
INCREASE/(DECREASE) IN CASH IN THE YEAR		<u>753,209</u>	<u>(159,213)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2001 £
Increase in cash in the period	753,209
NET FUNDS AT 1 SEPTEMBER 2000	1,652,656
NET FUNDS AT 31 AUGUST 2001	<u>2,405,865</u>

# Regent's College

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention modified to include the revaluation of certain fixed asset investments and are in accordance with the Statement of Recommended Practice 'Accounting by Charities' and the Companies Act 1985.

The group financial statements consolidate the financial statements of Regent's College and all its subsidiaries made up to 31 August 2001. No profit and loss account is presented for Regent's College, as provided by S230 (3) of the Companies Act 1985.

### TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at historical cost. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Short leasehold improvements	-	over the period of the lease
Plant and machinery	-	20% - 33% per annum
Computer equipment	-	33% per annum
Fixtures and Fittings	-	20% - 33% per annum
Motor vehicles	-	25% per annum

### FIXED ASSET INVESTMENTS

Fixed asset investments, other than investments in subsidiary undertakings, are stated at market value.

### PENSIONS

The company contributes a defined amount to specified Personal Policies taken out by eligible employees. Contributions are charged to the accounts as incurred and there were no outstanding or proposed contributions as at the balance sheet date.

### FOREIGN CURRENCIES

Transactions denominated in foreign currencies are translated at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.

### VALUE ADDED TAX

Due to the nature of the College's outputs, value added tax on its inputs are not fully recoverable. Irrecoverable value added tax has been capitalised where it relates to items of a capital nature and charged to the income and expenditure account when it is of a revenue nature.

### OPERATING LEASES

Rental costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

### FEES RECEIVABLE

Fees receivable represent amounts invoiced to students, apportioned on a time basis.

### DIRECT CHARITABLE EXPENDITURE

Direct charitable expenditure comprises all expenditure directly relating to the objects of the charity.

# Regent's College

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2001

### 1 NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARIES

The charity has three wholly owned trading subsidiaries which are incorporated in the UK. Regent's College School of Psychotherapy and Counselling Limited is involved in the provision of higher education. Regent's College Conference Centre is involved in the provision of conference facilities. Webster Graduate Studies Centre Limited has ceased trading. A summary of their trading results is shown below. Audited accounts of each company have been filed with the Registrar of Companies.

	Regent's College School of Psychotherapy & Counselling Limited £	Webster Graduate Studies Centre Limited £	Regent's College Conference Centre Limited £	Total 2001 £	Total 2000 £
Turnover	1,102,276	40,000	2,233,199	3,375,475	2,871,889
Administration costs	(822,457)	(42,103)	(396,313)	(1,260,873)	(1,276,722)
Operating profit/(loss)	279,819	(2,103)	1,836,886	2,114,602	1,595,167
Interest receivable	2,102	1,285	32,353	35,740	9,788
Taxation	-	-	-	-	-
Net profit for the year	281,921	(818)	1,869,239	2,150,342	1,604,955
Amounts covenanted to Regent's College	-	-	(1,000,000)	(1,000,000)	(110,000)
Intra Group trading eliminated above	(416,521)	-	(1,281,218)	(1,697,739)	(1,528,653)
Dealt with by subsidiaries	(134,600)	(818)	(411,979)	(547,397)	(33,698)
	=====	=====	=====	=====	=====

### 2 FEES RECEIVABLE

	Total Funds 2001 £	Total Funds 2000 £
Rental income and service charges	4,908,263	4,782,764
Academic income	2,043,799	2,066,909
Catering income	619,186	575,485
	7,571,248	7,425,158
	=====	=====

The turnover of the company during the year was all made in the same geographical area

# Regent's College

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2001

3	DIRECT CHARITABLE EXPENDITURE	Total funds 2001 £	Total funds 2000 £
	Staffing costs	3,609,352	3,353,830
	Subcontractors	44,041	50,380
	Academic costs	64,865	60,437
	Utilities costs	209,585	165,890
	Residence costs	163,685	144,410
	Catering costs	871,552	761,189
	Rent	955,225	953,001
	Rates	10,559	106,343
	Premises costs	546,881	635,037
	Printing, postage and stationery	194,385	198,199
	Computer costs	88,167	74,215
	Travel costs	126,019	103,029
		<u>6,884,316</u>	<u>6,605,960</u>
4	FUNDRAISING & PUBLISHING	Total funds 2001 £	Total funds 2000 £
	Marketing and advertising	293,985	263,648
		<u></u>	<u></u>
5	MANAGEMENT AND ADMINISTRATION OF THE CHARITY	Total funds 2001 £	Total funds 2000 £
	Telephone and fax	104,781	110,042
	Legal and professional	63,490	51,574
	Depreciation	638,448	601,023
	Interest payable	-	(8,023)
	Bank charges	7,384	9,867
	Non recoverable VAT	242,232	259,632
	Management charges	880,669	643,151
	Other charges	132,911	104,801
	Bad debts	13,578	4,261
	Subscriptions	17,684	16,291
	Audit and accountancy	16,870	14,555
		<u>2,118,047</u>	<u>1,807,174</u>

# Regent's College

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2001

6	OTHER INCOME	2001 £	2000 £
	Donations received	-	10,000
	Exchange gain	190,723	69,213
		<u>190,723</u>	<u>79,213</u>
		=====	=====
7	INTEREST PAYABLE AND SIMILAR CHARGES	2001 £	2000 £
	Loan interest	-	(8,023)
		=====	=====
8	EMPLOYEES AND DIRECTORS	2001 No.	2000 No.
	The average monthly number of persons (including councillors) during the year was:		
	Management and administration	104	104
	Academic	72	71
		<u>176</u>	<u>175</u>
		=====	=====
		2001 £	2000 £
	Staff costs for the above persons:		
	Wages and salaries	3,049,653	2,827,202
	Social security costs	270,759	256,108
	Other pension costs	194,579	176,018
		<u>3,514,991</u>	<u>3,259,328</u>
		=====	=====
	No remuneration was paid to councillors in the year.		
		2001 No.	2000 No.
	The number of employees with emoluments of £40,000 or more during the year for Regent's College and its subsidiaries were		
	40,000 – 49,999	2	2
	50,000 – 59,999	2	1
	60,000 – 69,999	-	-
	70,000 – 79,999	-	1
	80,000 – 89,999	-	-
	90,000 – 99,999	1	-
		<u>5</u>	<u>4</u>
		=====	=====

# Regent's College

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2001

### 9 TAXATION

The College is a Registered Charity and is exempt from the provisions of the Income and Corporation Taxes Act 1988. There is no tax payable by the subsidiary companies due to losses incurred in the current and previous year.

10	NET INCOMING RESOURCES		2001 £	2000 £			
	Net incoming resources is stated after charging:						
	Depreciation		664,279	635,646			
	Exchange gains		(190,723)	(69,213)			
	Auditors' remuneration		25,290	20,155			
			=====	=====			
11	TANGIBLE FIXED ASSETS	<i>Short leasehold improvements</i> £	<i>Computer equipment</i> £	<i>Plant and machinery</i> £	<i>Fixtures and fittings</i> £	<i>Motor vehicles</i> £	<i>Total</i> £
	GROUP						
	Cost or valuation						
	1 September 2000	4,101,154	1,361,143	461,076	1,299,584	30,183	7,253,140
	Additions	283,389	136,498	47,263	110,967	13,797	591,914
	31 August 2001	<u>4,384,543</u>	<u>1,497,641</u>	<u>508,339</u>	<u>1,410,551</u>	<u>43,980</u>	<u>7,845,054</u>
	Depreciation						
	1 September 2000	1,830,138	1,057,262	364,129	1,119,072	16,507	4,387,108
	Charged in year	334,959	190,917	53,677	75,785	8,941	664,279
	31 August 2001	<u>2,165,097</u>	<u>1,248,179</u>	<u>417,806</u>	<u>1,194,857</u>	<u>25,448</u>	<u>5,051,387</u>
	Net book value						
	31 August 2001	<u>2,219,446</u>	<u>249,462</u>	<u>90,533</u>	<u>215,694</u>	<u>18,532</u>	<u>2,793,667</u>
	31 August 2000	<u>2,271,016</u>	<u>303,881</u>	<u>96,947</u>	<u>180,512</u>	<u>13,676</u>	<u>2,866,032</u>

# Regent's College

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2001

11	TANGIBLE FIXED ASSETS	Short leasehold improvements	Computer equipment	Plant and machinery	Fixtures and fittings	Motor vehicles	Total
		£	£	£	£	£	£
	CHARITY						
	Cost or valuation						
	1 September 2000	4,075,643	1,282,693	461,076	1,234,887	30,183	7,084,482
	Additions	283,389	136,498	47,263	92,385	13,797	573,332
	31 August 2001	4,359,032	1,419,191	508,339	1,327,272	43,980	7,657,814
	Depreciation						
	1 September 2000	1,807,820	998,272	364,129	1,077,578	16,507	4,264,306
	Charged in year	334,265	180,294	53,677	61,271	8,941	638,448
	31 August 2001	2,142,085	1,178,566	417,806	1,138,849	25,448	4,902,754
	Net book value						
	31 August 2001	2,216,947	240,625	90,533	188,423	18,532	2,755,060
	31 August 2000	2,267,823	284,421	96,947	157,309	13,676	2,820,176

12	FIXED ASSET INVESTMENTS	2001 £	Group 2000 £	2001 £	Charity 2000 £
	Quoted investments and cash deposits	956,238	1,102,097	956,238	1,102,097
	Subsidiary undertakings	-	-	108	108
		956,238	1,102,097	956,346	1,102,205
	Subsidiary undertakings:				
	At cost at 1 September 2000 and 31 August 2001				108
					£
	Quoted investments and cash deposits:				1,102,097
	Market value at 1 September 2000				
	Less: Disposals at opening book value (proceeds £41,714 ; loss £4,147)				(45,861)
	Add: Acquisitions at cost				63,139
	Net gains on revaluation 31 August 2001				(163,137)
	Market value at 31 August 2001				956,238

# Regent's College

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2001

12	FIXED ASSET INVESTMENTS ( <i>continued</i> )	Quoted investments £	Cash deposits £	Total £
	Investment assets in the UK	810,392	51,375	861,767
	Investment assets outside the UK	94,471	-	94,471
	31 August 2001	<u>904,863</u>	<u>51,375</u>	<u>956,238</u>
	Market value:	<u>904,863</u>	<u>51,375</u>	<u>956,238</u>
	31 August 2001	<u>904,863</u>	<u>51,375</u>	<u>956,238</u>
	31 August 2000	<u>1,040,361</u>	<u>61,736</u>	<u>1,102,097</u>
	Historical cost of the above investments was:	<u>1,003,325</u>	<u>51,375</u>	<u>1,054,700</u>
	31 August 2001	<u>975,520</u>	<u>61,736</u>	<u>1,037,256</u>
	31 August 2000	<u>975,520</u>	<u>61,736</u>	<u>1,037,256</u>

The Group holds more than 20% of the equity of the following companies:

Name of company	Class of holding	Proportion held	Nature of business
Regent's College Pension Trustee Limited	100 ordinary £1 shares	100%	Dormant
Regent's College Business School Limited	2 ordinary £1 shares	100%	Dormant
Regent's College Conference Centre Limited	2 ordinary £1 shares	100%	Provision of conference facilities
Webster Graduate Studies Centre Limited	2 ordinary £1 shares	100%	Ceased trading
Regent's College School of Psychotherapy and Counselling Limited	2 ordinary £1 shares	100%	Provision of educational services



# Regent's College

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2001

13	DEBTORS	2001 £	Group 2000 £	2001 £	Charity 2000 £
	Due within one year:				
	Trade debtors	350,810	370,738	69,618	148,225
	Amounts due from group undertakings	-	-	1,157,013	151,681
	Other debtors	545,768	241,650	528,395	232,131
	Prepayments and accrued income	234,404	261,707	164,716	184,586
		<u>1,130,982</u>	<u>874,095</u>	<u>1,919,742</u>	<u>716,623</u>
	Due after more than one year:				
	Amounts due from subsidiary undertaking	-	-	225,172	294,288
		<u>1,130,982</u>	<u>874,095</u>	<u>2,144,914</u>	<u>1,010,911</u>
		=====	=====	=====	=====

14	CREDITORS: Amounts falling due within one year	2001 £	Group 2000 £	2001 £	Charity 2000 £
	Trade creditors	416,923	-	405,130	-
	Amounts owed to group undertakings	-	274,229	600,000	252,754
	Other taxation and social security costs	339,216	383,076	285,510	342,418
	Other creditors	213,276	504,687	154,589	485,645
	Accruals and deferred income	1,465,359	1,035,348	1,245,136	836,185
		<u>2,434,774</u>	<u>2,197,340</u>	<u>2,690,365</u>	<u>1,917,002</u>
		=====	=====	=====	=====

### 15 SHARE CAPITAL

The College is a company limited by guarantee, and accordingly does not have a share capital. Every guarantor undertakes to contribute to the assets of the College in the event of the College being wound up while he is a guarantor, or within one year after he ceases to be a guarantor, a sum not exceeding one pound for payment of the debts and liabilities of the College.

16	RESERVES AND RECONCILIATION OF MOVEMENTS FUNDS	Income and expenditure account £
	GROUP	
	Opening funds at 1 September 2000	4,297,540
	Surplus for the financial year	554,438
	Closing funds at 31 August 2001	<u>4,851,978</u>
	CHARITY	
	Opening funds at 1 September 2000	4,088,658
	Surplus for the financial year	889,121
	Closing funds at 31 August 2001	<u>4,977,779</u>
		=====

# Regent's College

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2001

17	CASH FLOWS	2001 £	2000 £
a	Reconciliation of operating surplus to net cash inflow from operating activities		
	Operating surplus	615,965	440,567
	Depreciation	664,279	635,646
	(Increase)/Decrease in debtors	(256,887)	45,904
	Increase/(Decrease) in creditors	237,434	(562,698)
	Net cash flow from operating activities	1,260,791	559,419
		2001 £	2001 £
b	Analysis of cash flows for headings netted in the cash flow		
	<b>Returns on investments and servicing of finance</b>		
	Interest and dividends received	105,757	91,791
	Interest paid	-	(8,023)
	<b>Net cash inflow for returns on investment and servicing of income</b>	105,757	83,768
	<b>Capital expenditure and financial investment</b>		
	Purchase of tangible fixed assets	(591,914)	(778,159)
	Investments acquired	(63,139)	(60,411)
	Proceeds from sale of fixed asset investments	41,714	36,170
	<b>Net cash outflow for capital expenditure and financial investment</b>	(613,339)	(802,400)
c	Analysis of net funds	At 1 September 2000 £	At 31 August 2001 £
	Cash in hand, at bank	1,652,656	2,405,865

## 18 COMMITMENTS UNDER OPERATING LEASES

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

	2001 £	2000 £
Land and buildings expiring after five years	953,000	953,000

Rockford College has acted as guarantor for all liabilities arising from the land and buildings lease and has in return acquired a legal charge over certain of the assets of the College.

# Regent's College

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2001

### 19 PENSIONS

The group contributes a defined amount to specified Personal Policies taken out by eligible employees. Contributions are charged to the accounts as incurred and there were no outstanding or proposed contributions as at the balance sheet date. Pension costs during the year were £194,579 (2000: £176,018).

### 20 RELATED PARTY TRANSACTIONS

The following related party transactions took place during the year:

<i>Company</i>	<i>Relation- ship</i>	<i>Description of transaction</i>	<i>Value of Transaction</i>	<i>Year end debtor/ (creditor) balance</i>
			£	£
European Business School Educational Trust Limited	(ii)	Rent and service charges	933,892	5,270
College Management Services Limited	(i)	Rent and service charges	991,550	378,083
Regents Business School London Limited	(i)	Rent and service charges	110,120	(9,700)
College Bookshop Limited	(i)	Rent and service charges	9,847	1,475
		Provision of books	751	
Webster Graduate Studies Centre London Limited	(i)	Rent and service charges	38,542	(59,152)
Regents International Studies Centre London Limited	(i)	Rent and service charges	28,600	(11,137)
Regent's College Management Services Ltd	(i)	Management charge	880,669	(617,811)

#### Relationship

- i) Mrs G Payne is the ultimate controlling party and is also a director of each company.
- ii) Mrs G Payne is a guarantor of European Business School Educational Trust Limited, a registered charity.