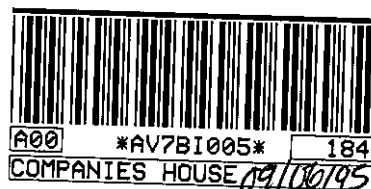


QUEEN MARGARET'S SCHOOL, YORK LIMITED
(A COMPANY LIMITED BY GUARANTEE)
COMPANY NUMBER - 2010493
REGISTERED CHARITY NUMBER - 517523
31 AUGUST 1994
REPORT AND FINANCIAL STATEMENTS



QUEEN MARGARET'S SCHOOL, YORK LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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YEAR ENDED 31 AUGUST 1994

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QUEEN MARGARET'S SCHOOL, YORK LIMITED
(A COMPANY LIMITED BY GUARANTEE)

YEAR ENDED 31 AUGUST 1994

DIRECTORS AND OFFICERS

Directors:

Mrs Eleanor King LLB (Chairman)
D S Rastrick Esq (Vice-Chairman)
Mrs Ann Bates
Miss Susan Cameron
Lord Crathorne
C D Forbes Adam Esq
Mrs Valerie Foster
The Countess of Halifax
Sir Colin Harrison
The Hon Fiona Horton
Mrs Scilla B Kealy
Canon M A Kitchener
C P Moorhouse Esq
S J Reynolds Esq
A N R Rudd Esq
R J Shephard Esq
Mrs Judy Sinclair

**Clerk and company
secretary:**

M D Oakley Esq

Registered office:

Escrick Park
York
YO4 6EU

Auditors:

Price Waterhouse
Queen Victoria House
Guildhall Road
Hull
HU1 1HH

Bankers:

Yorkshire Bank plc
46 Coney Street
York
YO1 1NQ

Solicitors:

Booth & Co
Sovereign House
South Parade
Leeds
LS1 1EQ

Oakleys
4 Old Maltongate
Malton
North Yorkshire
YO17 0EQ

**QUEEN MARGARET'S SCHOOL, YORK LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT FOR THE YEAR ENDED
31 AUGUST 1994**

The directors present their annual report and financial statements for the year ended 31 August 1994.

REVIEW OF ACTIVITIES

The principal activity of the company during the year was that of the provision of education and training of pupils at Queen Margaret's School.

Both the level of activity and the year end financial position were satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

TRADING RESULTS

The excess of income over expenditure for the year is set out in the income and expenditure account on page 6.

DIRECTORS

The directors of the company during the year are shown below:-

Mrs Eleanor King LLB (Chairman)

D S Rastrick Esq (Vice-Chairman)

Mrs Ann Bates

Miss Susan Cameron

Lord Crathorne

C D Forbes Adam Esq

Mrs Valerie Foster

The Countess of Halifax

Sir Colin Harrison

M J Hollingbery Esq - resigned 1 August 1994

The Hon Fiona Horton - appointed 8 March 1994

Mrs Scilla B Kealy

Canon M A Kitchener

C P Moorhouse Esq

S J Reynolds Esq

A N R Rudd Esq

R J Shephard Esq - appointed 8 November 1993

Mrs Judy Sinclair - appointed 8 March 1994

**QUEEN MARGARET'S SCHOOL, YORK LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT FOR THE YEAR ENDED
31 AUGUST 1994 (CONTINUED)**

DIRECTORS (CONTINUED)

In accordance with the Articles of Association The Countess of Halifax and Mrs Eleanor King retire from the board by rotation, and being eligible, offer themselves for re-election.

In addition, The Hon Fiona Horton, Mr R J Shephard and Mrs Judy Sinclair, who were appointed to the board during the year, retire and being eligible, offer themselves for re-election.

FIXED ASSETS

Additions to and disposals of fixed assets are shown in note 5 to the financial statements.

The directors are of the opinion that the company's land and buildings have a market value in excess of their balance sheet value. Arrangements are being made for an independent valuation to be undertaken.

CHARITABLE STATUS

The school is a registered charity.

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 excess of income over expenditure 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 judgments 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 or other irregularities.

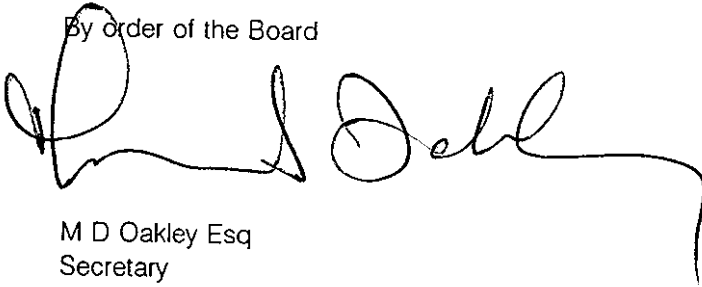
**QUEEN MARGARET'S SCHOOL, YORK LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT FOR THE YEAR ENDED
31 AUGUST 1994 (CONTINUED)**

AUDITORS

Jolliffe Cork resigned as auditors on 27 May 1994 and Price Waterhouse were appointed to fill the casual vacancy. Price Waterhouse have expressed their willingness to continue in office. A resolution for their appointment will be proposed at the annual general meeting.

By order of the Board

A handwritten signature in black ink, appearing to read 'M D Oakley', with a long horizontal flourish extending to the right.

M D Oakley Esq
Secretary

13 October 1994

Price Waterhouse



**AUDITORS' REPORT TO THE MEMBERS OF
QUEEN MARGARET'S SCHOOL, YORK LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

We have audited the financial statements on pages 6 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 3 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 judgments 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 1994 and of the excess of income over expenditure and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors

13 October 1994

QUEEN MARGARET'S SCHOOL, YORK LIMITED
(A COMPANY LIMITED BY GUARANTEE)

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 1994

	<u>Notes</u>	<u>1994</u>	<u>1993</u>
Gross fee income - continuing operations		3,307,698	3,104,604
Remissions		<u>(196,407)</u>	<u>(146,997)</u>
		3,111,291	2,957,607
Operating expenses		(2,898,154)	(2,795,892)
Other operating income		<u>19,162</u>	<u>7,537</u>
Operating profit - continuing operations	2	232,299	169,252
Interest receivable		8,000	6,300
Interest payable	4	<u>(6,465)</u>	<u>(10,916)</u>
Excess of income over expenditure for the year transferred to accumulated fund	10	£233,834	£164,636
		<u><u> </u></u>	<u><u> </u></u>

The Company has no recognised gains or losses other than the results reported above.

QUEEN MARGARET'S SCHOOL, YORK LIMITED
(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET - 31 AUGUST 1994

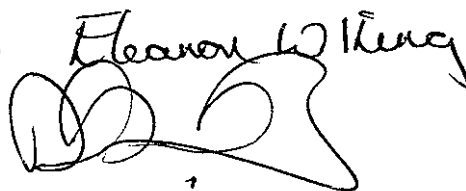
	<u>Notes</u>	<u>1994</u>	<u>1993</u>
FIXED ASSETS			
Tangible assets	5	2,794,198	2,460,945
CURRENT ASSETS			
Stocks	6	18,685	17,432
Debtors	7	156,495	219,905
Cash at bank and in hand		<u>437</u>	<u>67,927</u>
		175,617	305,264
CREDITORS - amounts falling due within one year	8	<u>(666,849)</u>	<u>(666,731)</u>
NET CURRENT LIABILITIES		<u>(491,232)</u>	<u>(361,467)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,302,966	2,099,478
CREDITORS - amounts falling due after more than one year	9	<u>(95,345)</u>	<u>(125,691)</u>
		£2,207,621	£1,973,787
		<u>=====</u>	<u>=====</u>
CAPITAL AND RESERVES			
Accumulated fund	10	£2,207,621	£1,973,787
		<u>=====</u>	<u>=====</u>

APPROVED BY THE BOARD ON
13 OCTOBER 1994

Mrs Eleanor King LLB

D S Rastrick Esq

DIRECTORS



QUEEN MARGARET'S SCHOOL, YORK LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 1994

	<u>Notes</u>	<u>1994</u>	<u>1993</u>
Net cash inflow from operating activities	13(1)	474,660	281,416
Returns on investments and servicing of finance			
Interest received	8,000	6,300	
Interest paid	<u>(6,465)</u>	<u>(10,916)</u>	
Net cash inflow/(outflow) from returns on investments and servicing of finance		<u>1,535</u>	<u>(4,616)</u>
		476,195	276,800
Investing activities			
Payments to acquire tangible fixed assets	(412,542)	(194,004)	
Receipts from sales of tangible fixed assets	-	7,900	
Deposits received	<u>5,900</u>	<u>9,000</u>	
Net cash outflow from investing activities		<u>(406,642)</u>	<u>(177,104)</u>
Net cash inflow before financing		69,553	99,696
Financing			
Capital repayments under finance leases	(13,624)	(20,097)	
Repayment of unsecured loans	<u>(2,000)</u>	<u>(2,000)</u>	
Net cash outflow from financing		<u>(15,624)</u>	<u>(22,097)</u>
Increase in cash and cash equivalents	13(2) and (3)	<u>£53,929</u>	<u>£77,599</u>

QUEEN MARGARET'S SCHOOL, YORK LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 1994

1 ACCOUNTING POLICIES

(1) Basis of accounting

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

(2) Depreciation

Depreciation of tangible fixed assets is calculated by reference to cost at rates estimated to write off the assets over their expected useful lives.

The annual rates are:-

Motor vehicles	- 25%
Fixtures and fittings	- 15%
Plant and equipment	- 15%

The company does not comply with Statement of Standard Accounting Practice Number 12 - "Accounting for Depreciation", in respect of freehold buildings.

Arrangements are being made for an independent valuation of land and buildings to be undertaken. The directors are of the opinion that the valuation will be in excess of the net book value.

(3) Stocks

Stocks are valued at the lower of cost and net realisable value.

(4) Finance leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charge is allocated over the period of the lease or contract on a straight line basis.

(5) Pensions

The company operates a defined contribution scheme. Contributions are charged to the income and expenditure account in the period in which they are payable.

Employees also belong to the Teachers' Superannuation Scheme ("TSS"), which is a defined benefit scheme. Contributions are charged to the income and expenditure account so as to spread the cost of pensions over the employees' working lives.

QUEEN MARGARET'S SCHOOL, YORK LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 1994 (CONTINUED)

	<u>1994</u>	<u>1993</u>
2 OPERATING PROFIT		
Operating profit is stated after charging:-		
Auditors' remuneration	7,344	5,000
Depreciation of owned tangible fixed assets	68,182	71,064
Depreciation of assets held under hire purchase agreements	11,107	11,109
Loss on disposal of fixed assets	<u>-</u>	<u>1,649</u>
3 Directors and Employees		
Wages and salaries	1,701,690	1,684,239
Social security costs	149,752	136,012
Other pension costs	<u>82,035</u>	<u>76,876</u>
	<u>£1,933,477</u>	<u>£1,897,127</u>
	<u>Number</u>	<u>Number</u>
Average number employed including executive directors:		
Administration	6	4
Grounds and maintenance	12	9
Tuition	78	73
Catering and household	<u>35</u>	<u>40</u>
	<u>131</u>	<u>126</u>
Directors' emoluments	<u>£Nil</u>	<u>£Nil</u>
4 INTEREST PAYABLE		
Interest payable on sums wholly repayable within 5 years:		
Bank overdraft	1,235	5,985
Hire purchase interest	<u>5,230</u>	<u>4,931</u>
	<u>£6,465</u>	<u>£10,916</u>

QUEEN MARGARET'S SCHOOL, YORK LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 1994 (CONTINUED)

5 TANGIBLE ASSETS

	Freehold land and buildings	Assets under construction	Motor vehicles	Fixtures and fittings	Plant and equipment	Total
Cost						
31 August 1993	2,189,150	-	59,250	524,067	7,800	2,780,267
Additions	<u>78,161</u>	<u>277,554</u>	<u>-</u>	<u>56,827</u>	<u>-</u>	<u>412,542</u>
31 August 1994	<u>£2,267,311</u>	<u>£277,554</u>	<u>£59,250</u>	<u>£580,894</u>	<u>£7,800</u>	<u>£3,192,809</u>
Depreciation						
31 August 1993	-	-	35,597	280,890	2,835	319,322
Charge for the year	<u>-</u>	<u>-</u>	<u>8,882</u>	<u>69,237</u>	<u>1,170</u>	<u>79,289</u>
31 August 1994	<u>£-</u>	<u>£-</u>	<u>£44,479</u>	<u>£350,127</u>	<u>£4,005</u>	<u>£398,611</u>
Net book value at 31 August 1994	<u>£2,267,311</u>	<u>£277,554</u>	<u>£14,771</u>	<u>£230,767</u>	<u>£3,795</u>	<u>£2,794,198</u>

The net book value of fixed assets includes £20,146 in respect of assets held under hire purchase agreements (1993 £31,253).

6 STOCKS

	<u>1994</u>	<u>1993</u>
Consumable stores	<u>£18,685</u>	<u>£17,432</u>

7 DEBTORS

Due within one year:

Trade debtors	108,715	156,960
Other debtors	53	10,640
Prepayments and accrued income	<u>47,727</u>	<u>52,305</u>
	<u>£156,495</u>	<u>£219,905</u>

QUEEN MARGARET'S SCHOOL, YORK LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 1994 (CONTINUED)

8	CREDITORS - Amounts falling due within one year	<u>1994</u>	<u>1993</u>
	Bank overdraft (see note below)	285,210	406,629
	Trade creditors	175,614	52,435
	School fees and discounted fees in advance	118,787	108,901
	Hire purchase liabilities	4,176	13,624
	Unsecured loan	-	2,000
	Taxation and social security	44,732	38,427
	Accruals and deferred income	35,430	41,815
	Other creditors	<u>2,900</u>	<u>2,900</u>
		£666,849	£666,731
	<u>Note</u>	<u></u>	<u></u>

The bank overdraft is secured by a fixed charge over the company's freehold land and buildings.

9	CREDITORS - Amounts falling due after more than one year	<u>1994</u>	<u>1993</u>
	Hire purchase liabilities	-	4,176
	Discounted fees in advance	44,745	76,815
	Deposits	<u>50,600</u>	<u>44,700</u>
		£95,345	£125,691
		<u></u>	<u></u>

10	ACCUMULATED FUND	<u>1994</u>	<u>1993</u>
	Balance at 31 August 1993	1,973,787	1,809,151
	Excess of income over expenditure for the year:		
	School fund	234,467	162,377
	Appeal fund	<u>(633)</u>	<u>2,259</u>
		<u>233,834</u>	<u>164,636</u>
	Balance at 31 August 1994	£2,207,621	£1,973,787
		<u></u>	<u></u>

QUEEN MARGARET'S SCHOOL, YORK LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 1994 (CONTINUED)

11 FUTURE CAPITAL COMMITMENTS

	<u>1994</u>	<u>1993</u>
Authorised but not contracted for	£-	£19,975
	<u> </u>	<u> </u>
Contracted for	£183,960	£-
	<u> </u>	<u> </u>

12 CONTINGENT LIABILITIES AND FINANCIAL COMMITMENTS

The company has given an undertaking to Woodard Schools (Northern Division) Limited ("Woodard") that in the event of the property acquired from Woodard on 29 May 1986 or any part thereof being sold or the company granting a lease of that property or any part thereof (except a lease at full market value) within twenty one years of 29 May 1986, then the company will be liable to pay to Woodard one third of any excess of the net proceeds of sale or premium received by the company over the consideration paid by the company to Woodard.

13 NOTES TO THE CASH FLOW STATEMENT

	<u>1994</u>	<u>1993</u>
(1) RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM ORDINARY OPERATING ACTIVITIES		
Operating profit	232,299	169,252
Depreciation	79,289	82,172
Loss on sale of fixed assets	-	1,649
Increase in stocks	(1,253)	(5,531)
Decrease in debtors	63,410	37,654
Increase/(decrease) in creditors	<u>100,915</u>	<u>(3,780)</u>
Net cash inflow from operating activities	£474,660	£281,416
	<u> </u>	<u> </u>
(2) ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS		
Balance at 31 August 1993		(338,702)
Net cash inflow		<u>53,929</u>
Balance at 31 August 1994		£(284,773)
		<u> </u>

QUEEN MARGARET'S SCHOOL, YORK LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 1994 (CONTINUED)

13 NOTES TO THE CASH FLOW STATEMENT (CONTINUED)

**(3) ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS
AS SHOWN IN THE BALANCE SHEET**

	<u>1994</u>	<u>1993</u>	<u>Change in year</u>
Cash at bank and in hand	437	67,927	(67,490)
Bank overdraft	<u>(285,210)</u>	<u>(406,629)</u>	<u>121,419</u>
	£(284,773)	£(338,702)	£53,929
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

14 PENSIONS

There are two pension schemes in operation for the employees. A defined contribution scheme and the Teachers' Superannuation Scheme, ("TSS"), a defined benefit scheme. The TSS is an unfunded scheme.

The pension costs of the TSS are assessed in accordance with the advice the Government Actuary, using normal actuarial principles. The latest valuation of the scheme was at 31 March 1986. The actuarial report revealed that the total liabilities of the TSS amounted to £31,690 million and the value of the assets was £30,138 million. The actuary concluded that the deficiency of £1,552 million would require supplementary contributions by employers at the rate of 0.75% per annum commencing on 1 April 1989. In his assessment of the contributions, the actuary included the cost of introducing from 6 April 1988 widowers' benefits for the husbands of all women teachers dying after that date.

The total pension cost to the company for the year was £82,035 (1993 £76,876) and amounts paid to the TSS have been in accordance with the rates recommended by the actuary.