

# REGISTRARS COPY

*of companies*

Registered No. 2071112

ST PHILOMENA'S SCHOOL LIMITED

FINANCIAL STATEMENTS  
TO 31 AUGUST 1999

SCRUTTON BLAND  
CHARTERED ACCOUNTANTS  
62 CONNAUGHT AVENUE  
FRINTON-ON-SEA  
ESSEX CO13 9PT



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## ST PHILOMENA'S SCHOOL LIMITED

**Council of management**      F I Davies  
Mrs J Geldard  
P Burgoyne  
Mrs E McNulty  
T Walters  
Mrs S Vincent  
Mrs S Wright  
P Thompson  
D Eagle  
B Mickleburgh  
C A Powell  
J Turner  
Sister Bridie  
Father D Donnelly

**Registered office**      St Philomena's School  
Hadleigh Road  
Frinton on Sea  
Essex CO13 9HQ

**Registered number**      2071112

**Charity Commissioners number**      298635

**Bankers**      HSBC Bank  
63 Connaught Avenue  
Frinton on Sea  
Essex CO13 9PP

**Auditors**      Scrutton Bland  
62 Connaught Avenue  
Frinton on Sea  
Essex CO13 9PT

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## ST PHILOMENA'S SCHOOL LIMITED

### REPORT OF THE COUNCIL OF MANAGEMENT

The Council of Management presents its report with the financial statements of the company for the year to 31 August 1999.

#### **Principal activity**

The company, in furtherance of its principal charitable objective, operates the Convent School, known as St Philomena's which activity was previously carried on by the Sisters of Our Lady of Mercy at Hadleigh Road, Frinton-on-Sea.

The company is registered with the Charity Commissioners under No.298635.

#### **Review of operations**

The Council of Management considers that the operations have been successfully managed during the year. A summary of the year's financial operations is given on page 4 of the financial statements. The increased pupil roll provides additional income to meet the finance costs on the loan for Clover House, and the repayment of the loan. The assets of the company are sufficient to fulfil its obligations.

The average roll during the year was 161 (1998:155) pupils aged 4-11. An average of 35 pupils benefited from the nursery education schemes during the year.

Charitable donations of £ 160 were made during the year.

The Council of Management offers sincere thanks to the Sisters of Our Lady of Mercy for their much valued support during the year.

#### **Council of Management**

The Council of Management during the year under review has comprised

F I Davies  
P Burgoyne  
T Walters  
Mrs S Vincent  
Mrs S Wright  
P Thompson

D Eagle  
B Mickleburgh  
C Powell  
J Turner  
Mrs E McNulty  
Mrs J Geldard  
Sister Bridie (appointed 20 January 1999)

who are Members of the Association and

Father D Donnelly  
Sister Peter (resigned 30 September 1998)  
who are not Members of the Association

The Council of Management and other people concerned with the well being of the School give their time at no cost to the School and to events connected therewith.

Insurance cover has been arranged to cover the legal liability of the members of the Council of Management.

**ST PHILOMENA'S SCHOOL LIMITED****REPORT OF THE COUNCIL OF MANAGEMENT (continued)**

Charity law and Company law require the Council of Management 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 Council of Management is 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 Council of Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985, and with the Statement of Recommended Practice for Accounting by Charities. It is 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**

Scrutton Bland have signified their willingness to continue in office as auditors and a resolution re-appointing them will be submitted to the Annual Meeting in accordance with Section 385 of the Companies Act 1985.

**Accounting exemptions**

Advantage is taken in the preparation of the Council of Management report of the special provisions contained in Part VII of the Companies Act 1985, relating to small companies.

Signed on behalf of the Council

A handwritten signature in black ink, appearing to be 'F I Davies', written over a horizontal line.

F I Davies  
Chairman

Approved by the Council of Management on 20 March 2000

**AUDITORS' REPORT TO THE MEMBERS OF**  
**ST PHILOMENA'S SCHOOL LIMITED**

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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 Council of Management and auditors**

As described on page 2 the company's Council of Management is 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.

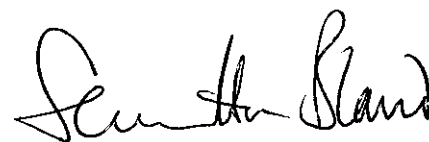
**Basis of opinion**

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 Council of Management in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Charitable 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 Charitable company's affairs as at 31 August 1999 and of its surplus for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies and with the provisions of the Charities Act 1993.



**SCRUTTON BLAND**

**Chartered Accountants  
and Registered Auditors**

62 Connaught Avenue  
Frinton on Sea  
Essex CO13 9PT

18 April 2000

**ST PHILOMENA'S SCHOOL LIMITED**

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**STATEMENT OF FINANCIAL ACTIVITIES  
YEAR ENDED 31 AUGUST 1999**

	Note	£	Unrestricted funds	
			1999	1998
			£	£
<b>Income and expenditure</b>				
<b>Incoming resources</b>				
Termly fees			300,679	265,904
Pupil extras			28,536	26,087
			<hr/>	<hr/>
			329,215	291,991
Gifts and donations			315	100
Fund raising			2,588	2,286
Sundry income			1,278	1,356
Interest received			3,570	3,048
			<hr/>	<hr/>
<b>Total incoming resources</b>			336,966	298,781
<b>Resources expended</b>				
Direct charitable expenditure	13	252,764		234,755
Administration		31,796		26,893
Finance		12,759		14,446
Depreciation etc		1,686		1,972
		<hr/>		<hr/>
<b>Total resources expended</b>			299,005	278,066
<b>Net incoming resources</b>			37,961	20,715
<b>Prior year adjustment</b>	7			
<b>Release of cyclical maintenance reserve</b>			26,000	20,000
			<hr/>	<hr/>
			63,961	40,715
<b>Balance brought forward - as previously reported</b>			56,773	42,058
<b>Balance carried forward - restated</b>			£ 120,734	£ 82,773
			=====	=====

**INCOME AND EXPENDITURE ACCOUNT**  
**YEAR ENDED 31 AUGUST 1999**

	Note	£	£	1998 £
<b>Income</b>				
Fees receivable	1(b)		329,215	291,991
Gifts and donations	1(e)		2,903	2,386
Sundry income			1,278	1,356
			<u>333,396</u>	<u>295,733</u>
<b>Expenditure</b>				
School operating costs	2	286,199		263,790
Company operating costs	2	175		553
		<u>286,374</u>		<u>264,343</u>
			<u>47,022</u>	<u>31,390</u>
Interest received			3,570	3,048
			<u>50,592</u>	<u>34,438</u>
Interest paid			12,631	13,723
			<u>37,961</u>	<u>20,715</u>
<b>Surplus of income to expenditure for year</b>				
<b>Statement of total recognised gains and losses</b>				
Reserves brought forward		56,773		42,058
Release of cyclical maintenance reserve		26,000		20,000
As restated		<u>82,773</u>		<u>62,058</u>
			<u>£ 120,734</u>	<u>£ 82,773</u>

**Continuing operations**

None of the company's activities was acquired or discontinued during the above two financial years

**Statement of total gains and losses**

Gains or losses during the year are as accounted above



**ST PHILOMENA'S SCHOOL LIMITED****BALANCE SHEET**  
**AS AT 31 AUGUST 1999**

	Note	£	£	1998 £
Fixed assets	3/1(c)		171,153	175,049
Current assets				
Stock - books	1(d)	2,000		2,000
Stock - consumable	1(d)	85		-
Debtors and prepayments	4	5,358		3,804
Bank current account		61,798		30,799
Deposit on lease	5	10,145		10,000
Fund raising bank account		4,566		6,510
Cash in hand		30		1,375
		<u>83,982</u>		<u>54,488</u>
Current liabilities				
Creditors : due within one year	6(a)	51,628		53,946
Net current assets			<u>32,354</u>	<u>542</u>
Total assets less current liabilities			<u>203,507</u>	<u>175,591</u>
Creditors due after more than one year				
Long term bank loan	6(b)		82,773	92,818
			<u>£ 120,734</u>	<u>£ 82,773</u>
			=====	=====
Financed by:				
Income and expenditure account - unrestricted funds			<u>£ 120,734</u>	<u>£ 82,773</u>
			=====	=====

Advantage is taken in the preparation of the financial statements of the special provisions contained in Part VII of the Companies Act 1985, relating to small companies. In the Council of Management's opinion the company is entitled to those exemptions as a small company.

The financial statements were approved by the Council of Management on 20 March 2000

F I Davies

B Mickleburgh

P Thompson

Members of Council of Management

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED 31 AUGUST 1999****1 Accounting policies****a) Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards and the Statement of Recognised Practice for Charities issued in October 1995.

**b) Fees receivable**

Fees receivable represent income arising from the operation of the school, including charges for extras, based on the termly pupil roll.

**c) Tangible fixed assets**

Depreciation is provided at the following annual rates to write off each asset over its estimated useful life:

Freehold property and improvements	2% straight line
Equipment, fixtures and fittings	15% reducing rate
School computer	20% straight line
Classroom IT equipment	20% straight line

The cost of the extension to the school library is written off in equal instalments over the remaining period of the lease on the school premises. This was originally granted on 9 January 1988 for a period of 15 years.

**d) Stock**

Consumable stock is valued at the lower of cost or economic use to the school.

Stock of books is an allocation of the payment to the Sisters of Our Lady of Mercy for the school assets and remains a constant item with all subsequent purchases being charged to revenue.

**e) Gifts and donations**

These are accounted as received and include gifts and subsidies in kind accounted at value to the school. These include net fund raising receipts.

**f) Cash flow**

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow Statements".

**g) Operating leases**

The charges for the use of office equipment are accounted when rentals fall due.

**h) Provision for maintenance**

A provision for long term maintenance was previously included. This has been released in accordance with Financial Reporting Statement 12 "Provisions, Contingent Liabilities and Contingent Assets". This represents a change in accounting policy and the comparative figures have been restated.

# ST PHILOMENA'S SCHOOL LIMITED

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 1999 - (continued)

### 2 Operating costs

	1999 £	1998 £
The surplus: (1998: surplus) of income over expenditure is stated after charging:		
Rent of premises	10,000	10,000
Depreciation	1,686	1,972
Amortisation	4,351	4,551
Staff costs - salaries	194,500	176,667
- Social Security costs	16,133	15,340
- Pension	-	-
Council of Management remuneration	900	900
Auditors' remuneration	3,525	3,173
Office equipment rental	4,403	2,345
	=====	=====
and		
Company operating costs include:		
Council of Management remuneration	-	-
	=====	=====

The average number of employees during the year was 12 full time and 9 part time.  
No employee earned over £40,000 during the year.

### 3 Fixed assets

	Clover House	Freehold property Capital improvements to Clover House	Short leasehold Extension to school library	Equipment fixtures and fittings	School computer	Classroom IT equipment	Total
Cost	£	£	£	£	£	£	£
At 1 September 1998	122,074	55,011	10,124	9,084	5,068	-	201,361
Additions	-	-	-	-	-	2,141	2,141
At 31 August 1999	122,074	55,011	10,124	9,084	5,068	2,141	203,502
<b>Depreciation/amortisation</b>							
At 1 September 1998	7,347	3,311	6,479	5,986	3,189	-	26,312
Charged in year	2,441	1,100	810	465	792	429	6,037
At 31 August 1999	9,788	4,411	7,289	6,451	3,981	429	32,349
<b>Written down value</b>							
At 31 August 1999	£ 112,286	£ 50,600	£ 2,835	£ 2,633	£ 1,087	£ 1,712	171,153
	=====	=====	=====	=====	=====	=====	=====
At 31 August 1998	£ 114,727	£ 51,700	£ 3,645	£ 3,098	£ 1,879	£ -	£ 175,049
	=====	=====	=====	=====	=====	=====	=====

The fixed assets are all used for the charitable purposes of the company

ST PHILOMENA'S SCHOOL LIMITEDNOTES TO FINANCIAL STATEMENTS  
YEAR ENDED 31 AUGUST 1999 - (continued)

		1999	1998
4	Debtors and prepayments	£	£
	Outstanding fees	1,817	3,396
	Prepayments	409	408
	Accrued income	3,132	-
		<u>£ 5,358</u>	<u>£ 3,804</u>
		=====	=====
5	Deposit re lease		
	The terms of the lease from the Sisters of Our Lady of Mercy require a deposit of one year's initial rent. The interest earned on this deposit is retained by St Philomena's School. Whilst the School occupies the premises the bank account is effectively an asset due after one year.		
		1999	1998
6	Creditors	£	£
	a) Due within one year		
	Trade creditors	9,061	6,911
	Accruals	4,185	3,172
	Other creditors	-	4,818
	Social security and other taxes	-	-
	Fees etc in advance	8,240	16,303
	Parents held deposits	7,400	-
	Bank loan	22,742	22,742
		<u>£ 51,628</u>	<u>£ 53,946</u>
		=====	=====
	b) Due after more than one year but less than five		
	Bank loan	£ 82,773	£ 90,968
		=====	=====
	Due after more than five years		
	Bank loan	£ -	£ 1,850
		=====	=====

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED 31 AUGUST 1999 - (continued)****6 b) continued**

The bank loan is repayable by instalments. Interest is charged monthly and is paid from the instalments.

It is expected that the loan will finally be cleared in about seven years time - the allocation of the time scale of the debt on the balance sheet relates solely to the existing cash flow commitment.

The bank loan represents approximately 67% of the asset values secured thereon.

**7 Cyclical maintenance reserve/prior year adjustment**

The intention of the reserve was to set aside funds for cyclical maintenance by transfer from revenue, but it has been released to income and expenditure account to avoid contravening Financial Reporting Standard 12 "Provisions, Contingent Liabilities and Contingent Assets".

**8 Share capital**

The company does not have a share capital and is limited by guarantee of the members with individual liabilities of £1.

**9 Taxation**

No provision has been made for taxation as the company has charitable status.

**10 Council of Management**

No member of the Council of Management received remuneration or expense reimbursements for their duties on the Council of Management.

One member of the Council of Management, Mr Thompson, received remuneration of £900 for maintaining wages and salaries payroll of the school throughout the academic year.

**11 Related party transactions**

During the year no money was spent with companies with which members of the Council of Management are connected.

Children of members of Council of Management attend the school on normal terms.

**12 Commitments**

There are commitments to pay the following annually.

	1999	1998
	£	£
Rent of premises	10,000	10,000
Office equipment rentals	3,470	2,345
	=====	=====

ST PHILOMENA'S SCHOOL LIMITEDNOTES TO FINANCIAL STATEMENTS  
YEAR ENDED 31 AUGUST 1999 - (continued)

		1999	1998
	£	£	£
13	Direct charitable expenditure		
	Teaching salaries and wages	195,368	176,304
	Playground assistants	3,699	4,341
		<u>199,067</u>	<u>180,645</u>
	Premises costs		
	Rent, rates and insurance	15,846	20,726
	Heat and light	4,569	4,513
	Amortisation	4,351	4,551
		<u>24,766</u>	<u>29,790</u>
	Pupils consumables and costs		
	Stationery	2,199	1,357
	Textbooks etc	6,334	4,253
	Outings	10,450	9,126
		<u>18,983</u>	<u>14,736</u>
	Repairs and renewals		
	Premises	8,064	6,291
	Equipment	1,884	3,293
		<u>9,948</u>	<u>9,584</u>
		<u>£ 252,764</u>	<u>£ 234,755</u>
		=====	=====