

COMPANY REGISTRATION NUMBER 02071112

CHARITY REGISTRATION NUMBER 298635



## ST PHILOMENA'S SCHOOL LIMITED

### ANNUAL REPORT AND FINANCIAL STATEMENTS

31 AUGUST 2011



# **ST PHILOMENA'S SCHOOL LIMITED**

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# **ST PHILOMENA'S SCHOOL LIMITED**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Council of management</b>	Mrs J Geldard Mrs E J McNulty Mrs S M Vincent A W Davidson Mrs A O'Sullivan Sister McElwaine Mrs P Green Fr Michael Stokes Mrs M Fuller Dr J Geldard Mrs S A Wright Mr E Baker-Wells Mrs E Cank	(Resigned 28 February 2011)          (Appointed 4 May 2011) (Appointed 25 February 2011) (Appointed 28 February 2011)
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<b>Company secretary</b>	Post currently vacant
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<b>Registered office</b>	St Philomena's School Hadleigh Road Frinton on Sea Essex CO13 9HQ
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<b>Registered company number</b>	02071112
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<b>Registered charity number</b>	298635
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<b>Bankers</b>	HSBC Bank 63 Connaught Avenue Frinton on Sea Essex CO13 9PP
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<b>Auditors</b>	Scrutton Bland Chartered Accountants & Statutory Auditors 820 The Crescent Colchester Business Park Colchester Essex CO4 9YQ
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# **ST PHILOMENA'S SCHOOL LIMITED**

## **REPORT OF THE COUNCIL OF MANAGEMENT AS DIRECTORS OF THE COMPANY**

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The Council of Management (who are also the directors as required by S417 of the Companies Act 2006) present their annual report with the financial statements of the charity for the year to 31 August 2011

The financial statements are prepared in accordance with the Memorandum and Articles of Association, dated 27 January 1988, and the recommendations of the Statement of Recommended Practice – Accounting and Reporting by Charities issued in 2005 and comply with applicable law

The charity is registered with the Charity Commissioners under No 298635 and with the Registrar of Companies, as a company limited by guarantee, under No 02071112

### **Objectives and activities**

The charity's objective is to promote and provide the advancement of education. The charity, 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

In setting out the school's objectives the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. In doing so the Trustees have complied with their duties in this area as set out in Section 4 of the Charities Act 2006

### **Operational review, achievement and performance**

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 9 of the financial statements. The assets of the charity are sufficient to fulfil its obligations.

In the year under review the charity recorded a deficit of £11,566, which arose principally from a decline in the pupil role to 110 compared with 120 in the previous year. Resources expended in the year decreased by 7.9%.

During the course of the academic year 2010/2011, the Board regularly reviewed performance against the various goals set out in the five year School Development Plan to 2012.

The past year continued to be a difficult one because of the economic climate. The school roll fell during the year and the Governors have put plans in place, both to increase pupil numbers and to control expenditure. This included making a reduction in staffing costs. Governors have also continued to develop the new marketing strategy. Mrs McKeown was appointed headteacher and commenced in post at the beginning of the summer term 2011. Pupil numbers have already shown an increase.

Internal decoration of the premises continued over the summer holidays. Alterations were made to office space to provide the headteacher with appropriate accommodation in Convent House.

## **ST PHILOMENA'S SCHOOL LIMITED**

### **REPORT OF THE COUNCIL OF MANAGEMENT AS DIRECTORS OF THE COMPANY**

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St Philomena's School provides three fully funded bursaries. These can be split into more part-funded bursaries. St Philomena's also operates a discount system offering reductions to families where multiple children attend the school.

The school offers its facilities to the local parish for no charge and during the summer holidays the hall has been used by a violin school for a week. The school also has a minibus which is provided to other groups in the local community for their use at no charge.

St Philomena's enjoys taking part in community concerts held at local churches and laying on performances at homes for elderly residents of Frinton. The pupils also participate in carol concerts for the local community. The school also operates a cross country event and invites other local state schools to participate.

The school has four charity representatives who are all pupils in year 6, these pupils take responsibility for organising events to raise money for charity. Funds raised by the charity representatives have been directed to Addenbrookes Hospital for care of children with cancer. The school is also a partner in the North East Essex Millennium Fund who raise money for education in South Africa.

#### **Reserves**

The reserves of the charity are used to fund the operations of the charity. The reserves stand at £151,593 which represents about 33.6% of the book value of the tangible fixed assets used in the charity's operations. An alternative is to consider the revenue and expenditure of the charity, the reserves represent about 3 months' outgoings as shown on the Statement of Financial Activities on page 9 of the Financial Statements.

#### **Risk management**

The charity operates a school for boys and girls aged 11 and under. The Council of Management and the staff of the school are fully aware of the requirements for the care of the pupils. Training courses are attended, professional publications are read and appropriate supervision is provided whilst the pupils are on the school premises or on school organised activities. The level of safety and security is reviewed regularly.

Financial risk is subject to conclusions drawn from demographic projections, cash flow analysis bolstered by a prudent policy on reserves.

#### **Fundraising**

The work put in by those connected with the school on fundraising is acknowledged with thanks.

## **ST PHILOMENA'S SCHOOL LIMITED**

### **REPORT OF THE COUNCIL OF MANAGEMENT AS DIRECTORS OF THE COMPANY**

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#### **Council of Management**

The Council of Management during the year under review has comprised

Mrs J Geldard	
Mrs S M Vincent	
Mrs E J McNulty	(Resigned 28 February 2011)
Mrs P Green	
A W Davidson	
Mrs A O'Sullivan	
Sister McElwaine	
Fr Michael Stokes	
Mrs M Fuller	
Dr J A F Geldard	
Mrs S A Wright	(Appointed 4 May 2011)
Mr E Baker-Wells	(Appointed 25 February 2011)
Mrs E Cank	(Appointed 28 February 2011)

Members of the Association are either co-opted during the course of the year or invited annually to stand for election to the Council of Management. Membership is confirmed by simple majority vote at the Annual General Meeting. In accordance with the Articles of Association, one third of the members of the Council are required to retire by rotation and seek re-election.

Two members of staff, the deputy head and one other are invited to attend Council of Management meetings.

All new members of the Council of Management have access to a Governor's Manual that sets out all the policies and procedures of the school and details the obligations, expectations and conduct of all members of the Council. New members are also required to attend an induction course. Governors have completed courses run by AGBIS. Some governors have also successfully completed Safer Recruitment training.

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 exists to cover the legal liability of the members of the Council of Management.

# **ST PHILOMENA'S SCHOOL LIMITED**

## **REPORT OF THE COUNCIL OF MANAGEMENT AS DIRECTORS OF THE COMPANY**

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### **Council of Management's responsibilities for the financial statements**

The Council of Management (who are also directors of St Philomena's School Limited for the purposes of company law) are responsible for preparing the Report of the Council of Management and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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 charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable 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,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable United Kingdom 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 charitable 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council of Management confirm that so far as they are aware, there is no relevant audit information of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as the Council of Management in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

### **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 487 of the Companies Act 2006.

# **ST PHILOMENA'S SCHOOL LIMITED**

## **REPORT OF THE COUNCIL OF MANAGEMENT AS DIRECTORS OF THE COMPANY**

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### **Accounting exemptions**

Advantage is taken in the preparation of the Council of Management report of the special provisions contained in Part 15 of the Companies Act 2006, relating to small companies

Signed by order of the Council



**Mrs J Geldard**

Chairman of Council of Management

Approved by the Council of Management on 01-12-2011



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

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We have audited the financial statements of St Philomena's School Limited for the year ended 31 August 2011 on pages 9 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Council of Management and auditors**

As explained more fully in the report of the Council of Management, (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Council of Management, and the overall presentation of the financial statements.

### **Opinion on financial statements**

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 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the report of the Council of Management for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- The Council of Management were not entitled to prepare the financial statements in accordance with the small company regime and take advantage of the small companies exemption in preparing the Council of Management's Annual Report



MR TIMOTHY O'CONNOR (Senior Statutory Auditor)

For and on behalf of  
SCRUTTON BLAND  
Chartered Accountants and Statutory Auditors  
820 The Crescent  
Colchester Business Park  
Colchester  
Essex  
CO4 9YQ

6-2-12

# ST PHILOMENA'S SCHOOL LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES (incorporating an INCOME AND EXPENDITURE ACCOUNT) YEAR ENDED 31 AUGUST 2011

	Notes	Unrestricted funds 2011 £	Total funds 2010 £
<b>Incoming resources</b>			
Incoming resources from charitable activities			
Term fees		519,981	602,444
Pupil extras		36,990	43,124
		<u>556,971</u>	<u>645,568</u>
Incoming resources from generated funds			
Activities for generating funds		3,431	2,863
Donations		-	23,140
Other incoming resources		4,957	2,474
		<u>565,359</u>	<u>674,045</u>
Total incoming resources			
<b>Resources expended</b>			
Charitable activities	3	568,730	618,968
Cost of generating funds	4	130	118
Governance costs	5	8,065	7,206
		<u>576,925</u>	<u>626,292</u>
Total resources expended			
<b>Net (outgoing)/incoming resources</b> <b>(net (expenditure)/income for the year)</b>		<b>(11,566)</b>	<b>47,753</b>
<b>Funds brought forward</b>		<b>163,159</b>	<b>115,406</b>
<b>Funds carried forward</b>		<b><u>£ 151,593</u></b>	<b><u>£ 163,159</u></b>

### Continuing operations

All incoming resources and resources expended derive from continuing activities

### Total recognised gains and losses

The company has no recognised gains or losses other than those shown above

# ST PHILOMENA'S SCHOOL LIMITED

## BALANCE SHEET AS AT 31 AUGUST 2011

	Notes	2011 £	2010 £
<b>Tangible fixed assets</b>	6	<u>450,748</u>	<u>463,729</u>
<b>Current assets</b>			
Stock – books		2,000	2,000
Stock – consumable		361	361
Debtors and prepayments	7	20,624	28,326
Fund raising bank account		683	2,238
Cash in hand		53	3,862
		<u>23,721</u>	<u>36,787</u>
<b>Current liabilities</b>			
<b>Creditors: amounts falling due within one year</b>	8(a)	<u>(175,998)</u>	<u>(162,646)</u>
<b>Net current (liabilities)</b>		<u>(152,277)</u>	<u>(125,859)</u>
<b>Total assets less current liabilities</b>		<u>298,471</u>	<u>337,870</u>
<b>Creditors: amounts falling due after more than one year</b>			
Long term bank loan	8(b)	<u>(146,878)</u>	<u>(174,711)</u>
<b>Net assets</b>		<u><u>£ 151,593</u></u>	<u><u>£ 163,159</u></u>
<b>Financed by:</b>			
Income and expenditure account			
Unrestricted funds		<u><u>£ 151,593</u></u>	<u><u>£ 163,159</u></u>

Advantage is taken in the preparation of the financial statements of the special provisions contained in Part 15 of the Companies Act 2006, 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 01-12-2011

**Mrs J Geldard**  
Chairman of Council of Management

**Dr J A F Geldard**  
Member of Council of Management

Company registration number 02071112

# ST PHILOMENA'S SCHOOL LIMITED

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2011

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### 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 Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005 and the Companies Act 2006

#### *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*

Capitalisation is on the basis of cost in excess of £500

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

Freehold buildings and improvements	-	2% straight line
Equipment, fixtures and fittings	-	15% reducing balance
School computer	-	20% straight line
Classroom IT equipment	-	20% straight line
Minibus	-	20% straight line

#### *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"

# **ST PHILOMENA'S SCHOOL LIMITED**

## **NOTES TO FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2011**

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### **1 ACCOUNTING POLICIES – (continued)**

#### ***g) Operating leases***

The charges for the use of office equipment are accounted for on a straight line basis over the term of the lease

#### ***h) Grants***

Nursery education scheme funding is recognised during the year to which it relates

Other grants for specific purposes are accounted for when received and relevant expenditure of the grant is recognised when made

#### ***i) Expenditure***

Costs are accounted for in the period to which they relate on the basis of costs of educating the children, administering the school, financing the school and costs arising from the existence of the charitable company

Governance costs relate to the general running of the school and include expenses such as audit costs

#### ***j) Taxation***

The School is a charity within the meaning of the Charities Acts 1993 and 2006 and as such is a charity within the meaning of Part 11, Corporation Tax Act 2010. Accordingly the School is potentially exempt from taxation in respect of income or gains received within categories covered by Part 11, Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes

#### ***k) Funds***

The company only has one fund, which is unrestricted

#### ***l) Pensions***

During the year to 31 August 2002 a Group Personal Pension Scheme was commenced. The scheme is a defined contribution scheme. The employer contributes 5% of salary to each employee's scheme, the employee may make further contributions if wished. The costs are accounted as due.

On 1 May 2009 the company joined the Teachers Pension scheme (TPS)

Full time and part time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers Pensions on behalf of the Department for Education and Skills

# ST PHILOMENA'S SCHOOL LIMITED

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2011

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### 1 ACCOUNTING POLICIES – (continued)

#### *l) Pensions (continued)*

Under the definitions set out by Financial Reporting Standard (FRS) 17 Retirement Benefits, the TPS is a multi-employer pension scheme. The School is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, the School has taken advantage of the exemption available in FRS 17.

#### *m) Financial instruments*

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all its liabilities.

### 2 OPERATING COSTS

The surplus of expenditure over income is stated after charging

	2011 £	2010 £
Rent of premises	12,690	15,000
Depreciation	12,981	14,815
Staff costs - Salaries	327,847	348,134
- Social security costs	23,698	24,981
- Pension	22,704	25,857
Auditors' remuneration	4,950	5,150
Office equipment rental	13,086	12,144

The average number of staff during the year was 23 (2010 26)

During the year no employee earned in excess of £60,000

No members of the Council of Management received remuneration or were reimbursed for expenses during the year

# ST PHILOMENA'S SCHOOL LIMITED

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2011

### 3 RESOURCES EXPENDED ON CHARITABLE ACTIVITIES

	2011 £	2010 £
Bursaries and other fee discounts	14,992	14,100
Teaching salaries and self employed tutors	372,784	373,847
Playground assistants	4,049	5,327
Rent, rates and insurance	28,903	30,829
Heat and light	9,473	8,752
Textbooks	3,013	833
Outings	15,784	19,841
Travelling	7,141	5,512
Supplies excluding textbooks	3,647	5,125
Depreciation	12,981	14,815
Repairs and renewals	6,645	10,318
Non teaching wages	24,834	19,798
Telephone	2,379	2,189
Postage, stationery and advertising	4,017	15,455
Staff welfare and cleaning	12,945	12,760
Sundries	(6,403)	7,063
Professional training and subscriptions	2,597	4,030
Rent of office equipment	14,651	14,758
Book-keeping	8,549	13,473
Bank charges	2,808	2,185
Bank loan interest	7,723	7,744
Bad debt provision	8,656	23,961
Human resources advisory costs	6,471	6,151
After school club expenses	91	102
	<u>£ 568,730</u>	<u>£ 618,968</u>

### 4 COST OF GENERATING FUNDS

	2011 £	2010 £
Fundraising costs	<u>£ 130</u>	<u>£ 118</u>

### 5 GOVERNANCE COSTS

	2011 £	2010 £
Professional fees	659	481
Audit and accountancy	7,406	6,725
	<u>£ 8,065</u>	<u>£ 7,206</u>



# ST PHILOMENA'S SCHOOL LIMITED

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2011

### 7 FIXED ASSETS

	Clover House £	Capital improvements to Clover House £	Jubilee House £	Capital improvements to Jubilee House £	Minibus £	Equipment fixtures and fittings £	School computer £	Bicycle shed £	Total £
<b>Cost</b>									
At 1 September 2010	122,374	55,745	330,970	52,962	22,325	40,620	34,847	7,912	667,755
Additions	-	-	-	-	-	-	-	-	-
At 31 August 2011	<u>122,374</u>	<u>55,745</u>	<u>330,970</u>	<u>52,962</u>	<u>22,325</u>	<u>40,620</u>	<u>34,847</u>	<u>7,912</u>	<u>667,755</u>
<b>Depreciation</b>									
At 1 September 2010	34,317	16,571	51,298	7,800	22,325	29,334	34,847	7,534	204,026
Charged in year	2,448	1,115	6,620	1,059	-	1,581	-	158	12,981
At 31 August 2011	<u>36,765</u>	<u>17,686</u>	<u>57,918</u>	<u>8,859</u>	<u>22,325</u>	<u>30,915</u>	<u>34,847</u>	<u>7,692</u>	<u>217,007</u>
<b>Written down value</b>									
At 31 August 2011	<u>£ 85,609</u>	<u>£ 38,059</u>	<u>£ 273,052</u>	<u>£ 44,103</u>	<u>£ -</u>	<u>£ 9,705</u>	<u>£ -</u>	<u>£ 220</u>	<u>£ 450,748</u>
At 31 August 2010	<u>£ 88,057</u>	<u>£ 39,174</u>	<u>£ 279,672</u>	<u>£ 45,162</u>	<u>£ -</u>	<u>£ 11,286</u>	<u>£ -</u>	<u>£ 378</u>	<u>£ 463,729</u>

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

# ST PHILOMENA'S SCHOOL LIMITED

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2011

### 7 DEBTORS AND PREPAYMENTS

	2011 £	2010 £
Outstanding fees	15,564	26,151
Prepayments	5,060	2,175
	<u>£ 20,624</u>	<u>£ 28,326</u>

### 8 CREDITORS

	2011 £	2010 £
a) Due within one year		
Bank loans	35,704	39,317
Bank overdrafts	61,247	594
Trade creditors	10,020	14,299
Accruals	8,414	13,989
Social security and other taxes	10,227	6,797
Receipts in advance	27,066	56,095
Parents held deposits	22,000	30,000
Fundraising creditor	1,320	1,555
	<u>£ 175,998</u>	<u>£ 162,646</u>
b) Due after more than one year but less than five		
Bank loans	142,817	150,035
Due between five and ten years		
Bank loans	4,061	24,676
	<u>£ 146,878</u>	<u>£ 174,711</u>

The bank loans are repayable by instalments. On the loans to finance property, interest is charged monthly at 2.75% over base rate and is paid by instalments. The bank loan and overdraft is secured by mortgages on Clover and Jubilee Houses. They are further secured by a fixed charge over book debts and a floating charge over all other assets.

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

# **ST PHILOMENA'S SCHOOL LIMITED**

## **NOTES TO FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2011**

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### **9 SHARE CAPITAL**

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

### **10 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

### **11 OPERATING LEASE COMMITMENTS**

There are commitments to pay the following annually on leases with less than five years to run

	<b>2011</b>	<b>2010</b>
Office equipment rentals	<b><u>£ 11,844</u></b>	<b><u>£ 12,688</u></b>
And on leases with more than five years to run		
Rent of premises	<b><u>£ 15,000</u></b>	<b><u>£ 15,000</u></b>

### **12 PENSION COMMITMENTS**

At 31 August 2011 the annual pension commitment was £22,704 (2010 £25,857) Included in social security and other taxes is an amount of £3,168 in relation to accrued pension contributions (2010 £Nil)

# ST PHILOMENA'S SCHOOL LIMITED

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2011

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### 13 TEACHERS' PENSION SCHEME

The TPS is an unfunded scheme. Contributions on a 'pay-as-you-go' basis are credited to the exchequer under arrangements governed by the Superannuation Act 1972. Actuarial valuations are carried out on a notional set of investments.

Under the definitions set out in Financial Reporting Standard (FRS) 17 Retirement Benefits, the TPS is a multi-employer pension scheme. St Philomena's School Limited is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, St Philomena's School Limited has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contributions scheme. St Philomena's School Limited has set out below the information available on the scheme and the implications for the School in terms of the anticipated contribution rates.

The pensions cost is assessed every three years in accordance with the advice of the government actuary. The assumptions and other data that have the most significant effect on the determination of the contribution levels are as follows:

Latest actuarial valuation	31 March 2004
Actuarial method	prospective benefits
Investment returns per annum	6.5%
Salary scale increases per annum	5.0%
Pension increase per annum	2.8%
Value of notional assets at date of last valuation (the Account) (estimated future contributions together with notional investments held at 31 March 2004)	£162,650 million
Value of notional liabilities at date of last valuation (pensions currently in payment and the estimated future costs of benefits)	£164,490 million
Balance of Scheme assets and liabilities at 31 March 2004	£(1,840) million
Proportion of members' accrued benefits covered by the notional value of the assets	98.88%

The total in the Account as at 31 March 2004 has been determined as the difference between the scheme liabilities and the value of future scheme contributions. From that date the Account will be credited with a rate of return which is equivalent to it assuming that the balance in the Account is invested in notional investments producing that rate of return.

Following the implementation of the Teacher's Pension (Employer's Supplementary Contributions) Regulations 2000, the Government Actuary carried out a further review on the level of employer contributions. For the period from 1 May 2009, when the School joined the scheme, to 31 August 2009 the employer contribution was 14.1%. The employee rate was 6.4% for the same period.

An appropriate provision in respect of unfunded pensioners' benefits is included in provisions.

The total contributions made for the year ended 31 August 2011 were £33,189 (2010: £36,768) of which employers' contributions totalled £22,704 (2010: £25,289) and employees' contributions totalled £10,485 (2010: £11,479).