

Company Number: 2789023
Charity Number: 1017853

ST GEORGE'S COLLEGE WEYBRIDGE
(A Company Limited by Guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2003



Horwath Clark Whitehill

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ST GEORGE'S COLLEGE WEYBRIDGE
A COMPANY LIMITED BY GUARANTEE

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**ST GEORGE'S COLLEGE WEYBRIDGE
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2003**

OFFICERS AND ADVISERS

Headmaster St George's College:

Mr J A Peake

Headmaster St George's College Junior School:

Rev M A Ashcroft to 31 July 2003
A J Hudson from 1 August 2003

Bursar and Clerk to the Governors:

Mr P J Fletcher

Address:

St George's College
Weybridge Road
Addlestone
Surrey
KT15 2QS

Bankers:

National Westminster Bank
Third Floor
2 Waterhouse Square
138 – 142 Holborn
London
EC1N 2TH

Solicitors:

Veale Wasbrough
Orchard Court
Orchard Lane
Bristol
BS1 5DS

Auditors:

Horwath Clark Whitehill
Chartered Accountants
25 New Street Square
London
EC4A 3LN

ST GEORGE'S COLLEGE WEYBRIDGE
DIRECTORS' AND TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

The directors, each of whom is a trustee and, ex-officio, a governor, present their report together with the audited financial statements for the year ended 31 July 2003.

STATUS AND ADMINISTRATION

The governing document is the Memorandum and Articles of Association. St George's College Weybridge was set up under a Memorandum and Articles of Association dated 11 February 1993, registration number 2789023.

The company is a charity registered with the Charity Commission Number 1017853.

OBJECTS

The company's objects are to conduct and develop independent Roman Catholic Schools.

AIMS AND ETHOS

St George's College and its Junior School aim to promote Christian values within a Roman Catholic context, encouraging a strong sense of family within the Josephite tradition. All pupils are equally valued and encouraged to fulfil their aspirations and potential in an environment of broadly based education within which they strive for the highest standards of academic excellence and sporting and extra-curricular achievement.

DIRECTORS

The directors who served during the year and those appointed up to the date of this report were:

Mr J F Rourke - Chairman
Rev M R Connor - (resigned 3 March 2003)
Mrs M Head - Member of Academic Committee
Mr M J G Henderson - Deputy Chairman from 24 November 2003 and Chairman of Finance & General Purposes Committee
Rev R D Hamilton
Rev J R Lear - member of Finance & General Purposes Committee
Rev W M Muir - member of the Academic Committee
Mr P O'Sullivan - (resigned 19 May 2003)
Mrs D S Phillips - member of the Finance & General Purposes Committee
Mrs K Quint - Chairman of the Academic Committee
Mr J Fox Murphy - (appointed 3 March 2003) member of the Finance & General Purposes Committee (deceased 25 December 2003)
Mrs M M Robinson - (appointed 3 March 2003) member of the Finance & General Purposes Committee

All directors served throughout the year, except where indicated.

ORGANISATION

The Governing Body decides matters of major School policy and meets usually four times a year. It operates through a Finance and General Purposes Committee and an Academic Committee which customarily meet 5 and 3 times a year respectively. Implementation of Governing Body decisions is the responsibility of the respective Headmasters as appropriate on the academic side, and of the Bursar on the business side of the schools.

ST GEORGE'S COLLEGE WEYBRIDGE
DIRECTORS' AND TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

MANAGEMENT BOARD

The Headmaster, the Headmaster of the Junior School, the Deputy Headmaster, the Director of Studies, the Curriculum Co-ordinator and the Bursar form the Management Board of the College. The Headmaster of the Junior School, the Deputy Headteacher, the Head of Curriculum and the Head of Lower Years of the Junior School and the Bursar form the Management Board of the Junior School. The Management Boards undertake the general and administrative management of each school. The two Headmasters and the Bursar attend all Governors' meetings.

METHOD OF APPOINTMENT OF GOVERNORS

Governors are appointed by the Governing Body through their Nominations Committee.

REVIEW OF ACTIVITIES

The company continues to operate two Roman Catholic Schools. One, St George's College, is a co-educational day school for pupils ages 11 – 18. The other is St George's College Junior School, a co-educational day school for pupils ages 3 - 11.

Phase 1 of the Development Plan was commenced and mostly concluded.

FUTURE DEVELOPMENTS

The final stage of Phase1 of the Development Plan will be concluded in the financial year 2003/2004. Phase 2 is planned to commence in the financial year 2005/2006.

FIXED ASSETS

A summary of all movements of fixed assets during the year is given in note 10 to the accounts.

CONNECTED CHARITIES

Details of connected charities are disclosed in note 20 of the financial statements.

ASSET COVER FOR FUNDS

Note 15 to the financial statements sets out an analysis of the School's assets attributable to the various funds. These assets are sufficient to meet the schools obligations on a fund by fund basis.

ST GEORGE'S COLLEGE WEYBRIDGE
DIRECTORS' AND TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

RESERVES POLICY

In common with other charities, the School is asked to state its policy with regard to the build up of free reserves. Due to the high level of capital expenditure in past years, the School has long operated with a net borrowing position and a deficit of free reserves. At 31 July 2003, there were unrestricted general reserves of £5.6 million after designations and operational fixed assets of £10.2 million, giving a deficit of free reserves of £4.8 million.

If the expected reduction in borrowing were to continue, after 2005/06 there could eventually be positive free reserves. However, it is not the Governors' intention to allow free reserves to build up to too high a level. It is considered that a margin of working capital of one term's fee (currently about £3.3 million) would be adequate to enable the School to operate comfortably and to cope with any unexpected items of expenditure that could not be met from current income.

This policy will be regularly reviewed by the Governors, particularly if it appears that substantial free reserves are likely to become available.

RISK MANAGEMENT

Over the course of the year there has been a progressive review of risk areas culminating in the production of a comprehensive identification of risk areas. Arising from this process, the major risks to which the charity is exposed as identified by the trustees have been reviewed and systems have been established to mitigate those risks.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

Company law and laws applicable to charities in England & Wales require the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the governors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any 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 charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable them to ascertain the financial position of the Charity and ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ST GEORGE'S COLLEGE WEYBRIDGE
DIRECTORS' AND TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

AUDITORS

During the year Horwath Clark Whitehill were appointed in accordance with section 385 of the Companies Act 1985, a resolution proposing the re-appointment of Horwath Clark Whitehill as auditors to the company will be put to the annual general meeting.

Approved by the Directors at a meeting on 15 March 2004
and signed on their behalf by:



M J G Henderson

INDEPENDENT AUDITORS' REPORT TO THE GOVERNORS' OF ST GEORGE'S COLLEGE WEYBRIDGE

We have audited the financial statements of St George's College Weybridge for the year ended 31 July 2003 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes set out on pages 11 to 25. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 11 to 13.

The report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our work, for this report, or for the opinion we have formed.

Respective responsibilities of the Governors and auditors

The responsibilities of the Governors, who are also the charity trustees for the purposes of charity law and directors for the purposes of company law, for preparing the Directors' and Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Governors Responsibilities on page 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' and Trustees Annual Report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charitable company is not disclosed.

We read other information contained in the Directors' and Trustees' Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

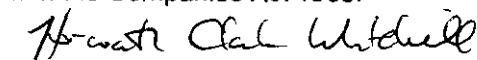
Basis of opinion

We conducted our audit in accordance with United Kingdom 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 charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all 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.

Unqualified opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charitable company as at 31 July 2003 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Horwath Clark Whitehill

Chartered Accountants and Registered Auditors

Date

15/3/04

25 New Street Square
London
EC4A 3LN

ST GEORGE'S COLLEGE WEYBRIDGE
STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an income and expenditure account)
FOR THE YEAR ENDED 31 JULY 2003

	Notes	Unrestricted Funds School £	Designated Funds £	Restricted Funds £	Total 2003 £	Total 2002 £
INCOMING RESOURCES						
Fees receivable	2	10,049,139	-	-	10,049,139	9,659,561
Gift from SGC Enterprises Ltd		67,007	-	-	67,007	46,294
Other activities to generate funds						
Investment income	8	37,470	-	11,140	48,610	129,484
Donations	3	50,672	-	92,556	143,228	211,863
Other income		83,202	-	-	83,202	85,015
Total Incoming Resources		<u>10,287,490</u>	<u>-</u>	<u>103,696</u>	<u>10,391,186</u>	<u>10,132,217</u>
RESOURCES EXPENDED						
Costs of generating funds						
Finance and other costs	6	187,900	7,446	15,553	210,899	213,952
Charitable Expenditure						
Teaching costs		5,977,965	-	-	5,977,965	5,535,168
Welfare		733,159	-	-	733,159	613,602
Premises		1,373,703	-	-	1,373,703	1,341,530
Support costs		1,432,226	-	-	1,432,226	1,400,681
Management and administration of the charity		25,702	-	-	25,702	27,795
Exceptional restructuring costs		106	-	-	106	65,052
Total Resources Expended	6	<u>9,730,761</u>	<u>7,446</u>	<u>15,553</u>	<u>9,753,760</u>	<u>9,197,780</u>
Net Incoming/(outgoing) resources before transfers		556,729	(7,446)	88,143	637,426	934,437
Transfers between funds		201,865	-	(201,865)	-	-
Net Incoming/(outgoing) resources after transfers		758,954	(7,446)	(113,722)	637,426	934,437
Realised investment losses		-	-	-	-	(19,913)
NET MOVEMENT IN FUNDS		758,954	(7,446)	(113,722)	637,426	914,524
Balances brought forward at						
1 August 2002	16/1 7	4,211,997	830,818	411,682	5,454,497	4,539,973
Balances carried forward						
At 31 July 2003		<u>4,970,591</u>	<u>823,372</u>	<u>297,960</u>	<u>6,091,923</u>	<u>5,454,497</u>

The notes on pages 11 to 25 form part of these financial statements.

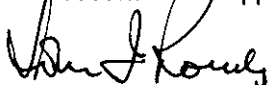

ST GEORGE'S COLLEGE WEYBRIDGE

BALANCE SHEET

AS AT 31 JULY 2003

	Notes	£	2003 £	2002 £
FIXED ASSETS				
Tangible fixed assets	10		10,243,231	7,186,155
Unlisted investments	11		<u>9,600</u>	<u>13,501</u>
			10,252,831	7,199,656
CURRENT ASSETS				
Stock		39,235		33,798
Debtors	12	350,197		321,185
Cash, bank and building society balances		<u>784,826</u>		<u>2,971,216</u>
		1,174,258		3,326,199
CREDITORS: amounts falling due within one year	13	<u>(1,204,761)</u>		<u>(1,344,653)</u>
NET CURRENT ASSETS			<u>(30,503)</u>	<u>1,981,546</u>
			10,222,328	9,181,202
CREDITORS: amounts falling due after more than one year	14		<u>(4,130,405)</u>	<u>(3,726,705)</u>
NET ASSETS	15		<u>6,091,923</u>	<u>5,454,497</u>
RESERVES				
Unrestricted				
- General	16		5,617,130	4,211,997
- Designated	16		176,833	830,818
Restricted	17		<u>297,960</u>	<u>411,682</u>
			6,091,923	5,454,497

These accounts were approved on behalf of the board on 15 March 2004

 F Rourke
 M J G Henderson
 } Directors

The notes on pages 11 to 25 form part of these financial statements.

ST GEORGE'S COLLEGE WEYBRIDGE
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2003

	£	2003 £	£	2002 £
Net incoming resources per statement of financial activities		637,426		914,524
Depreciation	512,178		346,052	
Investment income	(48,610)		(129,484)	
Finance costs	143,675		146,800	
(Increase)/decrease in stock	(5,437)		7,890	
(Increase)/decrease in debtors	(29,012)		112,430	
Increase in creditors	2,928		113,513	
		<u>575,722</u>		<u>597,201</u>
Cash flow from operating activities		1,213,148		1,511,725
Returns on investments and servicing of finance				
Investment income	48,610		129,484	
Interest payable	(143,675)		(146,800)	
		<u>(95,065)</u>		<u>(17,316)</u>
		1,118,083		1,494,409
Capital expenditure and financial investment				
Disposal of Investments	3,901		510,827	
Purchase of tangible fixed assets	(3,569,254)		(1,418,990)	
		<u>(3,565,353)</u>		<u>(908,163)</u>
Net cash flow before use of liquid resources and financing		(2,447,270)		586,246
Financing				
Josephite loan repaid	(62,500)		(62,500)	
Net advances for fees	492,506		276,827	
		<u>430,006</u>		<u>214,327</u>
(Decrease)/Increase in cash in period		(2,017,264)		800,573

ST GEORGE'S COLLEGE WEYBRIDGE
CASH FLOW STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

NOTES TO THE CASH FLOW STATEMENT

ANALYSIS OF CHANGES IN NET DEBT

	<i>As at 1 August 2002</i>	Cash flow	<i>As at 31 July 2003</i>
	£	£	£
Cash, bank and building society balances	2,971,216	(2,186,390)	784,826
Bank overdraft	(198,028)	169,126	(28,902)
Net debt due within one year	(408,991)	(88,643)	(497,634)
Net debt due after one year	(3,364,992)	(341,363)	(3,706,355)
	<u>(1,000,795)</u>	<u>(2,447,270)</u>	<u>(3,448,065)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENTS IN NET DEBT

	2003	2002
	£	£
(Decrease)/increase in cash in the period	(2,017,264)	800,573
Cash inflow from increase in debt and finance obligations	(430,006)	(214,327)
Change in net debt resulting from cash flows	(2,447,270)	586,246
Net debt at 1 August 2002	(1,000,795)	(1,587,041)
Net debt at 31 July 2003	<u>(3,448,065)</u>	<u>(1,000,795)</u>

ST GEORGE'S COLLEGE WEYBRIDGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2003

1. ACCOUNTING POLICIES

a) Accounting Convention

The accounts of the Charitable Company are prepared in accordance with the Charities (Accounts and Reports) Regulations 2000 and the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in October 2000 and with applicable accounting standards.

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

b) Fees and Similar Income

Fees receivable and charges for services are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School.

c) Donations

Donations received for the general purposes of the School are credited to unrestricted funds. Donations subject to specific wishes of the donors are credited to restricted funds.

2. Resources Expended

Expenditure is classified under the two principal categories of charitable expenditure and costs of generating funds, rather than the type of expense, in order to provide more useful information to user of the financial statements.

Resources Expended are accounted for on an accruals basis. Charitable Expenditure is allocated to expense headings either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

Costs of generating funds comprise costs directly attributable to raising funds to finance the activities of the college.

Liabilities are realizable where there is a legal or constructive obligation committing the College to the expenditure.

2. Leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

ST GEORGE'S COLLEGE WEYBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

1. ACCOUNTING POLICIES (CONTINUED)

2. Depreciation

Depreciation is not provided on freehold land. In accordance with FRS15 transitional arrangements, the school buildings are stated at valuation at 31 July 2001 and this deemed cost will be frozen subject to any adjustments necessary resulting from an impairment review. On other assets in use depreciation is provided on cost amounts in equal annual installments over the estimated lives of the assets.

Fixtures, Furniture and Equipment	- 15% per annum on cost
Motor Vehicles	- 25% per annum on the reducing balance method.
Computers	- 33 1/3% per annum on cost
Freehold and Leasehold Buildings	- 2% per annum on cost
Freehold and Leasehold Improvements	- 4% to 10% per annum on cost.

Capital assets donated to the School are "realizable" in fixed assets and credited to the statement of financial activities.

g) Stock

Stock is valued at the lower of cost and net "realizable value."

2. Pension Schemes

The Charity contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the school. In accordance with FRS 17 therefore, the scheme is accounted for as a defined contribution scheme.

All non teaching staff are entitled to join a group personal pension scheme, which complies with the requirements for a Stakeholder Pension Scheme.

2. Joint Venture and Subsidiary Undertaking

The results of the Joint Venture Company and subsidiary undertaking are not consolidated. In the opinion of the Directors the results up to 31 July 2003 are immaterial in relation to the company's, and therefore should not be included.

ST GEORGE'S COLLEGE WEYBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

1. ACCOUNTING POLICIES (CONTINUED)

2. Unrestricted Funds

General Fund

The surplus from normal School activities, and unrestricted donations are transferred to the General Fund.

Designated Funds

Designated funds are unrestricted funds earmarked by the governors for particular purposes.

Restricted Funds

The Restricted Funds held are applied to the provision of scholarships to handicapped children and sixth form pupils, and for the provision of fixed assets.

2. Advance Fees Scheme

The school offers parents the opportunity to pay for up to seven years tuition fees in advance in accordance with a written contract. The amount received is invested and interest is accrued to contracts. This is treated as deferred income until the pupil joins the school whereupon the fees for each school term is charged against the remaining balance and taken to income. Any shortfall is treated as a deduction from school fee income and any excess accrued is treated as additional school income.

ST GEORGE'S COLLEGE WEYBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

2. FEES RECEIVABLE	2003	2002
	£	£
Fees receivable consist of:		
Gross fees	10,375,525	9,993,710
Bus income	198,179	201,587
Lunch income	338,356	298,667
	<u>10,912,060</u>	<u>10,493,964</u>
Less: Scholarships, bursaries and allowances	(862,921)	(834,403)
	<u>10,049,139</u>	<u>9,659,561</u>

The Woolfson Scholarship fund and the Susan Goodchild fund did not contribute towards the scholarships awarded by the school this year. (2002: £3,525)

3. DONATIONS

Notional teaching wages waived by Josephite community	50,000	50,000
Restricted fund gifts	90,556	161,800
Other donations	2,672	63
	<u>143,228</u>	<u>211,863</u>

4. STAFF COSTS

These consist of:

Wages and salaries	5,719,769	5,407,329
Social security costs	424,893	398,995
Pension costs	498,093	374,097
Restructuring costs	106	65,052
	<u>6,642,861</u>	<u>6,245,473</u>

The average numbers of full time equivalent employees of the charity during the year are shown below:

	2003	2002
	No.	No.
Teachers	136	138
Non teachers	83	86
	<u>219</u>	<u>224</u>

ST GEORGE'S COLLEGE WEYBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

4. STAFF COSTS (CONTINUED)

The number of employees whose emoluments exceeded £50,000 per annum were:

	2003 No.	2002 No.
£50,001 - £60,000	2	2
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
£90,001 - £100,000	1	1

The college contributed £25,270 as pension contributions to the above employees during the year.

No Governors received remuneration or were reimbursed expenses during the current or previous year.

Teachers' Pension Defined Benefits Scheme

The School participates in a multi employer defined benefits pension scheme, the Teachers' Pension Scheme (England and Wales) ("the Scheme"), for its teaching staff. As a result it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the school. The last Report by the Government Actuary (GA) covered the period 1 April 1996 to 31 March 2001. The valuation statement as at 31 March 2001 made in March 2003 revealed that the total liabilities of the Scheme (the estimated cost of past and future service benefits of existing members) amounted to £142,880 million. In accordance with the Teachers' Pension (Amendment) Regulations 2002, the actuarial review assumed that the value of the scheme assets equalled the value of the scheme liabilities at 31 March 2001. The scheme assets at 31 March 2001 consisted of future contributions in respect of existing members valued at £40,870 million and a balance of £102,010 million in the Teachers' Pension Account being a notional investment. The actuarial review assumed that the real rate of return on the notional investment is 3.5% in excess of price increases and 2% in excess of general earnings increases, therefore assuming a rate of real earnings growth of 1.5%. The assumed long-term gross rate of return is 7%. Following this report the standard contribution rate has been raised from 14.35% to 19.5% from 1 April 2003. 6% is to be paid by the teachers and the remaining 13.5% borne by the school. The superannuation charge represents contributions payable to the Scheme for the year ended 31 July 2003 of £383,885 (2002: £275,857).

The school also runs a scheme for its non-teaching staff, which is a defined contributions scheme. The cost for the year represents the school's contributions to the scheme of £114,208 (2002: £ 98,240).

5. EXPENDITURE

	2003 £	2002 £
Expenditure includes:		
Leasehold rent to Josephite Community	230,000	230,000
Depreciation	512,178	346,052
Auditors' remuneration - Audit	16,450	15,000
- Other fees	4,252	-
- Other fees to previous auditors	-	7,795
Equipment lease rentals	177,275	186,775
Governors' liability insurance	260	260

ST GEORGE'S COLLEGE WEYBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

6. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £	Other £	Depreciation £	2003 Total £
Cost of generating funds				
Finance and other costs	-	210,899	-	210,899
Charitable expenditure				
Teaching	5,216,774	761,191	-	5,977,965
Welfare	442,319	290,840	-	733,159
Premises	277,190	584,335	512,178	1,373,703
Support costs	706,472	725,754	-	1,432,226
Management and administration of the charity	-	25,702	-	25,702
Exceptional costs	106	-	-	106
	<u>6,642,861</u>	<u>2,598,721</u>	<u>512,178</u>	<u>9,753,760</u>

	Staff Costs £	Other £	Depreciation £	2002 Total £
Cost of generating funds				
Finance and other costs	-	213,952	-	213,952
Charitable expenditure				
Teaching	4,830,128	705,040	-	5,535,168
Welfare	381,772	231,830	-	613,602
Premises	291,527	703,951	346,052	1,341,530
Support costs	676,994	723,687	-	1,400,681
Management and administration of the charity	-	27,795	-	27,795
Exceptional costs	65,052	-	-	65,052
	<u>6,245,473</u>	<u>2,606,255</u>	<u>346,052</u>	<u>9,197,780</u>

7. INTEREST PAYABLE

	2003 £	2002 £
Loan from Josephite Community	49,925	53,050
Loan from Sisters of the Infant Jesus	93,750	93,750
	<u>143,675</u>	<u>146,800</u>

8. INVESTMENT INCOME

	2003	2002
Bank interest receivable	46,553	109,281
Prior year income from quoted investments	2,057	20,203
	<u>48,610</u>	<u>129,484</u>

All income is derived from United Kingdom investments.

9. TAXATION

As an Educational Charity the company is exempt from United Kingdom income tax and corporation tax.

ST GEORGE'S COLLEGE WEYBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

10. TANGIBLE FIXED ASSETS						
	Freehold Land £	Freehold Buildings £	Long Leasehold Buildings £	Leasehold Improvements £	Equipment, Furniture and Computers £	Motor Vehicles £
Cost						Total £
As at 1 August 2002	1,325,000	1,581,237	2,830,396	2,989,571	1,749,778	10,718,641
Additions in year	-	13,908	79,510	3,220,460	250,086	3,569,254
As at 31 July 2003	1,325,000	1,595,145	2,909,906	6,210,031	1,999,864	14,287,895
Depreciation						
As at 1 August 2002	-	481,513	1,209,361	450,518	1,222,372	3,532,486
Charge for year	-	31,926	57,589	232,354	171,492	512,178
As at 31 July 2003	-	513,439	1,266,950	682,872	1,393,864	4,044,664
NET BOOK VALUE						
31 July 2003	1,325,000	1,081,706	1,642,956	5,527,159	606,000	10,243,231
<i>31 July 2002</i>	<i>1,325,000</i>	<i>1,099,724</i>	<i>1,621,035</i>	<i>2,539,053</i>	<i>527,406</i>	<i>7,186,155</i>

ST GEORGE'S COLLEGE WEYBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

11. UNLISTED INVESTMENTS	2003 £	2002 £
Interest in subsidiary undertaking	100	1
Interest in joint venture company		
- Share capital	2,500	2,500
- Long term loan	7,000	11,000
	<u>9,600</u>	<u>13,501</u>

Subsidiary Undertaking

The company has a 100% shareholding acquired on 22 February 1999, in St George's College Enterprises Limited, incorporated in the United Kingdom, which manages the commercial activities of the company which include the running of a school clothing shop.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2003

	Year ended 31 July 2003 £	Year ended 31 July 2002 £
Turnover	254,286	227,720
Cost of sales	(117,918)	(110,791)
Administrative expenses	(68,801)	(70,635)
Gift to St George's College	(67,007)	(46,294)
Profit for the financial period	560	-
Taxation	(936)	-
Profit after tax for the financial period	<u>(376)</u>	<u>-</u>

BALANCE SHEET AS AT 31 JULY 2003

	2003 £	2002 £
FIXED ASSETS		
Tangible assets	14,870	24,538
NET CURRENT LIABILITIES	(9,488)	(10,112)
TOTAL ASSETS LESS CURRENT LIABILITIES	5,382	14,426
CREDITORS: Amounts falling due after one year	(4,304)	(13,071)
NET CURRENT ASSETS	1,078	1,355
CAPITAL AND RESERVES		
Called up share capital	100	1
Profit and loss account	978	1,354
TOTAL SHAREHOLDERS' FUNDS	<u>1,078</u>	<u>1,355</u>

ST GEORGE'S COLLEGE WEYBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

11. UNLISTED INVESTMENTS (Continued)

Joint Venture

The company has a 50% shareholding acquired on 25 March 1994 in a Joint Venture company, St George's College and Surrey County Tennis Centre Limited, incorporated in the United Kingdom, which manages the indoor tennis centre. The joint venture company is managed jointly by the company and Surrey County Lawn Tennis Association which owns the other 50% shareholding.

On 25 March 1994 the company agreed to provide land, with the approval of the Josephite Community, the freeholders, the company as the head lease holder, agreed to offer a sublease to Surrey County Lawn Tennis Association ("the Surrey Trustees") on similar lease terms. The Surrey Trustees agreed to build and fund the indoor tennis centre.

The joint venture company is responsible for making arrangements for use of the indoor tennis centre which under the present agreement is given equally to St George's College Weybridge, Surrey Trustees and the joint venture company which will let the courts for commercial profit. St George's College will assist by making available its own staff to carry out the joint venture company's operations. St George's College is also responsible for day to day maintenance of the tennis centre buildings. If a deficit is made by the joint venture company, it will be shared equally by St George's College and the Surrey Lawn Tennis Association.

The unaudited results for the last two years are as follows:-

PROFIT AND LOSS ACCOUNT	2003	2002
YEAR ENDED 30 SEPTEMBER 2003	£	£
Turnover	39,422	41,037
Cost of sales	(7,647)	(9,764)
Administration	(23,932)	(26,229)
Interest receivable	642	672
	8,485	5,716
Taxation	(485)	(327)
Profit for the year	8,000	5,389

ST GEORGE'S COLLEGE WEYBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

11. UNLISTED INVESTMENTS (CONTINUED)

BALANCE SHEET		2003	2002
AS AT 30 SEPTEMBER 2003	£	£	£
FIXED ASSETS			
Tangible assets		<u>3,955</u>	<u>5,341</u>
CURRENT ASSETS			
Stock	76		261
Debtors	3,834		3,306
Cash at bank	<u>20,845</u>		<u>20,375</u>
	24,755		23,942
CREDITORS: Amounts falling due within one year	<u>(17,943)</u>		<u>(26,516)</u>
Net Current Assets/(liabilities)		<u>6,812</u>	<u>(2,574)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		10,767	2,767
CREDITORS: Amounts following due in more than one year		<u>(14,000)</u>	<u>(14,000)</u>
		<u>(3,233)</u>	<u>(11,233)</u>
CAPITAL AND RESERVES			
Share capital		5,000	5,000
Profit and loss account		<u>(8,233)</u>	<u>(16,233)</u>
		<u>(3,233)</u>	<u>(11,233)</u>

ST GEORGE'S COLLEGE WEYBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

12. DEBTORS	2003 £	2002 £
Josephite Community	65,312	65,312
Amount due from joint venture company	892	919
Amount due from subsidiary	72,153	50,571
Fee debtors	57,497	116,702
Sundry debtors	110,041	51,223
Prepayments and accrued income	44,302	36,458
	<u>350,197</u>	<u>321,185</u>

13. CREDITORS: Amounts falling due within one year

Josephite loan	62,500	62,500
Bank overdraft	28,902	198,028
Trade creditors	73,681	343,184
Social security and other taxation	155,630	3,654
Pension contributions	126,911	-
Advance fee scheme	435,134	346,491
Deposits	40,600	46,531
Other creditors	240,370	174,411
Accruals	41,033	169,854
	<u>1,204,761</u>	<u>1,344,653</u>

The unsecured bank overdraft facility is £750,000 and interest is charged at 1.75% above the bank's base rate.

14. CREDITORS: Amounts falling due after one year

Amounts due after two to five years		
Sisters of the Infant Jesus loan	466,196	340,839
Josephite loan	250,000	250,000
Deposits	424,050	361,713
Advance fee scheme	831,729	503,312
Amounts due after five years		
Sisters of the Infant Jesus loan	1,408,804	1,534,161
Josephite loan	666,000	728,500
Advance fee scheme	83,626	8,180
	<u>4,130,405</u>	<u>3,726,705</u>

Josephite Community Loan

The company on 31 July 1993 took over the loan due to the Josephite Community amounting to £850,000 after waiver of £475,000. The governors agreed that should sufficient funds be available, the company would endeavour to repay that part of the loan waived by the Josephites.

The original loan advance of £850,000 is repayable in equal quarterly amounts over twenty years commencing on 1 September 2000 and interest of 5 % per annum is payable from 1 September 2000.

ST GEORGE'S COLLEGE WEYBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

14. CREDITORS: Amounts falling due after one year (CONTINUED)

A further loan advance of £400,000 was made on 17 July 1995, the repayment terms are the same as the original loan advance and interest of 5% per annum is payable from the date of the advance.

Sisters of the Infant Jesus Loan

The loan was advanced to the school on the acquisition of St Maur's School on 1 September 1999.

The total consideration on the sale was £2,000,000. £125,000 was repaid on completion, the remaining balance of £1,875,000 is repayable as follows:-

- First five months interest free and no capital repayments.
- Next four years and eight months interest payable in three instalments each year at 5% per annum and no capital repayments.
- The subsequent twelve years and eight months £199,998 payable per annum to cover interest and capital.
- Final payment of £17,927 payable on 1 June 2017.

15. ALLOCATION OF THE CHARITY NET ASSETS

The net assets are held for the various funds as follows:-

	Fixed Assets £	Net Current Assets £	Long Term Liabilities £	Total £
Unrestricted Funds				
General Funds	9,923,791	(176,256)	(4,130,405)	5,617,130
Designated Funds	176,833	-	-	176,833
Restricted	152,108	145,852	-	297,960
	<u>10,252,732</u>	<u>(30,404)</u>	<u>(4,130,405)</u>	<u>6,091,923</u>

16. UNRESTRICTED FUNDS

	Balance 1 August 2002 £	Incoming Resources £	Resources Expended £	Transfers £	Balance 31 July 2003 £
General	4,211,997	10,287,490	(9,730,761)	848,404	5,617,130
Designated					
Appeal	184,279	-	(7,446)	-	176,833
Junior School	646,539	-	-	(646,539)	-
	<u>5,042,815</u>	<u>10,287,490</u>	<u>(9,738,207)</u>	<u>201,865</u>	<u>5,793,963</u>

ST GEORGE'S COLLEGE WEYBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

16. UNRESTRICTED FUNDS (CONTINUED)

Designated Funds

The governors approved the formation of a Technology Appeal Fund which was to be used for the refurbishment of the old music block to provide a technology centre capable of delivering technology in the curriculum to key stage 4. From 1 August 2000 the Appeal is to be used to finance the construction of an athletics track. At the discretion of the governors the Fund can be applied towards other charitable objectives. The gift from the Sisters of the Infant Jesus as disclosed in note 20 was designated by the Governors to invest in the St Maur's site which now operates as the Junior School.

17. RESTRICTED FUNDS

	Balance 31 July 2002 £	Incoming Resources £	Resources Expended £	Transfers £	Balance 31 July 2003 £
Woolfson					
Scholarship	21,042	631	-	-	21,673
PA System	9,457	-	(1,703)	(7,754)	-
Susan					
Goodchild	50,183	1,505	-	-	51,688
6 th Form Film					
Equipment	-	3,162	-	(3,162)	-
Astro Pitch		30,750	(2,000)	-	28,750
Boat Club					
Equipment	-	8,644	-	(4,299)	4,345
The "Alien"	-	35,000	(5,250)	(29,750)	-
Clubhouse					
Carpark	-	15,000	(600)	(14,400)	-
Athletic Track	148,500	-	(6,000)	(142,500)	-
Amanda Smith	182,500	9,004	-	-	191,504
	<u>411,682</u>	<u>103,696</u>	<u>(15,553)</u>	<u>(201,865)</u>	<u>297,960</u>

The Wolfson Scholarship and Susan Goodchild Funds are applied to the provision of scholarships to sixth form pupils and handicapped children. The Amanda Smith Fund is applied to fixed assets.

18. OPERATING LEASE COMMITMENTS

At 31 July 2003, the Company had the following annual commitments under non-cancellable operating leases:

	Property		Equipment	
	2003	2002	2003	2002
	£	£	£	£
Operating leases which expire:				
Within one year	-	-	21,130	32,039
Within two to five years	-	-	116,653	108,891
After five years	<u>230,000</u>	<u>230,000</u>	-	-
	<u>230,000</u>	<u>230,000</u>	<u>137,783</u>	<u>140,930</u>

ST GEORGE'S COLLEGE WEYBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

19. CAPITAL COMMITMENTS	2003 £	2002 £
Authorised and contracted for	185,875	2,989,982
Authorised and not contracted for	<u>4,123,384</u>	<u>3,859,000</u>

20. CONNECTED CHARITIES AND RELATED PARTY TRANSACTIONS

Mr M J G Henderson is a director of the wholly owned subsidiary and the joint venture company. Mrs D S Phillips is a director of the wholly owned subsidiary.

Rev J R Lear is also a trustee of the Josephite Community.

The Josephite Community (Charity number 312071) is a connected charity of the company.

Transactions with these entities include:

1. Josephite Community	2003 £	2002 £
Loan due	(978,500)	(1,041,000)
Advance on inter company transactions	65,312	65,312
Loan interest paid	(49,925)	(53,050)
Joint costs reimbursed	101,991	122,640
Rent paid	(230,000)	(230,000)
Josephite notional wages charge	(50,000)	(50,000)
Donation received	<u>50,000</u>	<u>50,000</u>
 2. Sisters of the Infant Jesus (Charity number 272581)		
Loan interest paid	<u>(93,750)</u>	<u>(93,750)</u>
 3. Joint Venture		
St George's College and Surrey County Tennis Centre		
Investment	9,500	13,500
Amount due	<u>892</u>	<u>919</u>
 4. Subsidiary		
St George's College Enterprises Limited		
Investment	100	1
Amount due	72,153	50,571
Gift received	<u>67,007</u>	<u>46,294</u>

ST GEORGE'S COLLEGE WEYBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2003

21. ADVANCED FEE SCHEME	2003	2002
	£	£
Balance as at 1 August 2002	857,983	581,156
Released to income	(346,491)	(440,282)
Received during the year	838,997	717,109
	<hr/>	<hr/>
Balance carried forward at 31 July 2003	1,350,489	857,983
	<hr/>	<hr/>