

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2006
FOR
TUDOR HALL SCHOOL LIMITED
(a company limited by guarantee)**

Charity No. 1042783

Company No. 2995266

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TUDOR HALL SCHOOL LIMITED

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for the year ended 31 August 2006**

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TUDOR HALL SCHOOL LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2006

The trustees are pleased to present their report together with the financial statements of the charity for the year ending 31 August 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name: Tudor Hall School Limited (operates as Tudor Hall School)

Registered charity number: 1042783

Registered company number: 2995266

Company secretary: Miss H L Jackson

Headmistress: Miss W Griffiths

Principal office: Tudor Hall School
Wykham Park
Banbury
Oxfordshire
OX16 9UR

Registered office: 7 West Bar
Banbury
Oxfordshire
OX16 9SD

Auditors: Jones Boughton
Chartered Accountants
Registered Auditors
7 West Bar
Banbury
Oxfordshire
OX16 9SD

Bankers: The Royal Bank of Scotland
1 Fleet Street
London
EC4Y 1BD

Solicitors: Hewitsons
7 Spencer Parade
Northampton
NN1 5AB

Investment managers: Smith & Williamson Investment Management
25 Moorgate
London
EC2R 6AY

TUDOR HALL SCHOOL LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2006 continued

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year and since the year end were as follows:

Trustees:	Mrs KJ Boulton	
	Miss ST Carrdus	
	Rev. DJ Duncanson	(resigned 14 March 2006)
	Miss H Holden-Brown	
	Mrs S North	
	Mrs B Polk	
	Mr B Ruck-Keene	
	Mrs S Russell-Cobb	
	Lady JM Wellesley	
	Mr PCR Whittle	
	Mr MC Fetherston-Dilke	
	Mr CP Dodson	

In accordance with the Articles of Association, Mrs KJ Boulton, Miss H Holden-Brown, Mrs B Polk, Mr PCR Whittle and Mr CP Dodson will retire at the forthcoming Annual General Meeting, and being eligible, will stand for re-election.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Tudor Hall School Limited is a company limited by guarantee, incorporated on 28 November 1994 and registered as a charity on 13 December 1994. The company was created under a Memorandum of Association which established the objects and powers of the charitable company, and is governed under its articles of association.

Tudor Hall School itself was established in 1850. It was first incorporated as Tudor School Limited in January 1944, this company being registered as a charity on 23 May 1963. Tudor School Limited was dissolved on 10 October 1995.

Appointment of trustees

Trustees are elected to the board by majority vote of existing members after consultation with management.

Trustee induction and training

Trustees meet key employees and trustees prior to appointment. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The board of trustees, which numbers between 8 and 18 members, administers the charity. The board meets on a termly (triannual) basis and in the interim is consulted by management on important matters as considered necessary. A headmistress and bursar are appointed by the trustees to manage the day to day

TUDOR HALL SCHOOL LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2006 continued

operations of the charity. To facilitate effective operations authority is delegated to junior staff, within terms agreed by the trustees, as required.

Related Parties

Tudor Hall School Limited shares management with The Friends Of Tudor Hall Trust, who sponsor scholarships for a number of the school's pupils. Transactions occurring in the year between the two entities are detailed in the notes to the accounts.

Risk management

The trustees have conducted a review of the major risks to which the charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

Procedures are in place to ensure the health and safety of staff, students and visitors to the school. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

The school is inspected every 6 years by the Independent Schools Inspectorate, the next visit being due in 2007.

OBJECTIVES AND ACTIVITIES

The charity's objects, as set out in the Memorandum Of Association, are:

- To conduct and carry on a School at Wykham Park, near Banbury, Oxfordshire, or elsewhere, which will provide a broad education that is continuously improved and updated to provide facilities to enable pupils to develop their potential in every dimension, whether spiritual, mental, cultural or physical, in an environment in which the Christian faith and values are encouraged and to equip pupils to serve others as responsible members of their communities.
- To found and establish any other school or schools (whether for boys, girls or both) as the school may from time to time decide, and to acquire, take over and hold all or any assets of any such school or schools, and to manage and conduct the said school and any such other school as aforesaid on the lines set out above and to provide for all matters which are calculated directly or indirectly to advance the cause of education.

The aims and activities of the charity remain unchanged and continue to focus on the above.

Objectives and strategies

The charities main annual objectives and strategies were:

To maintain the schools high level of academic performance and achievement and to continue to review the targets set.

TUDOR HALL SCHOOL LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2006 continued

Grant making policies

The charity awards grants as follows:

Scholarships: awarded to pupils who demonstrate ability and potential in the fields of academia, music, art, drama and sports.

Bursaries: awarded to the parents of new and current pupils who are in financial need, assessed on their individual circumstances.

ACHIEVEMENTS AND PERFORMANCE

Review of charitable activities

As related to the objectives specified previously in this report, the achievements of the charity in the year under review were:

- The development of academic, pastoral and extra curricular provision to meet performance targets.
- The provision of new dining, library, academic, medical and pastoral facilities.

FINANCIAL REVIEW

Reserves

The school is operated in surplus and improvements to the school's facilities are made from this as required. Accumulated surplus at the balance sheet date was £9.1 million, £8.5 million of which relates to land and property. A loan facility has been entered into to provide liquidity to fund operating activities whilst a major construction project is ongoing. The initial term was 32 months with an expiry date of 31 December 2008.

Principal funding sources

The large majority of funding arises from fees charged for education. Further funding is obtained from returns on investments and rental of school facilities.

Investment performance

The trustees deem the return and capital growth on investments to be adequate and in line with expectations.

PLANS FOR FUTURE PERIODS

To continue to extend and improve the existing facilities, and to evaluate further and develop the school's performance in all areas.

TUDOR HALL SCHOOL LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2006 continued

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the company, at the end of the financial year and of its surplus or deficit for the financial year. In preparing those financial statements, the trustees are 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 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 trustees have overall responsibility for ensuring that the company has appropriate systems of controls, financial or otherwise.

The trustees are responsible for maintaining 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 and other irregularities.

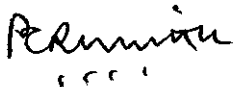
In accordance with company law, as the company's trustees we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- As the trustees of the company we have taken all steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

A resolution proposing that Jones Boughton be re-appointed as auditors of the company will be put to the Annual General Meeting.

ON BEHALF OF THE BOARD:



Mr P C R Whittle – TRUSTEE

17 November 2006

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TUDOR HALL SCHOOL LIMITED

We have audited the financial statements of Tudor Hall School Ltd for the year ended 31 August 2006 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity'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 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 trustees and auditors

As described in the Statement of Trustees' Responsibilities the trustees (who are also the directors of Tudor Hall School Ltd for the purposes of company law) are responsible for the preparation of the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements. We also report to you if, in our opinion, the charity 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 trustees' remuneration and transactions is not disclosed.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

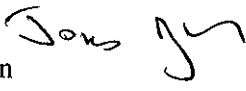
We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TUDOR HALL SCHOOL LIMITED continued**

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the charity's affairs as at 31 August 2006, and of its incoming resources and application of resources, including its income and expenditure, in the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.


Jones Boughton
Chartered Accountants
Registered Auditors
7 West Bar
Banbury
Oxfordshire
OX16 9SD

17 November 2006

TUDOR HALL SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2006

	Notes	Unrestricted Funds £	Total 2005 £
INCOMING RESOURCES			
Income from charitable activities			
School fees	2	4,707,797	4,468,316
Other operating income	3	85,138	100,879
Incoming resources from generated funds			
Investment income	5	98,780	75,255
Total incoming resources		<u>4,891,715</u>	<u>4,644,450</u>
RESOURCES EXPENDED			
Charitable activities			
Direct school costs		3,373,361	3,261,649
Support costs		960,123	873,625
Management and administration		20,132	22,708
Governance costs		4,100	4,100
Costs of generating funds			
Investment management costs		-	4,247
Total resources expended	6	<u>4,357,716</u>	<u>4,166,329</u>
NET INCOMING RESOURCES			
Realised investment gains	7	533,999 9,769	478,121 -
NET INCOME FOR THE YEAR			
Unrealised investment gains		543,768 103,995	478,121 74,678
NET MOVEMENT IN FUNDS FOR THE YEAR		<u>647,763</u>	<u>552,799</u>
Fund balances brought forward at 1 September 2005	17	8,470,726	7,917,927
Fund balances carried forward at 31 August 2006	21	<u>9,118,489</u>	<u>8,470,726</u>

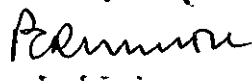
All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

TUDOR HALL SCHOOL LIMITED
BALANCE SHEET AS AT 31 AUGUST 2006

	Notes	2006	2005
FIXED ASSETS			
Tangible assets	10	8,560,279	6,380,096
Investments	11	1,379,353	1,250,649
		<u>9,939,632</u>	<u>7,630,745</u>
CURRENT ASSETS			
Stocks	12	9,691	10,711
Debtors	13	240,493	143,943
Cash at bank and in hand		25,897	1,420,136
		<u>276,081</u>	<u>1,574,790</u>
CREDITORS			
Amounts falling due within one year	14	851,433	694,009
NET CURRENT ASSETS/(LIABILITY)		<u>(575,352)</u>	<u>880,781</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		9,364,280	8,511,526
CREDITORS			
Amounts falling due after more than one year	15	(245,791)	(40,800)
		<u>9,118,489</u>	<u>8470,726</u>
FUNDS			
Unrestricted funds	25	9,118,489	8,470,726
TOTAL FUNDS		<u>9,118,489</u>	<u>8470,726</u>

ON BEHALF OF THE BOARD:

The financial statements on pages 8 to 19 were approved by the trustees on 17 November 2006 and signed on their behalf by:



Mr P C R Whittle – TRUSTEE

TUDOR HALL SCHOOL LIMITED

CASH FLOW STATEMENT for the year ended 31 August 2006

	Notes	2006	2005
Net cash inflow from operating activities	1	819,498	913,402
Returns on investments and servicing of finance	2	98,780	75,255
Capital expenditure and financial investment	2	(2,382,347)	(688,056)
Financing	2	82,989	3,687
(Decrease)/Increase in cash in the period		<u>(1,381,080)</u>	<u>304,288</u>
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/Increase in cash in the period		(1,381,080)	304,288
Change in net funds resulting from cash flows		<u>(1,381,080)</u>	<u>304,288</u>
Movement in net funds in the period		<u>(1,381,080)</u>	<u>304,288</u>
Net funds at 1 September 2005		1,406,977	1,102,689
Net funds at 31 August 2006		<u>25,897</u>	<u>1,406,977</u>

The notes form part of these financial statements

TUDOR HALL SCHOOL LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2006

1 RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2006 £	2005 £
Operating surplus	435,219	402,866
Depreciation charges	187,224	201,297
Loss on disposal	-	898
Decrease in stocks	1,020	357
Decrease/(Increase) in debtors	10,707	44,445
Increase/(Decrease) in creditors	185,328	263,539
Net cash inflow from operating activities	<u>819,498</u>	<u>913,402</u>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2006 £	2005 £
Returns on investments and servicing of finance		
Interest received	60,009	74,686
Dividends received	38,771	569
Net cash inflow for returns on investments and servicing of finance	<u>98,780</u>	<u>75,255</u>
 Capital expenditure and financial investment		
Purchase of tangible fixed assets	(2,367,407)	(700,104)
Purchase of fixed asset investments	(14,940)	-
Sale of tangible fixed assets	-	12,048
Net cash outflow for capital expenditure and financial investment	<u>(2,382,347)</u>	<u>(688,056)</u>
 Financing		
Debt due within a year:		
Increase in short-term borrowings	-	11,061
Capital element of hire purchase payments	(3,687)	(7,374)
Bank loan raised	86,676	-
Net cash inflow from financing	<u>82,989</u>	<u>3,687</u>

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1/9/05 £	Cash flow £	At 31/8/06 £
Net cash:			
Cash at bank and in hand	1,406,977	(1,381,080)	25,897

The notes form part of these financial statements

TUDOR HALL SCHOOL LIMITED

NOTES TO THE CASH FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2006

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments, which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are set out below.

Funds accounting

General funds are unrestricted funds, which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity, and which have not been designated for other purposes. Turnover represents the amount derived from fees receivable and charges for services, in the period in which the service is provided. Fees receivable are stated after deducting allowances and scholarships granted by the school. All expenditure is accounted for on an accrual basis, and has been classified under headings that aggregate all costs to that category.

Tangible fixed assets

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

Freehold property	- 2% on cost
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Stocks

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

Hire purchase and leasing commitments

Rentals charged to operating leases are charged to income as incurred.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

Investments

Investments are included at market value at the Balance Sheet date. Both realised and unrealised gains and losses are shown in the Statement of Financial Activities.

TUDOR HALL SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2006

2 INCOMING RESOURCES

The school's fee income comprised:

	2006	2005
	£	£
Gross fees	4,950,225	4,665,765
Less: Total bursaries, grants and allowances	(242,428)	(197,449)
	<u>4,707,797</u>	<u>4,468,316</u>

3 OTHER OPERATING INCOME

	2006	2005
	£	£
Disbursements and extras	20,902	59,434
Registration fees	5,075	3,100
Rent received	59,161	38,345
	<u>85,138</u>	<u>100,879</u>

4 STAFF COSTS

	2006	2005
	£	£
Wages and salaries	2,605,380	2,466,867
Social security costs	189,521	179,178
Other pension costs	223,177	217,319
	<u>3,018,078</u>	<u>2,863,364</u>

The average monthly number of employees during the year was as follows:

	2006	2005
	Number	Number
Teachers	80	70
Other staff	66	65
	<u>146</u>	<u>135</u>

The number of staff whose salary falls into the following bands is:

	2006	2005
	Number	Number
£60,001 - £70,000	1	1

The employee earning more than £60,000 participated in the pension scheme.

TUDOR HALL SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2006

5	INVESTMENT INCOME	2006 £	2005 £
	Interest receivable	60,009	74,686
	Dividends receivable from investments and unit trusts	38,771	569
		98,780	75,255

6 OPERATING PROFIT

The operating profit is stated after charging:	2006 £	2005 £
Other operating leases	24,889	24,440
Depreciation – owned assets	187,224	196,084
Depreciation – assets on hire purchase	-	5,213
Loss on disposal of fixed assets	-	898
Auditors' remuneration	4,100	4,100
Auditor's remuneration for non audit work	8,529	12,491
Trustees' emoluments	-	-

Expenditure – Analysis of Total Resources Expended	2006 £	2005 £
Charitable Activities:		
Staff costs	3,018,078	2,863,364
Depreciation and fixed asset disposals	187,224	202,195
Food	168,059	196,090
Premises and support costs	960,123	873,625
Management and administration	24,232	31,055
	4,357,716	4,166,329

7	GAIN ON INVESTMENTS	2006 £	2005 £
	Realised gain	9,769	-
	Unrealised gain	103,995	74,678
		113,764	74,678

8 TAXATION

The Trustees believe that no liability for corporation tax arises on the results for the year due to the company's charitable status.

9 PENSION COSTS

The charity operates a contributory pension scheme. It is a defined contribution scheme and contributions are charged to the statement of financial activities as they accrue. The charge for the year was £223,177 (2005 £217,319).

TUDOR HALL SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2006

10 TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST:					
At 1 September 2005	7,456,787	253,271	29,757	330,369	8,070,184
Additions	2,357,221	6,483	-	3,703	2,367,407
Disposals	-	-	-	-	-
At 31 August 2006	9,814,008	259,754	29,757	334,072	10,437,591
DEPRECIATION:					
At 1 September 2005	1,213,028	178,287	29,757	269,016	1,690,088
Charge for year	136,919	20,366	-	29,939	187,224
Disposals	-	-	-	-	-
At 31 August 2006	1,349,947	198,653	29,757	298,955	1,877,312
NET BOOK VALUE:					
At 31 August 2006	8,464,061	61,101	-	35,117	8,560,279
At 31 August 2005	6,243,759	74,984	-	61,353	6,380,096

Included in land and buildings is freehold land at £2,000 (2005 £2,000) which is not depreciated. Freehold property includes £5,450 finance costs relating to a loan arrangement fee.

The market value of land and property as at the balance sheet date is not materially different to the carrying value in the accounts.

TUDOR HALL SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2006

TANGIBLE FIXED ASSETS continued...

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Fixtures and fittings £
COST	
At 1 September 2005	20,854
Additions	-
Transfer to ownership	(20,854)
Disposals	<u>-</u>
At 31 August 2006	<u>-</u>
DEPRECIATION	
At 1 September 2005	5,213
Charge for year	-
Transfer to ownership	(5,213)
Eliminated on disposal	<u>-</u>
At 31 August 2006	<u>-</u>
NET BOOK VALUE	
At 31 August 2006	<u><u>-</u></u>
At 31 August 2005	<u><u>15,641</u></u>

11 FIXED ASSET INVESTMENTS

	Listed Investments 2006 £	Listed Investments 2005 £
Market value at 1 September 2005	1,250,649	1,175,971
Additions at cost	416,420	-
Disposals	(296,581)	-
Cash invested	(104,899)	-
Net Investment gains	113,764	74,678
Market Value at 31 August 2006	<u>1,379,353</u>	<u>1,250,649</u>
Historical cost at 31 August 2006	<u>1,229,795</u>	<u>1,167,831</u>
	2006	2005
UK Listed Investments are represented :		
Directly invested	1,379,353	1,250,649
	<u>1,379,353</u>	<u>1,250,649</u>

TUDOR HALL SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2006**

11 FIXED ASSET INVESTMENTS continued...

Analysis of investments, representing more than 5% of total investments for 2006.

	Market Value £	Historical Cost £
Barings FD - Income Plus	84,988	89,770
Charities Aid - Income Bond	88,547	94,164

12 STOCKS

	2006 £	2005 £
Stocks	9,691	10,711

13 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006 £	2005 £
Trade debtors	126,613	77,107
Prepayments	113,880	66,836
	<u>240,493</u>	<u>143,943</u>

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006 £	2005 £
Bank overdraft	-	13,159
Hire Purchase contracts	-	3,687
Trade creditors	34,728	252,901
Social security and other taxes	62,415	117,418
Income received in advance	520,183	149,992
Accruals and deferred income	234,107	156,852
	<u>851,433</u>	<u>694,009</u>

15 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2006 £	2005 £
Confirmation fees	55,675	40,800
Bank loan	86,676	-
Building retentions	103,440	-
	<u>245,791</u>	<u>40,800</u>

TUDOR HALL SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2006

16 SECURED DEBTS

The following secured debts are included within creditors:

	2006 £	2005 £
Bank loan	86,676	-
	<u>86,676</u>	<u>-</u>

The bank loan is secured by a floating charge on the investments held in the investment portfolio managed by Smith and Williamson Investment Management on behalf of Tudor Hall School Limited.

17 RESERVES

	Income and Expenditure Account £
At 1 September 2005	8,470,726
Retained surplus for the year	647,763
At 31 August 2006	<u>9,118,489</u>

18 CAPITAL COMMITMENTS

	2006 £	2005 £
Not provided for in the financial statements	1,492,260	3,500,000
	<u>1,492,260</u>	<u>3,500,000</u>

19 TRANSACTIONS WITH TRUSTEES

The trustees neither received nor waived any emoluments for this or last year. Trustees received £1,779 (2005 £1,719) for travel expenses. Trustees' indemnity insurance of £3,130 was paid in the year (2005 £3,130).

20 RELATED PARTY TRANSACTIONS

The school received £14,754 (2005 £14,225) from the Friends of Tudor Hall Trust as scholarships fees for pupils. The Friends of Tudor Hall Trust owed the school £nil (2005 £734) at the year end.

21 OBLIGATIONS UNDER LEASING AGREEMENTS

The following payments are committed to be paid within one year:

	2006 £	Operating Leases 2005 £
Expiring: Between two and five years	24,889	24,889
	<u>24,889</u>	<u>24,889</u>

TUDOR HALL SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2006

22	RECONCILIATION OF MOVEMENTS IN RESERVES	2006	2005
		£	£
	Surplus for the financial year	647,763	552,799
		<hr/>	<hr/>
	Net addition to reserves	647,763	552,799
	Opening reserves	8,470,726	7,917,927
		<hr/>	<hr/>
	Closing reserves	9,118,489	8,470,726
		<hr/>	<hr/>

23 CONTROLLING INTEREST

The trustees have the controlling interest in the company.

24 UNRESTRICTED FUNDS

All the funds of the company are unrestricted.

The company is limited by guarantee and does not have any issued share capital. Every member of the school undertakes to contribute such amount as may be required (not exceeding £10) to the school's assets if it should be wound up, while he or she is a governor.

25	STATEMENT OF FUNDS	At			Investments	At
		1.9.05	Income	Expenditure	gross	31.8.06
		£	£	£	£	£
	General Reserve	8,470,726	4,891,715	4,357,716	113,764	9,118,489
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The general reserve represents the free funds which are not designated for particular purposes.