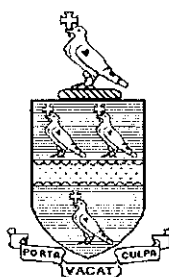


4390208

Report of the Governors and
Financial Statements
for the Year Ended 31 August 2003
for
Repton Preparatory School



Repton Preparatory School

Contents of the Financial Statements
for the Year Ended 31 August 2003

	Page
School Information	1 - 2
Report of the Governors	3 - 5
Report of the Independent Auditors	6
Statement of Financial Activities (incorporating an Income and Expenditure Account)	7
Balance Sheet	8
Cash Flow Statement	9
Notes to the Cash Flow Statement	10
Notes to the Financial Statements	11 -16

Repton Preparatory School

School Information
for the Year Ended 31 August 2003

GOVERNING BODY:

Chairman

- * Sir Richard Morris C.B.E., B.Sc., F.R.Eng., F.I.Chem.E.
(to 28 November 2003)
- * J.M. Fry (from 29 November 2003)

Hereditary Governors

- * J.M. Fry (to 26 February 2003) for the Earl of Loudoun
- Reverend M.M. Ludlow (from 26 February 2003) for the Earl of Loudoun
- P.M. Village LL.B., Q.C. for Lord Gerard
- ** Lt. Col. J.D. Hetherington (to 28 November 2003) for the Harpur-Crewe Estate
- W.H.D. Auden B.A. (law) (from 29 November 2003) for the Harpur-Crewe Estate
- A. Lee M.A., F.R.S.A. (deceased 21 July 2003) for the Earl of Carnarvon
- ** Sir Henry Every Bt., F.C.A. (from 29 November 2003) for the Earl of Carnarvon

Ex-officio Governor

Lord Lieutenant of the County of Derbyshire
J.K. Bather J.P.

Nominated Governors

Derbyshire Members of Parliament
P. McLoughlin M.P. (to 31 December 2002)
Hebdomadal Council of the University of Oxford
Professor J.H.D. Eland
Council of Senate of the University of Cambridge
Dr K.J. Dell
Appointed by the Headmaster and Assistant Staff
D.B. Wilkinson M.A. (deceased 8 February 2003)
R. Bates B.Sc., F.C. Optom. (from 20 June 2003)

Co-optative Governors

- * ** W.A.W. Bemrose
- * Mrs G.M. Hutchinson J.P.
- * ** R.A. Litchfield A.C.M.A.
Professor Dr. Dr. h.c. G. Pulverer F.R.C.Path., F.R.S.M. (to 20 June 2003)
Brig C.E. Wilkinson C.B.E., T.D., D.L.
B.A. Gray
Mrs A.E. Hill J.P.
Mrs J.E. Stephen B.Sc.
D.R. Ashby B.Sc., M.B.A., M.R.I.C.S. (from 18 February 2003)
Miss D.E. Pulverer B.A., M.Sc. (from 20 June 2003)

Additional Governors

- R.J.R. Owen M.A.
- Professor D. Wallace C.B.E., D.E., F.R.S., F.R.Eng.
(to 26 February 2003)
- * J.M. Fry (from 26 February 2003)

Honorary Governor

- Professor D. Wallace C.B.E., D.E., F.R.S., F.R.Eng.
(from 26 February 2003)
- ** Lt. Col. J.D. Hetherington (from 29 November 2003)

Audit Committee Chairman

- ** Sir Henry Every Bt., F.C.A.

Legal Advisor

- * W.N.K Rowley M.A. (to 1 June 2003)
- * Standing Committee Member
- ** Audit Committee Member

Repton Preparatory School
School Information
for the Year Ended 31 August 2003

CLERK TO THE GOVERNING BODY:	C.P. Bilson M.A., M.B.A.	
HEADMASTER:	P.H. Brewster B.Sc. P.G.C.E.	
BURSAR:	J.H. McGahan I.Eng., A.M.I.C.E.	
REGISTERED OFFICE:	The Bursar's Office Repton Derbyshire DE65 6FH	
PRINCIPAL OFFICE:	Repton Preparatory School Foremarke Hall Milton Derbyshire DE65 6EJ	
CHARITY REGISTERED NUMBER:	1093165	
COMPANY REGISTERED NUMBER:	4390208	
AUDITORS:	Bates Weston Chartered Accountants The Mills Canal Street Derby DE1 2RJ	
BANKERS:	National Westminster Bank Plc Market Place PO Box 282 Market Place Derby DE1 9DS	Abbey National Plc 5 Market Place Derby DE1 3PY
SOLICITORS:	J H Powell & Co Cathedral Chambers Amen Alley Derby DE1 3GT	
SURVEYORS:	John German 1 Lichfield Street Burton-on-Trent Staffs DE14 3QZ	Raybould & Sons 24-26 The Strand Derby DE1 1HZ
INSURANCE BROKERS:	Alexander Forbes 5 St James Court Friargate Derby DE1 1GB	

Repton Preparatory School

Report of the Governors **for the Year Ended 31 August 2003**

The Governors, who are the Directors of the Charity for the purpose of the Companies Act, present their report with the financial statements of the Charity for the year ended 31 August 2003. The Governors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2000 in preparing the annual report and financial statements of the Charity.

LEGAL STATUS

The charity is incorporated under the Companies Act 1985 as a company limited by guarantee and is governed by its Memorandum and Articles of Association.

INCORPORATION AND COMMENCEMENT OF CHARITABLE ACTIVITY

The charitable company was incorporated on 8 March 2002 and remained dormant until 31 August 2002. On 1 September 2002 the activities of Repton Preparatory School were transferred to the charitable company from Repton School Trust.

OBJECTIVES

The School was established for the provision of education.

ORGANISATION

The School consists of a pre-preparatory department for 3 to 7 year old children, and an independent preparatory school for 7 to 13 year old pupils.

POLICIES ADOPTED

Emphasis is placed on encouraging all pupils to enjoy the broad range of subjects and activities offered by the School - academic, creative and sporting - so that boys and girls are able to develop their own talents. There is a continuing tradition of Anglican Christian worship, with formal services, and a scheme of religious education covering important religious and moral issues.

The Preparatory School provides the option of boarding for boys and girls. Group Heads and residential boarding staff are responsible for overseeing pupils' progress through the School, and establishing and maintaining close contact with their pupils' parents during their time at the school.

The School seeks to contribute to society as a whole by, amongst other things, enabling public access to its facilities. Charitable work by pupils and staff is also encouraged. Funds are available for scholarships, exhibitions, prizes and bursaries.

APPOINTMENT OF GOVERNORS

The four Hereditary Governors are appointed as Governors for life, with the power to delegate the office. The Ex-officio Governor is the Lord Lieutenant of the County of Derbyshire, who is appointed until the individual ceases to hold office as Lord Lieutenant. Four Nominated Governors are appointed for a term of three years at meetings convened and held according to the ordinary practice of their appointing body. The person appointed may be, but need not be, a member of the appointing body. The eight Co-optative Governors are appointed by resolution of the Governors for a period of five years. Two additional Governors may be appointed by resolution of the Governors for a period of three years.

INVESTMENT POWERS

Under its Memorandum and Articles of Association, the Charity has the power to make any investment which the Governors see fit.

RELATED PARTIES

Full disclosure of all related parties and the transactions therewith are contained in note 21 to the financial statements.

Repton Preparatory School

Report of the Governors
for the Year Ended 31 August 2003

REVIEW OF DEVELOPMENT ACTIVITIES AND ACHIEVEMENTS

The Statement of Financial Activities for the year is set out on page 7 of the financial statements.

During the year there were 385 pupils in the school increasing to 406 pupils by the Summer Term. Recruitment remains strong and the school is ahead of its current growth targets.

New residential facilities were brought into use within the main school building, bringing to a conclusion the Governors' recent major investment programme in boarding. In the summer of 2004 a new floodlit Astroturf was completed. Smaller improvements to facilities included the extension of teaching facilities for 7-8 year olds.

Academic results were strong with excellent KS1, Common Entrance and 13+ scholarship results. Sports teams of all types proved highly successful, demonstrating the effectiveness of the specialist taught "sports for all" policy adopted in 1999.

GOVERNANCE AND INTERNAL CONTROL

The Governors are responsible for the overall management and control of the School and meet as a full Governing Body three times a year. The work of implementing most of their policies is carried out by members of sub-committees (Standing Committee, Development Committee, Marketing Board and Finance Committee).

The day to day running of the School is delegated to the Headmaster and the Bursar.

Company and Charity Law requires the Governors, as Directors of the Company, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity at the end of the financial year and of its surplus or deficit for that period.

In preparing those financial statements, the Governors 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Governors have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial or otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. 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 and to provide reasonable assurance that:

- The Charity is operating efficiently and effectively;
- Its assets are safeguarded against unauthorised use or disposition;
- Proper records are maintained and financial information used within the Charity or for publication is reliable;
- The Charity complies with relevant laws and regulations.

Repton Preparatory School

Report of the Governors
for the Year Ended 31 August 2003

GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

The systems of internal control are designed to provide reasonable, but not absolute assurance against material misstatement or loss. They include:

- An annual budget approved by the Governors;
- Regular consideration by the Governors of financial results, variances from budgets, including non-financial performance indicators;
- Delegation of authority and segregation of duties;
- Identification and management of risk.

Work continues to ensure that the Charity's current internal controls conform with guidelines.

RISK MANAGEMENT

A Sub-committee of Governors continues to identify, monitor and advise on the major business risks that face the School, reporting through the Audit Committee. The Governors are content that the major risks have been identified and appropriate measures are in place so that, under normal circumstances, the potential impact on the School will be minimised should any of those risks materialise.

FINANCIAL ACTIVITIES AND RESULTS

Repton Preparatory School income for the year was £3,082,744 whilst expenditure was £2,982,744 resulting in a surplus for the year of £100,000, after deducting a donation of £9,245 to Repton School Trust.

Following the restructure and segregation of Repton School, as was previously reported, into discrete operating entities, namely Repton Preparatory School, Repton School and Repton School Trust, there has been a number of transactions within the balance sheet in order to reassign the assets and liabilities. Throughout the year to 31 August 2003 the entities were in the transition stages of this re-organisation and as a consequence some of the expenditure in relation to Repton Preparatory School was transacted from the Repton School bank account. In the new year bank balances will be reassigned in order to reflect this. In addition the debtors and creditors with related parties shown in notes 11 and 12 on page 14 arise from this restructuring.

The Governors are satisfied with the operating results for the year.

AUDITORS

A resolution will be proposed at the Annual General Meeting that Bates Weston be re-appointed as auditors to the charitable company for the ensuing year.

**APPROVED BY THE GOVERNORS
AND SIGNED ON THEIR BEHALF**


W.A.W. Benrose


R.A. Litchfield A.C.M.A.

Dated: 5 March 2004

Repton Preparatory School

Report of the Independent Auditors to the Governors of
Repton Preparatory School

We have audited the financial statements of Repton Preparatory School for the year ended 31 August 2003 on pages 7 to 16. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 11 and 12.

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 auditors' 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 Governors and Auditors

The Governors' (who are also the Directors of the charitable company for the purposes of company law) responsibilities for preparing the Report of the Governors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards is set out in the Report of the Governors.

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 Governors Report is not consistent with the financial statements, if 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 Governors' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Report of the Governors 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.

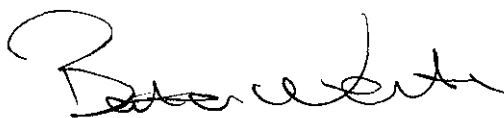
Basis of opinion

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 judgements made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the charity, consistently applied and adequately disclosed.

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

Opinion

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



Bates Weston
Chartered Accountants
Registered Auditors
The Mills
Canal Street
Derby
DE1 2RJ

Dated: 11 June 2004

Repton Preparatory School
Statement of Financial Activities
(incorporating an Income and Expenditure Account)
for the Year Ended 31 August 2003

		Unrestricted funds 2003
	Notes	£
INCOMING RESOURCES		
Charitable activities:		
Fees receivable	4.	2,953,533
Sundry fees	5.	125,823
Grants receivable	6.	537
Other income	7.	2,851
TOTAL INCOMING RESOURCES		3,082,744
RESOURCES EXPENDED		
Charitable expenditure		
Teaching costs		1,946,053
Welfare		280,172
Premises		362,954
Administration of the school		129,800
Sundry		62,218
Management and administration		192,302
Donation to Repton School Trust		9,245
Total resources expended	8.	2,982,744
NET INCOMING RESOURCES	9.	100,000
NET MOVEMENT IN FUNDS		100,000
Fund balances brought forward		-
FUND BALANCES CARRIED FORWARD AT 31 AUGUST 2003		100,000

CONTINUING OPERATIONS

The charitable company commenced operations on 1 September 2002 following the transfer of its activities from Repton School Trust.

TOTAL RECOGNISED GAINS AND LOSSES

The charitable company has no recognised gains or losses other than the net movement in funds for the current year.

The notes form part of these financial statements.

Repton Preparatory School

Balance Sheet
At 31 August 2003

		2003 £
	Notes	
FIXED ASSETS		
Tangible assets for operational use	10.	16,830
		16,830
CURRENT ASSETS		
Stocks		8,976
Debtors	11.	232,378
Cash at bank and in hand		468,794
		710,148
CREDITORS: Amounts falling due within one year	12.	(564,234)
NET CURRENT ASSETS		145,914
TOTAL ASSETS LESS CURRENT LIABILITIES		162,744
CREDITORS: Amounts falling due after one year	13.	(62,744)
NET ASSETS		100,000
FUNDS		
Income funds		
Unrestricted	17.	100,000
		100,000

APPROVED BY THE GOVERNORS
AND SIGNED ON THEIR BEHALF


W.A.W. Benrose


R.A. Litchfield A.C.M.Aj

Dated: 5 March 2004

The notes form part of these financial statements

Repton Preparatory School

Cash Flow Statement
for the Year Ended 31 August 2003

	Notes	£
Net cash inflow from operating activities	1.	357,484
Capital expenditure	2.	(27,994)
		<hr/> 329,490
Financing	2.	139,304
		<hr/> 468,794
Increase in cash reported in the period		<hr/> 468,794

Reconciliation of net cash flow to movement in net funds

	3.	£	£	£
Management of liquid resources				
Cash at bank and in hand transferred from Repton School Trust			432,823	
Actual net cash movement in period			<hr/> 35,971	
Increase in cash reported in the period				468,794
Financing				
Lump sum fees transferred from Repton School Trust		104,598		
Actual net movement in period		<hr/> (22,374)		
			82,224	
Net refundable deposits transferred from Repton School Trust		68,577		
Actual net movement in period		<hr/> (11,497)		
			57,080	
Increase in financing in the period				(139,304)
Movement in net funds in the period				<hr/> 329,490
Net funds brought forward				<hr/> -
Net funds carried forward				<hr/> 329,490

As noted above, the increase in cash in the period represents the opening balance transfer from Repton School Trust of £432,823 and the actual net movement in the period of £35,971.

The notes form part of these financial statements

Repton Preparatory School

Notes to the Cash Flow Statement
for the Year Ended 31 August 2003

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

	£	£
Operating activities		100,000
Depreciation charges		11,164
(Increase) in stock		(8,976)
(Increase) in debtors		(232,378)
Increase in creditors	564,234	
(Decrease) in lump sum fees, due within one year	(57,080)	
(Decrease) in refundable deposits, due within one year	(19,480)	
		<hr/> 487,674
Net cash inflow from operating activities		<hr/> 357,484 <hr/>

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

Capital expenditure	
Assets transferred from Repton School Trust at net book value	(35,144)
Sale of tangible fixed assets	7,150
	<hr/> (27,994) <hr/>
Financing	
Lump sum fees in advance	57,080
Net refundable deposits received	82,224
	<hr/> 139,304 <hr/>
Net cash inflow	<hr/> 139,304 <hr/>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.02 £	Cash flow £	At 31.8.03 £
Net cash:			
Cash at bank and in hand	-	468,794	468,794
	<hr/> -	<hr/> 468,794	<hr/> 468,794 <hr/>
Debt:			
Lump sum fees in advance	-	(57,080)	(57,080)
Refundable deposits	-	(82,224)	(82,224)
	<hr/> -	<hr/> (139,304)	<hr/> (139,304) <hr/>
Total	<hr/> -	<hr/> 329,490	<hr/> 329,490 <hr/>
Analysed in Balance Sheet			
Cash at bank and in hand	-		468,794
Lump sum fees in advance	-		(57,080)
Refundable deposits	-		(82,224)
	<hr/> -		<hr/> 329,490 <hr/>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 August 2003

1. BASIS OF PREPARATION

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2000) issued in October 2000.

2. COMPANY DETAILS

The charity is a company limited by guarantee. The members of the company are the Governors named on Page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3. ACCOUNTING POLICIES

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

Endowment funds represent those assets which must be held permanently by the charity, principally investments. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments forms part of the fund.

Donations

Donations, grants and other forms of voluntary income are accounted for when received or when a contractual obligation to pay arises. Donations subject to specific wishes of the donors are carried to relevant restricted funds, or to endowed funds where the amount is required to be held as capital. Donations received for the general purpose of the School are credited to unrestricted funds.

Incoming resources

Incoming resources exclude funds collected by the School as agent for suppliers, the Statement of Financial Activities also excludes these funds from expenses.

Expenditure

Expenses are apportioned, where applicable, between support costs and the cost of administration of the School, based on the estimates of the Governors. The irrecoverable element of Value Added Tax is included within the item of expense to which it relates.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet and depreciated over their estimated useful lives, or the lease term whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company makes contributions to a defined contribution pension scheme on behalf of certain non teaching staff. Contributions to this scheme are charged in the Statement of Financial Activities as they fall due.

The company also makes contributions to the Teachers Superannuation Scheme in respect of teaching staff, a notionally funded defined benefits pension scheme. Contributions to this scheme are charged in the Statement of Financial Activities as they fall due.

There is also a defined benefits pension scheme which is now closed. Contributions are currently being made by Repton School to make good the underfunding of this scheme.

Repton Preparatory School

Notes to the Financial Statements
for the Year Ended 31 August 2003

3. ACCOUNTING POLICIES - continued

Fixed assets and equipment

All educational supplies are written off in the year of purchase.

All capital items are written off in the year of purchase, except for items costing over £10,000, which are depreciated over their estimated useful life.

Motor vehicles are depreciated at a rate of 20% on cost.

Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

4. FEES RECEIVABLE

	£
Gross fees	3,302,821
Less: Total remissions, scholarships and bursaries	(349,288)
	<u>2,953,533</u>

5. SUNDRY FEES RECEIVABLE

	£
Entrance fees and registration fees	9,789
Extra fees	116,034
	<u>125,823</u>

6. GRANTS RECEIVABLE

	£
Milk subsidy	537
	<u>537</u>

7. OTHER INCOME

	£
Sundry income	2,851
	<u>2,851</u>

8. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £	Other £	Depreciation £	Total £
Charitable expenditure				
Teaching costs	1,761,699	177,853	6,501	1,946,053
Welfare	162,699	117,473	-	280,172
Premises	203,432	154,859	4,663	362,954
Administration of the school	-	129,800	-	129,800
Sundry	-	62,218	-	62,218
	<u>2,127,830</u>	<u>642,203</u>	<u>11,164</u>	<u>2,781,197</u>
Management and administration	136,379	55,923	-	192,302
Donation to Repton School Trust	-	9,245	-	9,245
	<u>2,264,209</u>	<u>707,371</u>	<u>11,164</u>	<u>2,982,744</u>

Repton Preparatory School

Notes to the Financial Statements
for the Year Ended 31 August 2003

9. NET INCOMING RESOURCES

The net incoming resources are stated after charging:

	£
Governors' remuneration	-
Governors expenses	1,121
Governors' liability insurance	394
Auditors' remuneration	5,875
Depreciation - owned assets	11,164
Employee emoluments (see below)	2,264,209
Total staff costs:	<hr/>
Wages and salaries	1,955,326
Social security costs	142,938
Pension costs	165,945
	<hr/>
	2,264,209
	<hr/>

During the year the number of School employees was as follows:-

	No.
Full time	66
Part time	54
	<hr/>
	120
	<hr/>

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

Nil

The average number of School employees, analysed by function, was:

Charitable services	116
Management and administration	4
	<hr/>
	120
	<hr/>

10. TANGIBLE FIXED ASSETS

	Motor vehicles	Totals
	£	£
COST		
Assets transferred from Repton School Trust at net book value	35,144	35,144
Disposals	(10,173)	(10,173)
	<hr/>	<hr/>
At 31 August 2003	24,971	24,971
	<hr/>	<hr/>
DEPRECIATION:		
Charge for the year	11,164	11,164
Eliminated on disposals	(3,023)	(3,023)
	<hr/>	<hr/>
At 31 August 2003	8,141	8,141
	<hr/>	<hr/>
NET BOOK VALUE:		
At 31 August 2003	16,830	16,830
	<hr/>	<hr/>

Repton Preparatory School

Notes to the Financial Statements
for the Year Ended 31 August 2003

**11. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	£
Fees - amounts outstanding less paid in advance	138,550
Bad debt provision	(38,672)
Pupils extras	33,283
Amounts owed by related parties	67,394
Prepayments and accrued income	31,823
	<hr/>
	232,378

**12. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	Notes	£
Lump sum fees in advance	14.	57,080
Refundable deposits	15.	19,480
Trade creditors		36,179
Social security and other taxes		47,133
Amounts owed to related parties		350,897
Accrued expenses		53,465
		<hr/>
		564,234

**13. CREDITORS: AMOUNTS FALLING
DUE AFTER ONE YEAR**

	Notes	£
Refundable deposits	15.	62,744

14. OBLIGATIONS UNDER LUMP SUM FEES IN ADVANCE CONTRACTS

Parents may enter into a contract to pay tuition fees in advance. The money may be returned subject to specific conditions. Assuming pupils remain in the School, lump sum fees in advance will be applied as follows:

	£
Amounts falling due :	
Within one year	57,080

15. REFUNDABLE DEPOSITS

An analysis of the maturity of refundable deposits is given below:

	£
Amounts falling due:	
Within one year	19,480
Between two and five years	62,744
	<hr/>
	82,224

16. CONTINGENT LIABILITIES

The charitable company has a contingent liability in respect of a multilateral cross guarantee, relating to the bank overdraft facility granted under a group set off arrangement between Repton School, Repton Preparatory School, Repton School Trust and Sir John Port's Charity. This guarantee is limited to £1,500,000.

Repton Preparatory School

Notes to the Financial Statements
for the Year Ended 31 August 2003

17. UNRESTRICTED FUNDS

The income funds of the School include designated funds which have been set aside by the Governors for specific purposes as follows:

	Transfer from general reserve	Incoming resources	Movement in funds: Resources expended	Net transfers	Balance 31 August 2003
	£	£	£	£	£
Designated funds					
House furnishings sinking funds	6,864	-	(4,870)	5,000	6,994
Headmaster's discretionary fund	583	-	(2,582)	2,500	501
Departmental educational equipment funds	12,660	-	(8,803)	2,500	6,357
	20,107	-	(16,255)	10,000	13,852
General reserve	(20,107)	3,082,744	(2,966,489)	(10,000)	86,148
Total unrestricted funds	-	3,082,744	(2,982,744)	-	100,000

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds
	£
Fund balances at 31 August 2003 are represented by	
Fixed assets	16,830
Current assets	710,148
Current liabilities	(564,234)
Liabilities due after more than one year	(62,744)
	100,000

19. PENSION SCHEME COMMITMENTS

Repton School Trust operated a funded defined benefits pension scheme, to which non teaching staff of the School were eligible to join up to 31 December 2000. Currently there is an underfunding of the defined benefit scheme which is being made good by Repton School in accordance with regulations contained within the Pensions Act 1995. The latest full actuarial report of the defined benefit scheme was carried out as at 1 September 2002 and an underfunding of the scheme on a continuing valuation basis of £445,000 was reported by the scheme actuary.

In accordance with the transitional provision of Financial Reporting Standard 17, "Retirement Benefits", no provision for any underfunding of the scheme has been made in these financial statements. The major assumptions used by the scheme actuary in preparing his report were as follows:-

Rate of increase in pensions in payment	
Pension accrued after 5 April 1997	3.5%
Pension accrued before 6 April 1997	3.0%
Discount rate	
Pre retirement	9.0%
Post retirement	8.0%
Inflation assumption	4.0%

The fair value of the assets of the defined benefits scheme as at 31 August 2003 was £1,655,000.

Repton Preparatory School

Notes to the Financial Statements
for the Year Ended 31 August 2003

19. PENSION SCHEME COMMITMENTS - continued

From 1 January 2001 a group personal pension scheme has been operated which non teaching staff are now eligible to join. The total cost to the School was £55,330, which represents the contributions made by the School to the group personal pension scheme during the year.

The School also contributes towards the "Teachers Superannuation Scheme". This is a notionally funded defined benefits pension scheme administered by the Teachers Pension Agency on behalf of the Department of Education. The total cost to the School was £110,615, which represents the contributions made by the School.

The School teachers also participate in a money purchase AVC Scheme in association with the "Teachers Superannuation Scheme". The School does not make contributions to this Scheme.

20. TAXATION

The Governors consider the activities of the charity to be exempt from taxation and accordingly no provision for taxation is made in the financial statements. An application is to be made to H. M. Inspector of Taxes under S509 ICTA for exempt status.

21. RELATED PARTY DISCLOSURES

There is no ultimate controlling party of the charitable company.

The charitable company has entered into a right of set off agreement with its bankers which allows it to offset its debit and credit bank balances for interest calculation purposes, this agreement encompassing the bank accounts of, Repton School, Repton Preparatory School, Repton School Trust and Sir John Port's Charity.

During the year, the company traded with related entities Repton School and Repton School Trust.

At the balance sheet date £63,543 was owed to Repton Preparatory School in respect of lump sum fees in advance, from Repton School. In addition £70,092 was owed by Repton Preparatory School in respect of bank transactions made by Repton School, on behalf of Repton Preparatory School.

At the balance sheet date £271,560 was owed by Repton Preparatory School in respect of opening funds transferred from Repton School Trust. In addition £9,245 was owed by Repton Preparatory School in respect of a donation to Repton School Trust.