

OXFORD CAMBRIDGE AND RSA EXAMINATIONS

(An Exempt Charity and a Company Limited by Guarantee)

CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED

30 SEPTEMBER 2000



COMPANY REGISTERED NUMBER: 3484466

OXFORD CAMBRIDGE AND RSA EXAMINATIONS
(An Exempt Charity and a Company Limited by Guarantee)

DIRECTORS' AND TRUSTEES' REPORT

DIRECTORS

Ms T. Margaret Bell	Resigned 03.12.99
Mrs Valerie Bragg	
Dr John J. Guy	
Mr Richard Greenhalgh	
Dr Michael Halstead	
Mr C. Richard Holdsworth	
Dr John A. Leake	
Mr Roy Lockwood	
Mr Richard M. Martineau	
Mr Bruce G. Picking	
Dr Katherine B Pretty (Chair)	
Mrs Suzanne D. Robinson	Resigned 02.03.00
Mr Keith Rowland OBE	
Mr Timothy M. Taylor	
Mr Trevor C. Thomas CBE	
Mrs Joanna Womack	

COMPANY SECRETARY

Mr Martin Cross	Resigned 31.12.99
Mr David McKay	Appointed 01.01.00 Resigned 01.11.00
Mrs Susan Knight	Appointed 01.11.00

AUDITORS

KPMG
37 Hills Road
CAMBRIDGE
CB2 1XL

BANKERS

HSBC plc
2 Station Avenue
COVENTRY
CV4 9GQ

Barclays Bank plc
15 Bene't Street
CAMBRIDGE
CB2 3PZ

REGISTERED OFFICE

1 Hills Road
CAMBRIDGE
CB1 2EU

COMPANY REGISTERED NUMBER: 3484466

DIRECTORS' AND TRUSTEES' REPORT

1 INTRODUCTION AND OBJECTIVES

Oxford Cambridge and RSA Examinations ("OCR") is an exempt charity and a company limited by guarantee. The only member of the company is the University of Cambridge. The directors of OCR are either appointed by The University of Cambridge or the Royal Society for the encouragement of Arts, Manufactures and Commerce ("RSA"). The University of Cambridge can appoint up to 9 directors and RSA up to 7 directors. No directors were employed by the company.

The main objective of the company is the Recognising of Achievement. It aims to encourage people to make the best possible use of their talents by recognising their achievements. Society and individuals both benefit from this process of OCR assessment and certification to national standards.

The trustees confirm that the accounts comply with current statutory requirements and the terms of the governing instruments of the company.

2 BUSINESS REVIEW

The company continues to act as agent for the processing of transactions relating to subsidiary undertakings. All amounts due to the company and by the company in respect of those transactions have been fully accounted for.

In February 2000 the Company's printing activities were transferred to The University of Cambridge Local Examinations Syndicate (Corporate Services) (UCLES). On 1 October 2000, this plus the printing activities carried out by Progress House Printers Limited has transferred to Cambridge University Press.

In August 2000 the Group's management of its IT, Finance and QA/HR functions were transferred to UCLES.

In September 2000 the Group's sale of publications was outsourced.

3 FINANCIAL PERFORMANCE

Income for the year of £60.8m mainly arises from the fees charged for examinations and other qualifications.

Expenditure is incurred in maintaining and developing the qualifications, registration and certification of candidates, together with the quality control of examined and assessed schemes. Service Level Agreements are being put in place for the purchase of IT, research and financial services from the University of Cambridge Local Examinations Syndicate.

The surplus for the year is £0.5m. Provision has been made in the financial statements for the depreciation of fixed assets and the policies adopted are set out in the accompanying notes. Fixed Assets are shown in notes 8 – 9 of the financial statements.

4 INSURANCE OF DIRECTORS

The Company maintains insurance for Oxford Cambridge and RSA Examinations directors in respect of their duties as directors of the Company. The premium paid was £1,733 (1999: £2,778).

DIRECTORS' AND TRUSTEES' REPORT

5 EMPLOYEES

Should employees become disabled, wherever possible continued employment is sought and they are retained for jobs which are appropriate to their disability.

Regular meetings with employees are held to inform them of the development of the business.

Consultation took place leading to the issue of common terms and conditions of employment and contracts of employment for all staff on 1 November 1999.

6 AUDITORS

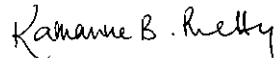
A resolution to re-appoint KPMG as auditors will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD



S J Knight
Company Secretary

Date: 7/12/00



Dr K B Pretty
Trustee

Date: 7/12/00

DIRECTORS' AND TRUSTEES' REPORT

STATEMENT OF RESPONSIBILITIES

Company law requires the directors, who are also the trustees, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and Group and of the profit or loss for that period. In preparing those financial statements the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position at any time of the Group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

**REPORT OF THE AUDITORS, KPMG, TO THE MEMBERS OF
OXFORD CAMBRIDGE AND RSA EXAMINATIONS
(An Exempt Charity and a Company Limited by Guarantee)**

We have audited the financial statements on pages 7 to 20.

Respective responsibilities of directors and auditors

The directors, who also act as trustees for the charitable activities of the company, are responsible for preparing the directors' report and, as described on page 5, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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. We also report to you if, in our opinion, the directors' and trustees' report is not consistent with the financial statements, if the 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 company is not disclosed.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we have 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 affairs of the charitable company and the Group at 30 September 2000 and of the Group's incoming resources and application of resources, including its income and expenditure, in the period then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG
Chartered Accountants
Registered Auditors
Cambridge

Date: 8 October 2001

OXFORD CAMBRIDGE AND RSA EXAMINATIONS
(An Exempt Charity and a Company Limited by Guarantee)

**A CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2000**

		2000		1999	
	Note	£000	£000	£000	£000
Incoming Resources					
Examination fees	2		56,191		53,181
Other educational and assessment services			3,621		7,449
Investment Income	5		989		727
Income from associated undertakings			7		-
Total Incoming Resources			<u>60,808</u>		<u>61,357</u>
Resources Expended					
Direct charitable expenditure		47,631		51,257	
Other expenditure:					
Management and administration costs		11,071		12,848	
Marketing		1,080		460	
Staff Restructuring Costs		<u>727</u>		<u>-</u>	
Total Resources Expended			<u>(60,509)</u>		<u>(64,565)</u>
Net Incoming/ (Outgoing) Resources	4		<u>299</u>		<u>(3,208)</u>
Realised gain on disposals			-		396
Unrealised gain on investments			165		79
Funds transferred from West Midlands Examinations Board			-		1,370
Net Movement in Funds			<u>464</u>		<u>(1,363)</u>
Fund Balance Brought Forward	16		12,826		14,189
Fund Balance Carried Forward	16		<u>13,290</u>		<u>12,826</u>

All income and expenditure relates to continuing activities.

The loss for the period in the Company was £2,817,000.

There is no difference between the surplus transferred to the General Fund stated above and its historical cost equivalent.

The Group has no recognised gains or losses other than those included above. Therefore no separate statement of recognised gains and losses has been presented.

The funds are unrestricted as defined by the Statement of Recommended Practice, Accounting for Charities.

OXFORD CAMBRIDGE AND RSA EXAMINATIONS
(An Exempt Charity and a Company Limited by Guarantee)

BALANCE SHEET AS AT 30 SEPTEMBER 2000

		Group		Company	
	Note	2000 £000	1999 £000	2000 £000	1999 £000
Fixed Assets					
Intangible fixed assets	8	4,406	5,014	-	-
Tangible fixed assets	9	10,905	11,204	151	191
Investments	10	2,349	1,927	14,970	14,970
		<u>17,660</u>	<u>18,145</u>	<u>15,121</u>	<u>15,161</u>
Current Assets					
Stock		497	525	41	48
Debtors	11	5,300	5,584	5,991	5,602
Cash and deposits	12	24,806	25,308	7,131	11,293
		<u>30,603</u>	<u>31,417</u>	<u>13,163</u>	<u>16,943</u>
Creditors: Amounts Falling Due within one year	13	(19,923)	(21,736)	(21,817)	(22,870)
Net Current Assets / (Liabilities)		<u>10,680</u>	<u>9,681</u>	<u>(8,654)</u>	<u>(5,927)</u>
Total Assets Less Current Liabilities		28,340	27,826	6,467	9,234
Creditors: Amounts Falling Due after more than one year	14	(15,000)	(15,000)	(15,000)	(15,000)
Provisions for liabilities and charges	15	(50)	-	(50)	-
Net Assets		<u>13,290</u>	<u>12,826</u>	<u>(8,583)</u>	<u>(5,766)</u>
Income Funds					
General fund	16	13,290	12,826	(8,583)	(5,766)
		<u>13,290</u>	<u>12,826</u>	<u>(8,583)</u>	<u>(5,766)</u>

The financial statements on Pages 7 to 20 were approved by the Board of Directors on and were signed on its behalf by:

Katharine B. Pretty

Dr K B Pretty
Director

Date: 7/12/00

M P Halstead

Dr M P Halstead
Director

Date: 7/12/00

OXFORD CAMBRIDGE AND RSA EXAMINATIONS
(An Exempt Charity and a Company Limited by Guarantee)

CONSOLIDATED CASHFLOW STATEMENT
AS AT 30 SEPTEMBER 2000

		2000	1999
	Note	£000	£000
Net cash inflow from operating activities	17	404	14,888
Capital Expenditure and Financial Investment			
Payments to acquire tangible fixed assets		(416)	(2,810)
Receipts from sales of tangible fixed assets	12	7	
Payments to acquire fixed asset investments		(250)	(1,750)
		(654)	(4,553)
Acquisitions and disposals			
Disposal of interest in associated undertakings		-	442
Cash inflow/(outflow) before use of liquid resources and financing		(250)	10,777
Management of liquid resources			
Net movements on money market deposits		(4,388)	3,584
Financing			
Repayment of loan		-	(2,214)
Increase/(decrease) in cash in the period		(4,638)	12,147

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2000

1 ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared to conform with the Statement of Recommended Practice: Accounting for Charities, the Companies Act 1985, applicable Accounting Standards in the United Kingdom and under the historical cost basis. No separate Statement of Financial Activities is presented for the Company, as provided by Section 230 of the Companies Act 1985.

The Group has adapted certain of the headings set out in the Companies Act 1985 to reflect the nature of the Group's business as an exempt charity.

Basis of Consolidation

The Group accounts consolidate the accounts of OCR and its subsidiary and associated companies, made up to 30 September 2000; associates have been accounted for in accordance with the equity method.

The consolidated accounts are based on the accounts for the subsidiary undertakings which are coterminous with those of the parent company. The accounts of associated undertakings are not coterminous with the parent company but the effect of this is not material.

In the Company's accounts, the investments in the subsidiary companies are stated at cost less any permanent diminution in value.

Goodwill

Goodwill relating to significant investments made by the group is amortised in the consolidated accounts over the period over which the Group will derive direct economic benefit from the goodwill arising on making the investment. Goodwill is amortised over 10 years on a straight line basis. Where there is considered to be a permanent diminution in the carrying value of goodwill, a write down is charged to surplus in the period.

Foreign Currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward exchange contract. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the Statement of Financial Activities.

Results of overseas associates are translated into sterling at the average rate for the period. Gains or losses arising on the translation of the net assets of overseas associates less exchange differences arising on related foreign currency borrowings are taken into reserves.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2000

Leases

Where the Group enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a "finance lease". The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over the estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned on a notional basis between the finance element, which is charged to the Statement of Financial Activities under the item "interest payable", and the capital element which reduces the outstanding obligation for future instalments included within creditors.

All other leases are accounted for as "operating leases" and the rental charges are charged to the Statement of Financial Activities on a straight line basis over the life of the lease.

Pensions

The four principal pension schemes for the Group's staff are funded defined benefit schemes. The Funds are valued every three years by professionally qualified independent actuaries, the rates of contribution payable being determined by the trustees on the advice of the actuaries. Pension costs are accounted for on the basis of charging the cost of providing pensions over the employees' service lives.

Depreciation

Depreciation is charged to write off the cost of fixed assets over their estimated useful lives and is calculated as follows:

Land & Buildings	2% per annum on a straight line basis;
Plant & Equipment, Furniture and Fittings	15-33% per annum on a straight line basis;

Research and Development Expenditure

Expenditure on research and development is written off in the period in which it is incurred.

Stocks

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2000**

2 INCOMING RESOURCES

Examination fees income represents income from recognising and certifying educational achievement.

3 STAFF COSTS

The average number of persons employed by the Group during the year was 699 (1999; 679). These were engaged directly on the Group's management, support and administration functions.

Staff costs for the above persons comprise:	2000 £000	1999 Restated £000
Salaries and wages	13,032	12,195
Social Security costs	1,029	1,090
Other pensions cost (note 18)	824	1,173
	<u>14,885</u>	<u>14,458</u>

The 1999 figures have been restated to include the costs of temporary staff not previously reported.

The number of employees (excluding directors) whose emoluments were over £40,000 are as follows:

	2000 No.	1999 No.
£40,001 - £50,000	19	23
£50,001 - £60,000	8	7
£60,001 - £70,000	5	1
£70,001 - £80,000	1	-
£80,001 - £90,000	-	1
£90,001 - £100,000	1	1
£100,001 - £110,000	-	1

None of the directors received any remuneration during the year.

4 NET INCOMING RESOURCES

Net Incoming Resources is stated after charging:

	2000 Group £000	1999 Group £000
Auditors' remuneration		
- audit fee	31	27
- other services	49	112
Depreciation	729	727
Amortisation of goodwill	608	608
Operating leases		
Land & buildings	257	222
Plant, machinery & equip	<u>204</u>	<u>123</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2000**

5 INVESTMENT INCOME

	2000 £000	1999 £000
Investment Income	98	34
Interest Receivable	891	693
	<u>989</u>	<u>727</u>

6 INTEREST PAYABLE

	2000 £000	1999 £000
Interest payable on bank and other loans	<u>14</u>	<u>116</u>

7 TAXATION

OCR is an exempt charity and claims exemption from Corporation Tax under the provisions of section 505 of the Income and Corporation Taxes Act 1988.

8 INTANGIBLE FIXED ASSETS

GOODWILL	£000
COST	
At 1 October 1999	<u>6,078</u>
At 30 September 2000	<u>6,078</u>
AMORTISATION	
At 1 October 1999	1,064
Charge for year	<u>608</u>
At 30 September 2000	<u>1,672</u>
NET BOOK VALUE	
At 30 September 2000	<u>4,406</u>
At 30 September 1999	<u>5,014</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2000

9 TANGIBLE FIXED ASSETS

Group	Land & Buildings		Plant & Equip. Furniture & Fittings £000	Total £000
	Freehold £000	Long Leasehold £000		
COST				
At 1 October 1999	6,444	4,714	4,271	15,429
Additions	225	9	276	510
Disposals	-	-	(748)	(748)
At 30 September 2000	<u>6,669</u>	<u>4,723</u>	<u>3,799</u>	<u>15,191</u>
DEPRECIATION				
At 1 October 1999	144	887	3,194	4,225
Disposals	-	-	(668)	(668)
Charge for year	148	94	487	729
At 30 September 2000	<u>292</u>	<u>981</u>	<u>3,013</u>	<u>4,286</u>
NET BOOK VALUE				
At 30 September 2000	<u>6,377</u>	<u>3,742</u>	<u>786</u>	<u>10,905</u>
At 30 September 1999	<u>6,300</u>	<u>3,827</u>	<u>1,077</u>	<u>11,204</u>

There are no tangible fixed assets held for investment purposes by the Group, all are being used for the charitable objectives of the Group.

TANGIBLE FIXED ASSETS

Company	Land & Buildings		Plant & Equip. Furniture & Fittings £000	Total £000
	Freehold £000	Long Leasehold £000		
COST				
At 1 October 1999	-	-	230	230
Additions	-	-	23	23
Disposals	-	-	(40)	(40)
At 30 September 2000	<u>-</u>	<u>-</u>	<u>213</u>	<u>213</u>
DEPRECIATION				
At 1 October 1999	-	-	39	39
Disposals	-	-	(10)	(10)
Charge for year	-	-	33	33
At 30 September 2000	<u>-</u>	<u>-</u>	<u>62</u>	<u>62</u>
NET BOOK VALUE				
At 30 September 2000	<u>-</u>	<u>-</u>	<u>151</u>	<u>151</u>
At 30 September 1999	<u>-</u>	<u>-</u>	<u>191</u>	<u>191</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2000

10 FIXED ASSET INVESTMENTS

Group	Investments At Market Value £000	Interest in Associated Undertakings £000	Total £000
At 1 October 1999	1,829	98	1,927
Additions	250	-	250
Increase in market value	165	-	165
Share of undistributed profit			
For the period	-	7	7
At 30 September 2000	<u>2,244</u>	<u>105</u>	<u>2,349</u>

The interest in the associated undertaking is held by the RSA Examinations Board.

Name of Associated Undertaking	Country of Registration and Operation	Class of Share	Proportion Held Direct	Nature of Business
RSA Examinations Board (Middle East) LLC	Oman	Ordinary	49%	Examination services

The above has an accounting reference date of 31 December.

Company

	Investment in Subsidiary Undertakings £000
At 1 October 1999	14,970
At 30 September 2000	<u>14,970</u>

Name of Subsidiary Undertaking	Country of Registration and Operation	Class of Share	Proportion held Direct	Nature of Business
RSA Examinations Board	England	Member	100%	Assessment services
Progress House Printers Ltd.	England	Ordinary	100%	Printing
The West Midlands Examinations Board	England	Member	100%	Examination services

All of the subsidiary undertakings have been included in the consolidation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2000

11 DEBTORS

	Group		Company	
	2000	1999	2000	1999
	£000	£000	£000	£000
Fee debtors	2,859	2,869	317	684
Other trade debtors	149	494	-	362
Amounts owed by group undertakings	-	-	3,826	2,864
Other debtors	200	377	90	107
Prepayments & accrued income	2,092	1,844	1,758	1,585
	<u>5,300</u>	<u>5,584</u>	<u>5,991</u>	<u>5,602</u>

12 CASH AND DEPOSITS

	Group		Company	
	2000	1999	2000	1999
	£000	£000	£000	£000
Cash at bank and in hand	8,307	13,197	7,131	11,293
Money market deposits	16,499	12,111	-	-
	<u>24,806</u>	<u>25,308</u>	<u>7,131</u>	<u>11,293</u>

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2000	1999	2000	1999
	£000	£000	£000	£000
Bank overdraft	666	918	-	4
Trade creditors	1,627	2,071	1,576	2,037
Amounts due to group undertakings	13,442	14,390	16,141	16,635
Amounts due to associated undertakings	74	74	-	-
Other taxes and social security	2,659	3,270	2,656	3,208
Other creditors	116	353	112	353
Accruals and deferred income	1,339	660	1,332	633
	<u>19,923</u>	<u>21,736</u>	<u>21,817</u>	<u>22,870</u>

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2000	1999	2000	1999
	£000	£000	£000	£000
Loan from UCLES	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2000**

15 PROVISIONS FOR LIABILITIES AND CHARGES

	Group £000	Company £000
At 1 October 1999	-	-
Movement for the period	50	50
At 30 September 2000	<u>50</u>	<u>50</u>

16 FUNDS

General fund	Group £000	Company £000
At 1 October 1999	12,826	(5,766)
Surplus/(deficit) for the year	464	(2,817)
At 30 September 2000	<u>13,290</u>	<u>(8,583)</u>

The funds are unrestricted as defined by the Statement of Recommended Practice, Accounting for Charities.

17 NOTES TO CASHFLOW STATEMENT

a. Reconciliation of changes in resources to net cash inflow from operating activities

	2000 £000	1999 £000
Net incoming/(outgoing) resources	299	(3,208)
Depreciation of tangible fixed assets	729	727
Amortisation of goodwill	608	608
Movements in provisions	50	82
Increase/(decrease) in creditors	(1,649)	17,422
(Increase)/decrease in debtors	399	(752)
Decrease in stock	28	9
Share of profit in Associates	(7)	-
Surplus on disposal of fixed assets	(53)	-
Net cash inflow from operating activities	<u>404</u>	<u>14,888</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2000

17 NOTES TO CASHFLOW STATEMENT (CONTINUED)

b. Reconciliation of net cash inflow to movements in net funds

	2000 £000	1999 £000
Increase/(decrease) in cash in the period	(4,638)	12,147
Cash outflow/(inflow) from increase/decrease in money market deposits	4,388	(3,584)
Cash outflow from repayment of loan	-	2,214
Change in net funds resulting from cashflows	(250)	10,777
Net funds at 30 September 1999	9,316	(1,461)
Net funds at 30 September 2000	9,066	9,316

c. Analysis of change in net funds

	At 30 September 1999 £000	Cash Flows £000	At 30 September 2000 £000
Cash at bank and in hand	13,197	(4,890)	8,307
Overdrafts	(918)	252	(666)
	12,279	(4,638)	7,641
Debt due within one year	(74)	-	(74)
Debt due after one year	(15,000)	-	(15,000)
Money market deposits	12,111	4,388	16,499
Total	9,316	(250)	9,066

18 CAPITAL COMMITMENTS

There were no capital commitments at the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2000**

19 PENSION COSTS

During the year the Group operated four principal defined benefit pension schemes. RSA Examinations Board operates a funded scheme where the assets of the scheme are held separately from those of the Company, invested with Scottish Widows' Fund and Life Assurance Society. The West Midlands Examinations Board is an admitted body to a funded scheme known as The West Midlands Pension Fund. The assets of the scheme are held separately from those of the Board in a separate fund administered by the Wolverhampton Metropolitan Borough Council (WMBC). Members of staff also participate in the Universities Superannuation Scheme (USS) or the Contributory Pension Scheme (CPS).

The schemes are valued every three years by professionally qualified independent actuaries, the rates of contribution payable being determined by the trustees on the advice of the actuaries.

The assumptions and other data which have the most significant effect on the determination of the contribution levels are as follows:

	<u>RSAEB</u>	<u>WMPF</u>	<u>USS</u>	<u>CPS</u>
Latest actuarial valuations	October 1999	March 1998	March 1999	July 1997
Investment returns per annum	8%	9%	8.5%	9.0%
Salary scale increases per annum	6%	6.5%	6.5%	7.0%
Pension increases per annum	3%	4.5%	5.0%	6.0%
Market value of assets at the date of last valuation	£3.4 Million	£4.174 Billion	£18,815 Million	£212 Million
Funding level	115%	94%	108%	139%

In addition to the pension schemes mentioned above the Group also contributes to a defined contribution pension scheme. This scheme provides benefits based on contributions to an insurance company.

The total pension costs for the Group were: £852,000 (1999: £1,173,000).

20 OPERATING LEASES

Group

At 30 September 2000 the Group had annual commitments under non-cancellable operating leases as follows:

	<u>Land & Buildings</u>		<u>Plant, Machinery & Equipment</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Commitments expiring:				
In 1 year	-	50	23	22
Between 2 & 5 years	115	108	166	128
After 5 years	78	50	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2000

20 OPERATING LEASES (CONTINUED)

Company

At 30 September 2000 the Company had annual commitments under non-cancellable operating leases as follows:

	Land & Buildings		Plant, Machinery & Equipment	
	2000	1999	2000	1999
	£000	£000	£000	£000
Commitments expiring:				
in 1 year	-	-	2	1
Between 2 & 5 years	-	-	108	90
After 5 years	-	-	-	-

20 RELATED PARTY TRANSACTIONS

The Group has taken advantage of the exemption in Financial Reporting Standard 8 to not disclose transactions or balances with entities which form part of the Group (or investees of the Group qualifying as related parties).

During the year the Group entered into transactions with Cambridge University Press ("CUP"), a Syndicate of the University of Cambridge, the ultimate parent undertaking as follows:- purchase of printing services £89,000, sale of equipment £65,000, receipt of royalties £63,000.

At 30 September a balance of £43,000 was due from CUP.

21 ULTIMATE PARENT UNDERTAKING

The University of Cambridge is the sole member of OCR.

Copies of the accounts of the University of Cambridge are available from the University Reporter.