

**PLYMOUTH COLLEGE AND
ST DUNSTAN'S ABBEY SCHOOLS CHARITY
(A company limited by guarantee)**

**Charity No: 1105544
Company No: 05189426**

REPORT AND FINANCIAL STATEMENTS

31 August 2010

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PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

REPORT AND FINANCIAL STATEMENTS 31 AUGUST 2010

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PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

TRUSTEES, OFFICERS AND ADVISERS

TRUSTEES(DIRECTORS)

The following are Trustees (Directors)

CO-OPTIVE

C J Robinson – Chairman
D R. Woodgate, BSc, MBA – Vice Chairman

P H Lawson, FCA
Mrs J A McKinnel, Dip LSN, RGN, RNN, SRN, HV
Mrs J Paull
Miss V Harman B Ed
Mrs A C Mills
Mrs C Evans
Mrs R J Hattersley, BA (Hons)
T J Burke
J H Friendship
B E Walton, MA
P Jones
Mrs L P Stevenson, MRCVS
R.I Penrose
C Thomson, BSc, FCA

EX OFFICIO

Flag Officer, Sea Training (Representative)
Bishop of Plymouth

Commodore I Jess RN
Rt Revd J Ford

NOMINATED

Exeter University
Plymouth University

C Lindsay
Professor M J Watkins, PhD, MN, RN, RMN

COMPANY SECRETARY

D J W Baylis OBE, MA, MSc MCMl

OFFICERS

The Headmaster of the Senior School

Dr S J Wormleighton, Ph D

The Headmaster of the Junior School

C D M Gatherer, BA Keele Cert Ed

The Bursar and Clerk to The Governors

D J W Baylis OBE, MA, MSc MCMl

The day to day running of the College is delegated to the Headmasters and the Bursar respectively

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

REGISTERED OFFICE

Plymouth College
Ford Park
Plymouth
Devon
PL4 6RN

ADVISORS

Bankers

Lloyds TSB Bank
Royal Parade
Plymouth
Devon
PL1 1HB

Solicitors

Wolferstans
60/64 North Hill
Plymouth
Devon
PL4 8EP

Auditors

Northcott Trumfield
Chartered Accountants & Statutory Auditors
Devonshire Villa
52 Stuart Road
Stoke
Plymouth
PL3 4EE

Insurance Brokers

HSBC Insurance Services
Rockwood House
9-17 Perrymount Road
Haywards Heath,
West Sussex
RH16 1TA

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

TRUSTEES' REPORT

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 August 2010. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005 in preparing the annual report and financial statements of the charity.

The charity is a charitable company limited by guarantee and was incorporated on 26 July 2004. It is governed by a Memorandum and Articles of Association. In the event of the company being wound up no member will have to pay an amount exceeding £10.

Reference and administrative details of the charity, its trustees and advisers

Details of trustees (directors) and officers of the company who served during the year are

C J Robinson, MA	Chairman
D R Woodgate, BSc MBA	Vice Chairman
T J Burke	
Mrs C Evans	
Rt Revd J Ford	
J H Friendship	
Miss V Harman B Ed	
Mrs R.J Hattersley, BA (Hons)	
P Jones	Resigned 5 May 2010
C Lindsay	Resigned 2 April 2010
P H Lowson, FCA	
Commodore I Jess RN	
Mrs J A McKinnel, Dip LSN, RGN, RNN, SRN, HV	
Mrs A C Mills	
Mrs J Paull	
R I Penrose	
Mrs L P Stevenson, MRCVS	
C Thomson, BSc, FCA	Appointed 22 June 2010
Revd D J Waller, BA, MA, RTL	Resigned 27 July 2010
B E Walton, MA	
Professor M J Watkins, PhD, MN, RN, RMN	

The co-opted trustees are appointed by the Board for a term of four years. They can be re-elected.

Induction training is provided for all trustees on appointment, and further training is given from time to time during the year.

All Trustees give of their time freely and no remuneration was paid during the year except legitimate travelling expenses. No Trustee or person connected with a Trustee, receives any benefit from a means tested bursary.

Structure, Governance and Management

The Board meets three times per year, and more frequently if necessary. Each meeting is preceded by Education, Foundation and Finance Committee meetings, and a Prep School Trustees meeting which has executive powers. Marketing and Strategic Planning sub-committees meet when required. The Headmasters and Bursar attend all meetings described above.

Company and charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those financial statements, the trustees have

- selected suitable accounting policies and then applied them consistently,
- made judgements and estimates that are reasonable and prudent,
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepared the financial statements on the going concern basis.

The trustees have overall responsibility for ensuring that the charity has appropriate systems of controls, financial and 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking steps for the prevention and detection of fraud and other irregularities.

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

TRUSTEES' REPORT

Risk Management

Risks are identified, assessed and controls established by the Governors, assisted by the Leadership Support Group and Senior Management Team, throughout the year. A formal review of the Charity's Risk Management processes is undertaken by the Board on an annual basis.

The trustees have assessed the risks to which the college is exposed, including operational and financial risks. In the opinion of the trustees the Charity has established resources and review systems which should allow the risks identified to be mitigated to an acceptable level in its day to day operations. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Objects, Aims, Objectives and Activities

Object

The object for which the Company is established is the advancement of the education of boys and girls in accordance with the Christian faith and in particular but without prejudice to the generality of the foregoing to provide and conduct a day or a day and boarding school or schools in which religious instruction is given in accordance with the doctrines of the Church of England and any ancillary or incidental and other associated activities for the benefit of the community.

The College provides continuous education from the kindergarten stage to university entrance. Boarding is available from age 11. Both the Senior and Preparatory Schools are fully co-educational.

The College follows the broad thrust of the National Curriculum and wide and varied sports and extra curricular activities are available, including the Duke of Edinburgh Award Scheme and the Combined Cadet Force.

The company was incorporated to run the combined schools of Plymouth College and Mannamead School and St Dunstan's Abbey School. It began operating on 1 September 2004.

The former charities retained their freehold assets - the school buildings - and were renamed

Plymouth College and Mannamead School	became Plymouth College Trust
St Dunstan's Abbey School	became St Dunstan's Abbey School Trust

The company has use of the assets of these two trusts under a licence agreement.

Aims and Intended Impact

Within these Objects the Plymouth College Vision Statement, as agreed by the Board, is as follows:

Plymouth College seeks to produce happy, knowledgeable and caring young adults who gain confidence in learning and who strive to reach their full potential. We aim to provide a diverse and enriching education that promotes self-discipline, motivation and excellence, in addition to consideration for others. This is underpinned by a belief in the importance of respecting ourselves and one another, of appreciating individual differences and in encouraging each other. Above all, we wish to see our pupils become independent and self-sufficient citizens who will succeed and contribute responsibly as members of a global community.

Furthermore, within the overall objects, the Board has agreed that in planning our objectives and our activities, the College gives careful consideration to the Charity Commission's general guidance on Public Benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging.

Plymouth College is committed to safeguarding and promoting the welfare of our pupils and expects all staff and volunteers to share this commitment. In the last Independent Schools' Inspectorate report, the pastoral care provided was described as 'excellent'. Parents are given regular information about their children's social and academic progress through parent evenings in addition to end of term and year reports. The College maintains regular contact with parents and guardians throughout the year through more informal contacts and newsletters.

The College welcomes pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that we will be able to educate and develop him/her to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy the College that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, race, religion or disability do not form part of our assessment process. We are an equal opportunity organisation and are committed to a working environment free from discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability.

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

TRUSTEES' REPORT

Objectives for the Year 2009-10

This year the Governors' focus has been to provide support and encouragement to ensure a successful IB curriculum launch and the subsequent recruiting drive to attract students to the course, the establishment of a Foundation/Development Office as a means of fund and 'fundraising', work towards an increase in boarding numbers as a way to ameliorate the actual and anticipated reduction in numbers of local and domestic pupils due to the recession, to improve the provision of ICT facilities in both schools and to continue to encourage IM systems to improve administration and curriculum delivery, to consider the comments of the 2007 ISI inspection and the 2010 Boarding Inspection to reinforce success and implement recommendations as appropriate, to study the requirement made upon the school by the Charities Commission in fulfilling the need to provide sufficient Public Benefit to justify our charitable status, to expand our national and international reputation specialist areas such as swimming, pentathlon and Business Studies, to improve our Music and Performing Arts quality and reputation, to ensure our continued presence on Dartmoor through our leasing arrangements with the Duchy of Cornwall, reduce the annual deficit by tighter budgetary control, to continue to improve public exam results, to expand the Activities Programme to further broaden students' education and skills, to continue improvement in College facilities, to make better use of our proximity to the sea by forging a relationship with the Royal Western Yacht Club (RWYC), to improve facilities for girls games, to further improve all aspects of Health and Safety issues in line with recent corporate responsibility legislation and to ensure more Governor participation and oversight at various aspects of school life, to develop and enhance our links with local state primary and secondary schools through as many channels as feasible, to provide continuing support to our pupils already in receipt of means tested bursaries

Strategies to Achieve the Year's Objectives

Strategies to achieve this year's objectives have included comprehensive support in finance and training opportunities to ensure a successful IB launch including all aspects of teaching, administration and facilities, major management and financial resources to continue the unique and very successful elite swimming and Modern Pentathlon programme, taking the latter from its initial market testing to a fully fledged programme during 2009-10, purchase of additional property to house anticipated increased number of boarders, the funding of overseas recruiting visits and marketing for this anticipated increase, research and installation of new ICT equipment throughout both schools and the training of academic and administrative staff, support the new post of 'Director of Music and Performing Arts' to drive improvements in the cultural life of the college, running a highly popular and effective 'Performing Arts Week' supported by Sir Andrew Motion, the ex Poet Laureate, work closely with Stoke Damerel to implement a new initiative whereby they become a 'partner' school for our CCF as a flagship improvement to our public benefit status, negotiations with Marjon University for joint purchase of an All Weather Pitch on their site, purchasing a number of sailing dinghies for use at RWYC, the Governors are embedded in many areas of school life and work to improve oversight and liaison including e-safety, public benefit and safer recruiting, finalise negotiation with Duchy of Cornwall for the renewal of the lease of a Dartmoor bunkhouse, work alongside Plymouth University with the post of Development officer for the Foundation Office, to actively encourage continued local, regional and international links and charitable contributions

Grant-Making Policy

This year the value of scholarships, bursaries and other allowances was £1 77M (2009 £1 82M) which represents 22% of Gross Income (2009 23 5%) It is the Governors' policy to award scholarships on the basis of educational potential and rigorous means tested bursaries are granted where appropriate From the 2006/7 financial year the process of decreasing the value of scholarships and increasing the amount available for means tested bursaries began to take effect There is currently no endowment sum to provide scholarships or bursaries which are provided from current income, but the Governors are planning to build up a reserve which may eventually be used to offer education to a wider spectrum of society through the establishment of a foundation office It is intended that the primary focus for fund raising for the new Foundation Office will be raising finances to fund means tested bursaries Information about fee assistance through bursaries is provided to all applying to join the College and our 'Policy on Financial Assistance' is displayed on the College internet site and available to the public

Financial Planning Policy

The Governors note that timely financial planning is often the key for many parents who are hoping to send their children to Plymouth College and a school fees plan is available to help those who wish to fund educational costs through regular contributions

Family Discounts Policy

To underline the value we place on continuity for families, we offer discounts where parents have more than one child at the College

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

TRUSTEES' REPORT

Assistance for Teaching Staff

As part of our emphasis on attracting and retaining high calibre staff, we offer a discount scheme where staff members choose to educate their children at our school

Access Policy

It is important to the College that access to the education we offer is not restricted to those who can afford our fees. We believe our pupils benefit from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experiences which help our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives. Our grant-making policy, together with our many community links, contribute to a widening of access to the education we offer and the facilities we enjoy.

Pupils

An average of 791 pupils attended the school (548 Main and 243 Prep) during 2009/10 of whom 125 were boarders. In the Main school day boys numbered 388 and day girls 278. In the boarding community there were 75 boys and 50 girls.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Examination Results and University Entrance

The examination results are very important for any school and securing the best possible set of results for our students always has been and will remain one of our principal concerns, but such results are not the only measure of success and as a school we must never lose sight of the fact that whilst good examination grades are both a key to unlock further opportunities and an objective measure of learning at a particular stage of an individual's life, they are not the only reason that parents invest in a school such as ours. The richness and the diversity of all that goes on beyond the classroom and the formal curriculum plays just as important a part in shaping the lives of the young people who pass through this school.

At A level, there were 94 candidates (up from 84 in 2009) and a total of 289 (241) entries last summer across the full range of subjects taught. The College achieved a pass rate of 98% (98%), with 62% (58%) of all results being at A or B grade with the A Grade pass-rate of 36% (26% nationally). This was better than even the ambitious targets which had been set and it is an outcome of which the College can be justifiably proud. These results are significantly above the national average. In Economics and Business Studies Plymouth College students distinguished themselves spectacularly by gaining the top four places in the Edexcel exam in the whole UK. Financial Services qualifications were also offered to some students and 86% achieved A/B in the Certificate and 90% A/B in the Diploma.

The very great majority of the 2010 leavers were able to take up good university places in the autumn, or at least to confirm their entry for 2011/12 and embark on Gap Year experiences safe in the knowledge that the place they wanted at university awaits them.

At GCSE, it was also a very successful year. The overall pass rate (A*-C) was 90%. Our A*/A grade pass rate was 39%. 6 pupils gained 10 or more A/A*. Some of the weaker candidates who were not expected to meet the entry requirements for the 6th Form performed better than expected and are now following A Level courses at the College.

Music and Drama

School Productions remained strong and varied, this year was the first for the new Music and Performing Arts Department. Highlights included a highly acclaimed production of 'Return to the Forbidden Planet', work with Symbiotic Dance culminating in an exceptional performance of 'Blackout' and very popular House Music and House Drama competitions. For the first time the College undertook a Creative Arts Week where the academic timetable was collapsed for two days so that all staff and pupils could take part in a whole range of music, art and drama events linked to the theme of 'sustainability'. The Central Band of the RAF came to perform for Year 7-9 pupils and Ben Firth, an internationally renowned concert pianist, gave a master class to our advanced students. Pupils performed with the Devonport Apollo choir to raise money for Medic Malawi, the school orchestra played at the European Festival of Music and Youth at the Guildhall and the choir was invited to sing at the Lord Mayor's Carol Service. Drama productions at the Prep School included 'Diamonds', the Year 5 Pantomime, two infant productions 'Ballooning Around the World' and 'Evie the Penguin', Years 3 and 4 Christmas Production of 'Jack and the Beanstalk' and the whole school production of 'A Midsummer Night's Dream'. There was a highly successful music concert in March 2010 as well as a beginner's concert, and the school choir performed at various locations throughout Plymouth.

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

TRUSTEES' REPORT

Sport

Cricket, Hockey, Netball, Athletics and Rugby are played in their appropriate seasons and all teams have had their share of success in a wide-ranging fixture list at all ages. The 2009 1st XV had another very successful season and teams representing the College won the Kelly Tens, U18 Devon Cup, U15 Devon Cup, and U16 West of England 7s. Four boys were selected for Devon U18 and one was selected for England U17. The U16 Girls Hockey had their best ever season winning the West Devon Cup and the U15 team were undefeated throughout the season, scoring 22 goals and conceding only one. Seven girls were chosen to play for Devon. In swimming, pupils in our Elite Swimmers programme have won many World and European school medals and broken over 20 British and English records. Our pupils represented their countries at the World School Games in Doha, the Commonwealth Games in New Delhi, the European Championships in Budapest, the World Youth Olympics in Singapore and the European Junior Championships in Helsinki. At the National Schools Relay finals in the UK the College won 8 out of the 12 National titles and broke 6 of the National Schools records. Our partnership with Plymouth Leander Club, where the college provides most of the swimmers, saw the club win the National Club Championship for the third year running. One of our pupils won two Commonwealth Gold Medals in diving. The number of pupils who have represented Great Britain or England is now in double figures. The Modern Pentathlon Academy had a very successful second complete year with 35 pupils participating at the end. One girl won the national Girls Youth Pentathlon Championship, 17 pupils qualified for the Triathlon and Fencing National finals whilst one pupil is the National Pentathlon Champion in his age group. Another of our girls has been selected for England and four others have been chosen for the England U18 fencing team. One pupil reached the Horse of the Year show in show jumping and the Equestrian Team reached the UK Schools finals. 2009-10 saw the establishment of a Squash and Racquetball Academy in partnership with local instructors. It must also be mentioned that the Deputy Head won a gold medal in the World Coastal Rowing Championships.

Other Activities

Ten Tors, Duke of Edinburgh Award Scheme, Young Enterprise, CCF and Business competitions remain extremely popular. 37 students have participated in Young Enterprise over the past three years and over the same period 30 pupils have gained their Bronze, 20 Silver and 46 Gold Duke of Edinburgh awards. Our Young Enterprise Company, Affinity, emerged as National Champions which meant an 8 day trip to Canada to take part in the Global Young Persons Leadership Convention held in Toronto. For the fifth year running College pupils reached the finals in the 2009 National Student Investor Challenge, winning for the third year in a row, won the CIMA Management Competition and three pupils came in the top twelve in the country in the Diploma in Financial Services. Our students won the 2009 'Make your Mark' business challenge winning a trip to Belgrade to participate on the European stage. Four pupils won the Salters South West Chemistry Festival Challenge and the College linguists won the Intermediate and Advanced sections in French and German of the South West Linguafest Competition. Education trips to the Gambia, Greece, Honduras and the Comenius Scheme enhance global understanding. Recreational Ski trips and Art outings take place annually.

Public Benefit Activities

The Governors and College Officers actively encourage the contribution of time, money, resources and talent across the range of the College community for the furtherance of Public Benefit at the local, regional and international levels. For example, but not exclusively, the College Gambia Scheme, DoE Ranger and Jubilee Challenge schemes, IB CAS (1st Aid in the Community), Plymouth Leander swimming club, JSLA accreditation for our pupils working with local schools, Stoke Damerel CCF project, musical performances in parks, host and organise regional Linguafest, Young Enterprise business connections with local schools, CCF remembrance participation at events throughout Plymouth, Oxbridge preparation for external students, loan of sports pitches at all sites for local schools, Science day at local primary schools, loan of mini buses to local schools, providing facilities to local schools for hosting music exams, local schools swimming gala, PGCE Student support, provision of facilities for local children's charities, finally our pupil led Charity Committee is a thriving organisation that continually encourages support for charities such as Red Nose Day, Operation Christmas Child, CLIC Sargent Cancer and Shelter Box by a variety of fund-raising events. Through these opportunities to serve others and to participate with other communities, our pupils also gain educationally through a meaningful interaction with those outside our College community.

Public Benefit - Financial Considerations

As a charity all the income of the school must be applied for educational purposes.

As an educational charity we enjoy tax exemptions on our educational activities provided these are applied for our charitable aims. As a charity we are also entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes. The financial benefits we receive for these tax exemptions are all applied for educational purposes and indirectly help us to maintain our bursary policies (£427,850 means tested bursaries were provided in the year). However, as an educational charity we are unable to reclaim VAT input tax on our costs as we are exempt for VAT purposes. We also pay tax as an employer through the national insurance contributions we make.

In addition to the very substantial benefits our school brings to our pupils, the local community and society through the education we offer, our bursary programme creates a social asset without cost to the exchequer.

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

TRUSTEES' REPORT

Facilities

Two private houses, within the perimeter of the College, were bought in order to secure the footprint for any future expansion of the College. One was renovated to provide boarding space for 7 boarders and a member of staff. Work was completed on time and to a very high standard and it was opened on 1 September 2010 in time to receive the full complement of new boarders. The old stables, attached to the rear of the boarding accommodation, was also completely renovated and now houses 6 further boarders all in individual and high quality rooms.

Health and Safety

Health and Safety review was undertaken by an external consultant and a firm direction of travel was outlined as a result. The Governors have appointed a 'Competent External Adviser' as required under current legislation and he will attend Health and Safety meetings annually and be available to advise and train staff. We now formally brief Governors on Health and Safety matters on an annual basis. A comprehensive Fire Risk Assessment, Asbestos inspection and Legionella assessment all provide a focus for Maintenance issues. Finally a Service Level Agreement was signed with a Transport consultant who will provide advice and training for our mini bus fleet and our drivers.

Financial Review

A difficult operating year saw an operating surplus of £120,700. This was a major improvement on the 2008-9 deficit of £447,695 and the 2009-10 deficit of £94,779. In many ways this was a better than anticipated result and continues the improving trend. A deficit budget was always anticipated at this stage of the post-merger development of the College as major expenditure was required to revitalise the fabric of the estate, establish the new corporate identity, improve areas of administrative support, successfully launch the elite swimming and pentathlon programme and the added cost of the IB accreditation. This surplus was due to an increase in boarding numbers, more than anticipated numbers in the Prep school because of mature foreign students studying at Plymouth University and with the Royal Navy who are bringing their young families, reduction in interest rates and major efforts at economy across the spectrum of college activities.

The Trustees have been fully briefed on these figures and have taken the view that this expenditure is vital for the long-term future of the College to enable it to position itself in the developing Independent School market. Future expenditure has been thoroughly examined in light of the current economic cycle. Job losses in both teaching and support staff have been undertaken. Pupil numbers are being carefully monitored, new markets are being vigorously examined and exciting new courses and activities are being added to the curriculum. As a consequence Trustees are confident that the College is now well placed to face a very positive future, yet they are still aware of real economic threats and have relevant and speedily deployable contingency plans.

Reserves

The School's general reserves are in deficit by £1,658,348 at the year end. The need for day to day working capital being met by careful management of short term liquid resources in the absence of the free reserves. Freehold assets are held in two holding charities as detailed below and therefore on a consolidated basis these charities hold reserves of £7,712,600.

The borrowings are secured over the freehold property of Plymouth College Trust. The current market value of the freehold property was valued at £20.4M on a current basis and £6-8.5M on an 'Alternate Use' basis in January 2009. Neither the property at The Millfields or the playing fields at Delgany are included in these figures.

It is the Trustees' intention that free reserves of £1M would be practicable and achievable in order to cover the risks and uncertainties of operating as an independent educational establishment.

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

TRUSTEES' REPORT

Going Concern and Liquidity Risk Disclosure

The Charity's core activities, together with factors likely to affect its development, performance and position within the Independent School sector are set out in the above paragraphs. Similarly the financial positions of the Charity, its cash flows, liquidity position and borrowing facilities are described both in the preceding paragraphs and in the detail of the audited accounts that follow.

As highlighted in the Financial Review, the Charity meets its day-to-day working requirements through an overdraft facility which is due for renewal on 31 March 2011. The current economic conditions create uncertainty particularly over the future level of pupil numbers and the increasing cost of teaching staff wages tied to national maintained sector pay scales.

The Charity's forecasts and projections, taking into account reasonable and possible changes in trading performance, show that the Charity should be able to operate close to the level of its current facility. The Charity will open renewal negotiations with the bank in due course and has not sought any written commitment that the facility will be renewed. However, the Charity has held discussions with its bankers about future borrowing needs and advice has been received which is being acted upon by the Trustees and there is no suggestion that renewal may not be forthcoming on acceptable terms.

After making enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going-concern basis in preparing the Annual Report and Financial Statements.

Auditors

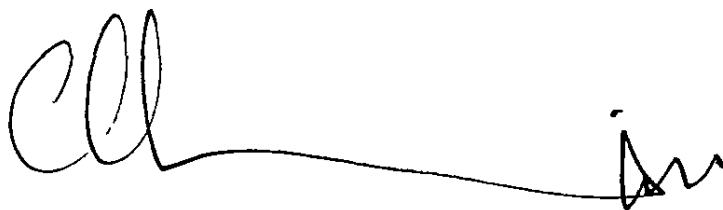
A resolution proposing that Northcott Trumfield be re-appointed as auditors of the Charity will be put to the Annual General Meeting.

Statement as to disclosure of information to Auditors

So far as each Director is aware there is no relevant audit information of which the company's auditors are unaware.

Directors have taken all steps that they should to inform themselves of any relevant audit information and that auditors are aware of any findings.

This report was approved by the Board on 22 March 2011.

A handwritten signature in black ink, appearing to be 'C Robinson', followed by a long horizontal line and a small flourish at the end.

Mr C Robinson
(Chairman of Governors)

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

We have audited the financial statements of Plymouth College and St Dunstan's Abbey Schools Charity for the year ended 31 August 2010 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the 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 charitable company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of Plymouth College and St Dunstan's Abbey Schools Charity for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

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, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosure of trustees' remuneration specified by law are not made.

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 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 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.

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

**INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY**

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 2010, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Trustees' Annual Report is consistent with the financial statements

Northcott Trumfield

**Northcott Trumfield
Chartered Accountants
and Statutory Auditors**

Date: 4 April 2011

**Devonshire Villa
52 Stuart Road
Stoke
Plymouth
PL3 4EE**

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) YEAR ENDED 31 AUGUST 2010

	Note	Unrestricted Funds		Total 2010	Total 2009
		Main and Boarding School £	Preparatory School £	£	£
Incoming Resources					
<i>Incoming resources from generated funds</i>					
Letting income		124,253	29,884	154,137	134,532
<i>Incoming resources from charitable activities</i>					
Tuition fees	2	5,731,810	1,579,529	7,311,339	7,154,830
School meals receipts		218,363	106,412	324,775	320,201
Other income	3	146,757	26,632	173,389	162,434
Donations		49,766	-	49,766	47,968
Total incoming resources		6,270,949	1,742,457	8,013,406	7,819,965
Resources Expended					
<i>Charitable activities</i>					
Teaching		4,042,976	1,098,573	5,141,549	5,140,582
Welfare		669,611	121,700	791,311	769,343
Premises		975,802	200,311	1,176,113	1,240,672
Support costs		526,528	162,895	689,423	689,881
Financial costs		32,688	9,013	41,701	26,150
		6,247,605	1,592,492	7,840,097	7,866,628
<i>Governance costs</i>		31,423	21,186	52,609	48,116
Total resources expended	4	6,279,028	1,613,678	7,892,706	7,914,744
Net resources expended before transfers		(8,079)	128,779	120,700	(94,779)
Transfers between funds		128,779	(128,779)	-	-
Net Movement in Funds		120,700	-	120,700	(94,779)
Fund balances at 1 September 2009		(1,779,048)	-	(1,779,048)	(1,684,269)
Fund balances at 31 August 2010		(1,658,348)	-	(1,658,348)	(1,779,048)

The notes on pages 15 to 21 form part of these financial statements

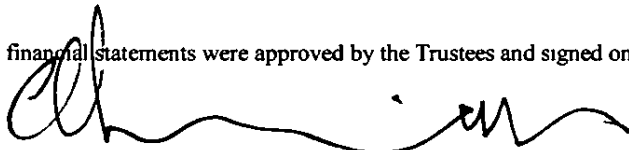
The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

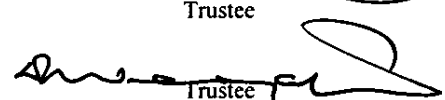
PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

BALANCE SHEET AS AT 31 AUGUST 2010

	Note	£	2010	£	2009	£
Fixed Assets						
Tangible assets	9		681,673		162,645	
Current Assets						
Stocks		8,470		16,795		
Debtors	10	261,449		262,714		
Debtors - Amounts falling due after one year		1,233,913		1,077,168		
Cash at bank and in hand		550		550		
		<u>1,504,382</u>		<u>1,357,227</u>		
Creditors: Amounts falling due within one year	11	<u>2,891,025</u>		<u>2,845,167</u>		
Net Current Liabilities			<u>(1,386,643)</u>		<u>(1,487,940)</u>	
Total Assets less Current Liabilities			(704,970)		(1,325,295)	
Creditors: Amounts falling due after one year	12		(953,378)		(453,753)	
Total Net Liabilities	13		<u>(1,658,348)</u>		<u>(1,779,048)</u>	
Funds						
Unrestricted funds						
General	14		<u>(1,658,348)</u>		<u>(1,779,048)</u>	

The financial statements were approved by the Trustees and signed on their behalf by


Trustee


Trustee

Date 22 March 2011

Company Registration No. 05189426

The notes on pages 15 to 21 form part of these financial statements

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

**CASHFLOW STATEMENT
YEAR ENDED 31 AUGUST 2010**

	Note	£	2010 £	£	2009 £
Net Cashflow from Operating Activities	15		146,922		(313,010)
Capital Expenditure and Financial Investment					
Payments to acquire tangible fixed assets			<u>(570,473)</u>		<u>(75,619)</u>
Cash Outflow before increase in Liquid Resources and Financing			(423,551)		(388,629)
Financing					
Loan advanced			446,000		314,000
Net Cash Outflow for the year	15		<u>22,449</u>		<u>(74,629)</u>

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

NOTES TO THE FINANCIAL STATEMENTS Year Ended 31 August 2010

1. Accounting Policies

(a) Basis for preparation

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Companies Act 2006 and the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in 2005 and applicable accounting standards.

(b) Company status

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

(c) Fund 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.

(d) Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Fees and similar income

Fees receivable and use of premises 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.

(e) Resources expended

All expenditure is accounted for on accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been apportioned according to pupil numbers.

(f) Tangible fixed assets and depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated at the following rates:

Freehold Property	2% straight line
Computer Equipment	20% reducing balance
Fixed Plant	5% reducing balance
Motor Vehicles	25% reducing balance

The trustees estimate that the residual values of the freehold buildings are equal or greater than their cost and so depreciation has not been provided in the year.

Expenditure on school equipment is charged to the revenue account as the expense is incurred.

(g) Stock

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

(h) Pension costs

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 standard contribution rate from 1 January 2007 is 20.50%, 6.4% to be paid by the teachers and 14.1% borne by the School.

The School also contributes to a defined contribution scheme for non-teaching staff at 7% basic pay.

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

NOTES TO THE FINANCIAL STATEMENTS Year Ended 31 August 2010

(i) Grants

Grants of a revenue nature are credited to income in the period to which they relate

(j) Donations, Gifts and Legacies

Donations received for the general purposes of the charity are included as unrestricted funds. Donations received for activities restricted by the wishes of the donor are included as restricted funds. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments – permanent or expendable according to the nature of the restrictions.

(k) Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

2. School Fees Receivable

	2010 £	2009 £
Gross Fees	9,253,543	9,007,696
Less: Bursaries	427,850	427,900
Scholarships	950,131	934,713
Staff discounts	213,662	232,448
Siblings discount	185,150	173,742
Commission	50,624	30,246
Bad debt provision	114,787	53,817
	<u>7,311,339</u>	<u>7,154,830</u>

3. Other Income

	2010 £	2009 £
Charitable Activities		
Unrestricted Funds		
Registration fees	14,517	10,268
Childcare and aftercare	3,565	3,532
Dyslexia income	19,479	22,457
Other income	52,974	41,759
Examination income	80,459	82,488
Teacher training	2,395	1,930
	<u>173,389</u>	<u>162,434</u>

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

NOTES TO THE FINANCIAL STATEMENTS Year Ended 31 August 2010

4. Analysis of Total Resources Expended

Charitable Activities	Staff Costs £	Other Direct Costs £	Total £
Teaching	4,624,750	516,799	5,141,549
Welfare	235,903	555,408	791,311
Premises	572,268	603,845	1,176,113
Support costs	349,713	339,710	689,423
Financial costs	-	41,701	41,701
Governance	27,000	25,609	52,609
Total resources expended	5,809,634	2,083,072	7,892,706

Other direct costs include	2010 £	2009 £
Depreciation	51,228	43,626
Auditors remuneration	7,520	7,364
Finance lease/hire purchase interest	-	119

5. Two Trustees were reimbursed a total of £2,003 for expenses (2009 - £1,250). No other Trustee or persons connected with them received any remuneration, other benefits or reimbursement of expenses from the school or any connected organisation.

6. Interest Payable

	2010 £	2009 £
Bank overdraft	31,147	27,121
Bank loan	16,517	1,787
Finance lease interest	-	119
	47,664	29,027

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

NOTES TO THE FINANCIAL STATEMENTS Year Ended 31 August 2010

7. Total Staff Costs

	2010 £	2009 £
Wages and salaries	4,891,822	4,869,600
Social security costs	386,340	380,929
Pension contributions	512,086	514,293
Other allowances	19,386	18,822
Redundancy	-	26,030
	<u>5,809,634</u>	<u>5,809,674</u>

The number of employees whose emoluments amounted to over £60,000 in the year was as follows

	2010	2009
£60,000 - £70,000	1	1
£70,000 - £80,000	2	2
£80,000 - £90,000	-	-
£90,000 - £100,000	1	1
£110,000 - £120,000	-	1
£120,000 - £130,000	1	-

Remuneration for these employees is the total of gross pay and employers pension contributions

Contributions were made to the Teachers Pension Scheme which is a defined benefits scheme for 4 higher paid employees and contributions amounting to £8,870 were made to a defined contributions scheme for one employee

The average number of employees, calculated on a full-time equivalent basis analysed by function was

	2010	2009
Charitable activities	149	150
Management and administration of the charity	11	12
	<u>160</u>	<u>162</u>

8. Pension Scheme

The School participates in the Government's Teachers Pension Scheme, a defined benefit scheme, for its teaching staff. The contributions payable in the year were £469,843. The contributions to the Teachers Pension Scheme amount to 14.1% of gross pay.

The School also runs a defined contribution scheme for its non-teaching staff. The employers' contribution is 7% of gross pay. £42,243 was paid in the year.

Contributions are charged in the statement of financial activities as they accrue.

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 August 2010

9 Tangible Fixed Assets

	Freehold Property	Fixtures Fittings and Equipment	Motor Vehicles	Charity Total
	£	£	£	£
Cost				
At 1 September 2009	-	253,297	109,847	363,144
Additions	491,211	46,558	32,704	570,473
Disposals	-	-	(6,949)	(6,949)
At 31 August 2010	<u>491,211</u>	<u>299,855</u>	<u>135,602</u>	<u>926,668</u>
Depreciation				
At 1 September 2009	-	121,647	78,852	200,499
Charge for the Year	-	35,355	15,873	51,228
Disposals	-	-	(6,732)	(6,732)
At 31 August 2010	<u>-</u>	<u>157,002</u>	<u>87,993</u>	<u>244,995</u>
Net Book Value				
31 August 2010	<u>491,211</u>	<u>142,853</u>	<u>47,609</u>	<u>681,673</u>
At 31 August 2009	<u>-</u>	<u>131,650</u>	<u>30,995</u>	<u>162,645</u>

10 Debtors

	2010 £	2009 £
Fees recoverable - current	65,259	120,845
- long-term	<u>2,114</u>	<u>26,663</u>
	67,373	147,508
Loan Plymouth College Trust - long-term	1,231,799	1,050,505
Loan Foundation Office	27,838	-
Other debtors	145,640	138,669
Prepayments	<u>22,712</u>	<u>3,200</u>
	<u>1,495,362</u>	<u>1,339,882</u>

The loan to Plymouth College Trust will not be repaid within one year. It is a long-term loan. The assets of Plymouth College Trust provide the security for the bank borrowing of the company (see note 16).

11 Creditors: Amounts falling due within one year

	2010 £	2009 £
Bank overdraft (secured)	1,737,966	1,760,415
Trade creditors	162,932	97,732
Other creditors	266,313	218,050
Tax and social security	124,782	118,282
Accruals	7,520	7,520
Fees received in advance	<u>591,512</u>	<u>643,168</u>
	<u>2,891,025</u>	<u>2,845,167</u>

The bank borrowing is secured by a charge over the freehold property of Plymouth College Trust and a fixed and floating charge over the assets of the charity.

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

NOTES TO THE FINANCIAL STATEMENTS Year Ended 31 August 2010

12 Creditors Amounts falling due after more than one year

	2010 £	2009 £
Bank loan (secured)	360,000	314,000
Bank loan (secured)	400,000	-
Fees received in advance	193,378	139,753
	<u>953,378</u>	<u>453,753</u>

The bank loan of £360,000 is to be repaid within 15 years Interest only for the first two years, with capital repayments to be made annually in 13 instalments This loan is secured by a first charge over 16 Ford Park Road
The bank loan of £400,000 is to be repaid within 15 years Interest only for the first two years, with capital repayments to be made annually in 13 instalments This loan is secured by a first charge over the freehold property acquired

13. Allocation of the Net Assets

	Tangible Fixed Assets £	Net Current Liabilities £	Long- Term Liabilities £	Total £
Unrestricted Funds				
General reserve	681,673	(1,386,643)	(953,378)	(1,658,348)

14. Statement of funds

	Balance at 1 September 2009 £	Income £	Expenditure £	Balance at 31 August 2010 £
General Reserve	<u>(1,779,048)</u>	8,013,406	(7,892,706)	<u>(1,658,348)</u>

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

15. Cash Flow Information

(b) Reconciliation of changes in resources to net outflow from operating activities

	2010 £	2009 £
Net Incoming Resources	120,700	(94,779)
Non-operating cashflows eliminated		
Depreciation	51,228	43,626
Loss on disposal of fixed assets	217	1,350
(Increase) / decrease in stock	8,325	1,433
(Increase) / decrease in debtors	(155,480)	(500,572)
Increase / (decrease) in creditors	121,932	235,932
Net cash outflow from operating activities	<u>146,922</u>	<u>(313,010)</u>

(b) Analysis of net funds/debt

	2010 £	2009 £	Change in Year £
Bank accounts	(1,737,966)	(1,760,415)	22,449
Petty cash accounts	550	550	-
	<u>(1,737,416)</u>	<u>(1,759,865)</u>	<u>22,449</u>

PLYMOUTH COLLEGE AND ST DUNSTAN'S ABBEY SCHOOLS CHARITY

NOTES TO THE FINANCIAL STATEMENTS Year Ended 31 August 2010

16 Security

Plymouth College and St Dunstan's Abbey School Charity – a charitable company – was incorporated to facilitate the merger of Plymouth College and St Dunstan's Abbey School. These schools were previously run by two separate charities.

The former charities have retained their freehold assets (the school buildings) and were renamed.

Plymouth College Trust (formerly Plymouth College and Mannamoad School) has secured the borrowings of the new company on its freehold property, which was valued at £20.4 million in May 2005 on a current use basis. (This valuation has not been incorporated into its accounts).

St Dunstan's Abbey School Trust (formerly St Dunstan's Abbey School) has borrowed money from Plymouth College Trust to improve its freehold property and build a sports hall complex. Plymouth College Trust has taken a legal charge over the freehold property of this charity. The freehold property of this charity (prior to the sports hall being built) on a current use basis was valued at £3.75 million in May 2005. (This valuation has not been incorporated into its accounts).

As at 31 August 2010 the balance sheets of these two charities were -

	Plymouth College Trust £	St Dunstan's Abbey School Trust £
Fixed Assets	5,298,180	3,742,509
Current Assets	2,435,394	5,117
	<u>7,733,574</u>	<u>3,747,626</u>
Creditors: Amounts falling due within one year	(61,408)	(3,681)
Amounts falling due after one year	(1,281,799)	(2,421,712)
	<u>6,390,367</u>	<u>1,322,233</u>
Restricted Funds	746,846	2,978
Unrestricted Funds	5,643,521	1,319,255
	<u>6,390,367</u>	<u>1,322,233</u>