

259021

**BOARD OF MANAGEMENT REPORT
AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 AUGUST 2000
FOR
THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**



**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

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FOR THE YEAR ENDED 31 AUGUST 2000**

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**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

COMPANY GENERAL INFORMATION

BOARD OF GOVERNORS:

C J Sehmer*
V Rev C J G Winterton
C J French
N R Purnell
M W Stilwell
T A H Tyler
D E Wilson *
Maj Gen S J Pack (retired 3 May 2000)

Dr R I D Simpson*
Rt Rev Mgr R Brown
F J Fitzherbert – Brockholes
J J Eyston*
P C H Hasslacher
V Rev R Byrne*
Major T E Thorneycroft
Mrs E M Drew

(*Member of the Board of Management as at 31 August 2000)

SECRETARY:

Dr H A Will

REGISTERED OFFICE:

The Oratory School
Woodcote
Berkshire
RG8 0PJ

COMPANY REGISTRATION NUMBER:

259021

CHARITY REGISTERED NUMBER:

309112

OFFICERS:

HEADMASTERS: - The Oratory School

C I Dytor

- The Oratory Preparatory School

D L Sexon

CLERK TO THE GOVERNORS

A V Phillips

ADDRESSES

- The Oratory School
Woodcote
Reading
Berkshire

The Oratory Preparatory School
Goring Heath
Reading
Berkshire

**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

COMPANY GENERAL INFORMATION (CONTINUED)

AUDITORS:	James & Cowper 3 Wesley Gate Queens Road Reading Berkshire RG1 4AP Chartered Accountants and Registered Auditor
SOLICITORS:	Veale Wasbrough Orchard Court Orchard Lane Bristol BS1 5DS
BANKERS:	Lloyds TSB Bank Plc 33 Market Place Reading Berkshire RG1 2DJ
INVESTMENT ADVISERS:	Credit Suisse (UK) Limited 5 Cabot Square Canary Wharf London E14 4QR
INSURANCE BROKER:	D E Ford Limited Poppleton Grange Low Poppleton Lane York YO26 9GZ

THE ORATORY SCHOOL ASSOCIATION (LIMITED BY GUARANTEE)

REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 AUGUST 2000

STATUS

The Oratory School Association is a Charity constituted under a Declaration of Trust in 1927, amended by Deed of Agreement in 1931. It is incorporated as a company limited by guarantee. It is a registered charity.

OBJECTS

The objects for which the Association is established are to provide general, physical, moral and religious education in particular in accordance with Roman Catholic doctrines and practices for boys and girls in any part of the world and for that purpose to carry on and maintain the Oratory Schools.

These objects are presently met by the Association being currently responsible for the Oratory School and the Oratory Preparatory School.

POLICY

The Oratory School and the Oratory Preparatory School provide for 750 boarding and day pupils; boys between the ages of 3 and 18 and girls up to the age of 13.

The schools were founded by John Henry Newman in 1859 specifically to meet the educational needs of the Roman Catholic laity, and in founding The Oratory Schools, Newman created a new type of Roman Catholic education which he foresaw as meeting the needs of the modern age.

Today the schools are lay run as Newman had always intended them to be. Pastoral care of the pupils is thus in the hands of laymen and their wives whilst the Chaplain is parish priest to both school communities and the lay staff work with him to promote the Roman Catholic life of the schools.

Newman wanted his school to have the atmosphere of home, and we have been able to provide friendly residential accommodation, designed so that the House staff can maintain an easy supervision over the pupils.

We are proud to have as our Founder a great Christian thinker, but we are even more proud to be entrusted with his vision of Roman Catholic education to produce educated Christian young men and women for the modern age.

THE ORATORY SCHOOL ASSOCIATION (LIMITED BY GUARANTEE)

REPORT OF THE BOARD OF MANAGEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2000

REVIEW OF ACTIVITIES AND FINANCIAL RESULTS

1999-2000 was a successful year for the Association and the consolidated accounts show an increase of funds for the year of £426,478 (1999 £327,011). There were 384 pupils in the Oratory School and in the Oratory Preparatory School, which continues to expand, there were 361 pupils.

As in former years the Association has granted scholarships and bursaries to a number of pupils and has helped the Newman Trust in its work by providing holiday facilities for young disabled persons. Other charitable contributions made during the year amounted to £1,555 (1999 £1,800).

FIXED ASSETS

The Woodcote Estate is vested in Trustees for the benefit of and free use by The Oratory School. The Oratory School Association, as owners of the School, are responsible for all outgoings thereon.

The value of land and buildings for insurance purposes is approximately £8,500,000 higher than book value. No calculation of the deferred tax arising on this excess has been made because there is no intention to sell and in any case, the company is not subject to UK corporation tax.

INVESTMENT POWERS

To invest the monies of the Association not immediately required for its purposes, in or upon such investments, securities or property as may be thought fit, and in any part of the world, subject nevertheless to such conditions (if any) as may for the time being be imposed or required by law.

ORGANISATION

The Board of Governors of the Association are ultimately responsible for the general policy of the schools. General responsibility is delegated to the Board of Management with the day to day management being the responsibility of the two Headmasters and the Bursar.

The members of the Board of Management are detailed on page 1.

The members of the Board of Management retiring by rotation at the Annual General Meeting will be C J Sehmer and Dr R I D Simpson.

The members of the Board of Governors retiring by rotation at the Annual General Meeting will be Mrs E M Drew, Major T E Thorneycroft and T A H Tyler.

**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

**REPORT OF THE BOARD OF MANAGEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000**

STATEMENT OF THE BOARD OF MANAGEMENT'S RESPONSIBILITIES

Company law requires the Board of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the group and of the results of the group for that period. In preparing those financial statements, the Board of Management are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Board of Management are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, James & Cowper, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD OF MANAGEMENT:

J J EYSTON *J.J. Eyston*

Dated:

6 March 2001

**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

**REPORT OF THE AUDITORS TO THE MEMBERS OF
THE ORATORY SCHOOL ASSOCIATION**

We have audited the financial statements on pages 7 to 24 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and accounting policies set out on pages 12 to 14.

RESPECTIVE RESPONSIBILITIES OF THE BOARD OF MANAGEMENT AND AUDITORS

As described on page 5 the company's Board of Management are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

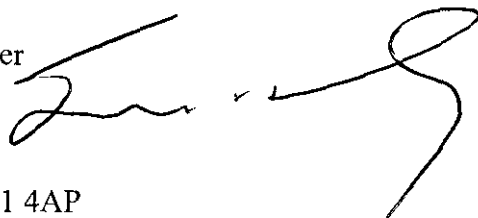
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board of Management 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 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 group's and the charitable company's affairs as at 31 August 2000 and of the group's 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.

James & Cowper
3 Wesley Gate
Queens Road
Reading
Berkshire RG1 4AP



Chartered Accountants
and Registered Auditor

Date: 9/3/01

**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2000**

	Notes	Unrestricted Funds	
		2000	1999
		£	£
INCOMING RESOURCES			
Fees receivable	1	6,846,973	6,459,832
Trading income		242,198	262,970
Investment income		21,304	19,651
Bank and other interest		73,335	85,562
Sundry other income		110,598	82,618
Donations		32,051	1,675
Total Incoming Resources		7,326,459	6,912,308
RESOURCES EXPENDED			
Direct Charitable Expenditure			
Teaching costs		3,012,063	2,811,644
Welfare		1,463,836	1,354,074
Premises		1,026,262	1,027,245
Administration of the School		727,228	752,366
Scholarships and bursaries		476,781	471,605
Prize fund expenditure		4,449	7,883
		6,710,619	6,424,817
Other Expenditure			
Charity management		40,017	32,866
Management and administration		78,934	78,516
Trading expenditure		121,561	112,900
		240,512	224,282
Total Resources Expended	4	6,951,131	6,649,099
NET INCOMING RESOURCES		375,328	263,209
Gains/(losses) on investment assets:			
Realised		(3,598)	(1,197)
Unrealised		54,748	64,999
NET MOVEMENT IN FUNDS		426,478	327,011
Balances brought forward at 1 September 1999		8,388,302	8,061,291
BALANCES CARRIED FORWARD AT 31 AUGUST 2000		8,814,780	8,388,302

The notes on pages 12 to 24 form part of these accounts

**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

**BALANCE SHEETS
AS AT 31 AUGUST 2000**

	Notes	Consolidated		Association	
		2000 £	1999 £	2000 £	1999 £
FIXED ASSETS					
Tangible	5	7,845,146	7,133,752	7,840,075	7,126,708
Investments	6	548,198	505,579	568,198	505,584
		<u>8,393,344</u>	<u>7,639,331</u>	<u>8,408,273</u>	<u>7,632,292</u>
CURRENT ASSETS					
Stocks		107,365	99,753	56,539	52,613
Debtors	7	378,733	445,840	460,308	546,620
Cash		1,007,349	1,209,710	941,923	1,149,781
		<u>1,493,447</u>	<u>1,755,303</u>	<u>1,458,770</u>	<u>1,749,014</u>
CREDITORS: due within one year	8	<u>(998,167)</u>	<u>(884,019)</u>	<u>(968,780)</u>	<u>(871,399)</u>
NET CURRENT ASSETS		<u>495,280</u>	<u>871,284</u>	<u>489,990</u>	<u>877,615</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,888,624</u>	<u>8,510,615</u>	<u>8,898,263</u>	<u>8,509,907</u>
CREDITORS: due after more than one year	9	<u>(73,844)</u>	<u>(122,313)</u>	<u>(73,844)</u>	<u>(122,313)</u>
		<u>8,814,780</u>	<u>8,388,302</u>	<u>8,824,419</u>	<u>8,387,594</u>
UNRESTRICTED FUNDS	11				
Designated funds		6,089,157	6,085,688	6,089,157	6,085,688
Unrestricted income funds		2,735,262	2,301,906	2,735,262	2,301,906
Non-charitable trading funds held by subsidiaries		(9,639)	708	-	-
		<u>8,814,780</u>	<u>8,388,302</u>	<u>8,824,419</u>	<u>8,387,594</u>

Approved by the Board of Management
on 6 March 2001 and signed on their behalf by

...J J Eyston.....
J J EYSTON

.....C J Sehmer.....
C J SEHMER

The notes on pages 12 to 24 form part of these accounts

**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

**CONSOLIDATED CASHFLOW STATEMENT
AS AT 31 AUGUST 2000**

	Notes	2000 £	1999 £
Net cash inflow from operating activities	1	855,681	617,993
Returns on investments and servicing of finance	2	94,639	109,593
Taxation		-	-
Capital expenditure and financial investment	2	(1,152,681)	(519,514)
Equity dividends paid		-	-
		<u>(202,361)</u>	<u>208,072</u>
Financing		-	-
(Decrease)/Increase in cash in the period		<u>£(202,361)</u>	<u>£208,072</u>
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/Increase in cash in the period		(202,361)	208,072
Net funds at 1 September 1999		<u>1,209,710</u>	<u>1,001,638</u>
Net funds at 31 August 2000		<u>£1,007,349</u>	<u>£1,209,710</u>

**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2000**

1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASHFLOW FROM OPERATIONS

	2000	1999
	£	£
Net incoming resources	375,328	263,209
Depreciation charges	324,273	295,041
Investment income	(21,304)	(19,651)
Bank and other interest	(73,335)	(85,562)
(Increase)/Decrease in stock	(7,612)	(5,289)
(Increase)/Decrease in debtors	67,151	77,610
Increase/(Decrease) in creditors	191,651	94,835
(Profit)/Loss on disposal of fixed assets	(471)	(2,200)
	<u>855,681</u>	<u>617,993</u>

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

	2000	1999
	£	£
Returns on investments and servicing of finance		
Investment income	21,304	19,651
Bank and other interest received	73,335	89,942
	<u>94,639</u>	<u>109,593</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	1,170,936	504,353
Sale of tangible fixed assets	(7,022)	(2,200)
Purchase of investments	250,318	77,449
Sale of investments	(261,551)	(60,088)
	<u>1,152,681</u>	<u>519,514</u>
Net cash outflow for capital expenditure		

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 31.8.99	Cash flow	Other non-cash changes	At 31.8.00
Net cash:				
Cash at bank	<u>1,209,710</u>	<u>(202,361)</u>	-	<u>1,007,349</u>
Analysed in Balance Sheet				
Cash at bank	<u>1,209,710</u>			<u>1,007,349</u>

**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

**CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2000**

	Notes	2000 £	1999 £
Gross charitable income		7,084,261	6,649,338
Non-charitable trading income		242,198	262,970
		<u>7,326,459</u>	<u>6,912,308</u>
Charitable expenditure		6,829,570	6,536,199
Non-charitable trading expenditure		<u>121,561</u>	<u>112,900</u>
Net income before investment asset disposals		375,328	263,209
Gain/(loss) on disposal of fixed asset investments		<u>(3,598)</u>	<u>(1,197)</u>
Net income for the year		<u><u>371,730</u></u>	<u><u>262,012</u></u>

Notes

The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 7 which together with notes to the accounts on pages 12 to 24 provides the full information on the movements during the year on all the funds of the group.

The parent company has taken advantage of Section 230 Companies act 1985 in not preparing its own Income and Expenditure Account. The surplus of the parent company dealt with in the consolidated income and expenditure account is £436,819 (1999 £260,007).

None of the Association's activities were acquired or discontinued during the current and previous years.

THE ORATORY SCHOOL ASSOCIATION (LIMITED BY GUARANTEE)

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31 AUGUST 2000

Accounting Convention

The accounts of the Association are prepared in accordance with The Charities (Accounts and Reports) Regulations 1995, the Statement of Recommended Practice "Accounting by Charities" and with applicable accounting standards. They are drawn up on the historical accounting basis except that investments held as fixed assets are carried at market value. The group financial statements consolidate the results of the company and its two subsidiary companies.

Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated before deducting bursaries, scholarships and other allowances. These are paid from a designated fund.

Donations

Donations subject to specific wishes of donors are carried to relevant restricted funds, or to endowed funds where the amount is required to be held as permanent capital.

Expenditure

Any services supplied to the Association by its subsidiary companies are treated as a cost of the Association and the sale proceeds and associated costs are excluded from the amounts shown for trading income and trading expenditure.

Expenditure is allocated to expense headings on a direct cost basis or apportioned according to time spent or other relevant basis. The irrecoverable element of VAT is included with the item of expense to which it relates.

Operating leases

Rentals payable are charged against revenue in the period in which they are incurred.

Pension schemes

The Association contributes to the Teachers' Superannuation Scheme at rates set by the Scheme Actuary and advised to the Association by the Scheme Administrator.

The Association also operated a defined benefit pension scheme for the benefit of other eligible employees. It is the general policy of the Association to provide for and fund pension liabilities on a going concern basis, on the advice of external actuaries, by payments to independent managed funds. The amount charged to the profit and loss account is calculated so as to produce a charge each year at substantially the same percentage of pensionable salaries. The defined benefit pension scheme was discontinued on 1 December 1999 and has been replaced by a group personal pension defined contribution scheme. Full details of the Pension's schemes are given in Note 16.

**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

**STATEMENT OF ACCOUNTING POLICIES (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000**

Capitalisation and replacement

The costs of new buildings and extensions are capitalised.

The Oratory School is sited on the Woodcote Estate which is vested in Trustees for the benefit of and free use by The Oratory School. The Estate reverts to the Trustees if it ceases to be used as a school. Additions to school building on the Estate are capitalised as it is considered the Association has an equitable right to compensation for these additions if the Estate were to revert to the Trustees.

Depreciation

The original school buildings, freehold land and building work in progress are not depreciated. Depreciation of other assets is provided at rates to write off the excess of cost over estimated residual amount over their estimated useful lives as follows:

Freehold property	2% straight line
Furniture and equipment	10-20% straight line
Motor vehicles	25% straight line

Investments

Investments held as fixed assets are carried at market value. The gain/loss on investments sold during the year is the difference between the amount at which the investment was valued at the beginning of the year, or cost if purchased during the year, and sale proceeds.

Current assets

Stock is carried at the lower of cost and net realisable value.

Capital reserve

Included within unrestricted funds is a designated reserve to represent the permanent capital of the Association.

Bursary and Scholarship Fund

An annual transfer is made between the Unrestricted Income Fund and the Bursary and Scholarship Fund to cover grants made during the year.

Grants receivable

Grants received by the Association, which relate to expenditure on tangible fixed assets are taken to income over the useful economic life of the asset to which the grant relates. The amounts shown in the balance sheet in respect of grants consist of the total grants receivable to date, less amounts taken to income in the Statement of Financial Activities.

**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

**STATEMENT OF ACCOUNTING POLICIES (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000**

Advance Fee Payment Scheme

The School operates an Advance Fee Payment Scheme, which is known as the Composition Fees Scheme. The School offers the Scheme to assist parents who wish to make a once only capital payment to secure a termly remission of fees for a specified period.

The balance sheet liability represents the amount of the original capital payment, less amounts transferred to settle actual school fees.

**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2000**

	2000 £	1999 £
1. FEES		
Fees receivable consist of:		
Gross fees		
- External	6,370,192	5,988,227
- Transfer from Scholarship and Bursary Fund	476,781	471,605
	<u>6,846,973</u>	<u>6,459,832</u>
2. TRADING INCOME		
The Association owns 100% of the ordinary share capital of Oratory Trading Limited, which provides leisure, sporting and recreational activities to third parties and fuel supplies to the Association. It covenants its taxable profits to the School. Its trading results, extracted from its audited accounts were:		
	2000 £	1999 £
Turnover	191,804	216,383
Cost of sales	66,950	73,955
Gross profit	<u>124,854</u>	<u>142,428</u>
Administration (including interest paid)	72,745	95,250
Other operating income	-	-
Operating profit	<u>52,109</u>	<u>47,178</u>
Interest receivable	526	585
Net profit	<u>52,635</u>	<u>47,763</u>
Covenant – gross	52,952	46,923
Tax on profit on ordinary activities	-	-
Retained (deficit)/profit	<u>(317)</u>	<u>840</u>
Retained profit brought forward	1,667	827
Retained profit carried forward	<u>1,350</u>	<u>1,667</u>

THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000

The Association also owns 100% of the ordinary share capital of Academy Catering Limited. This company provides catering and linen hire to third parties. It covenants its taxable profits to the school. Its trading results extracted from its audited accounts were:

	2000	1999
	£	£
Turnover	50,394	46,587
Cost of sales	54,611	38,945
Gross profit	(4,217)	7,642
Administrative expenses (including interest paid)	6,189	6,480
Operating profit/(loss)	(10,406)	1,162
Interest receivable and similar income	376	63
Net profit/(loss)	(10,030)	1,225
Covenant – gross	-	58
Tax on profit/(loss) on ordinary activities	-	-
Retained profit/(loss)	(10,030)	1,167
Retained profit/(loss) brought forward	(959)	(2,126)
Retained loss carried forward	(10,989)	(959)
3. EXPENDITURE:	£	£
Other expenditure includes:		
Auditors' remuneration - Audit fees	14,000	12,038
Other services	15,024	8,403
Hire of plant and machinery	24,380	24,250
TOTAL STAFF COSTS:	£	£
Wages and salaries	3,557,112	3,340,092
Social security costs	270,262	254,522
Pension contributions	194,738	189,129
	4,022,112	3,783,743

Neither the governors nor persons connected with them received any remuneration or other benefits from the Association or any connected organisation. The Governors received travel expenses in the year ended 31 August 2000 of £1,937 (1999 £876).

**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000**

The number of employees whose emoluments exceeded £40,000 were:

	2000	1999
	No.	No.
£40,000 - £50,000	1	1
£50,000 - £60,000	1	1
	<u>2</u>	<u>2</u>
Average weekly number of employees		
Educational Staff	104	103
Domestics and Matron	33	34
Administrative	14	14
Maintenance and Grounds	19	19
Catering	45	45
	<u>215</u>	<u>215</u>

4. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £	Other £	Depreciation £	Total £	1999 £
Direct Charitable Expenditure					
Teaching costs	2,627,758	295,658	88,647	3,012,063	2,811,644
Welfare	754,560	673,685	35,591	1,463,836	1,354,074
Premises	317,025	525,885	183,352	1,026,262	1,027,245
Administration of the School	315,230	398,513	13,485	727,228	752,366
Scholarships and bursaries	-	476,781	-	476,781	471,605
Prize fund expenditure	-	4,449	-	4,449	7,883
	<u>4,014,573</u>	<u>2,374,971</u>	<u>321,075</u>	<u>6,710,619</u>	<u>6,424,817</u>
Other expenditure:					
Charity management	7,539	32,478	-	40,017	32,866
Management and administration of the Charity	-	75,736	3,198	78,934	78,516
Trading	-	121,561	-	121,561	112,900
	<u>7,539</u>	<u>229,775</u>	<u>3,198</u>	<u>240,512</u>	<u>224,282</u>
	<u>4,022,112</u>	<u>2,604,746</u>	<u>324,273</u>	<u>6,951,131</u>	<u>6,649,099</u>

THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000

5. TANGIBLE FIXED ASSETS

	Subsidiaries Plant & Equipment £	Land & Buildings £	Association Plant and Equipment £	Association Total £	Consolidated Total £
Cost					
1 September 1999	15,281	7,954,457	2,037,440	9,991,897	10,007,178
Additions	1,224	685,554	358,186	1,043,740	1,044,964
Disposals	-	-	(22,002)	(22,002)	(22,002)
31 August 2000	16,505	8,640,011	2,373,624	11,013,635	11,030,140
Depreciation					
1 September 1999	8,236	1,612,285	1,252,909	2,865,194	2,873,430
Charge for year	3,198	153,417	167,658	321,075	324,273
Disposals	-	-	(12,709)	(12,709)	(12,709)
31 August 2000	11,434	1,765,702	1,407,858	3,173,560	3,184,994
Net book values					
31 August 2000	5,071	6,874,309	965,766	7,840,075	7,845,146
31 August 1999	7,045	6,342,172	784,536	7,126,708	7,133,752

Land and building includes freehold land at a cost of £251,080 (1999 £251,080) which is not depreciated and £333,279 (1999 - £10,770) of assets in the course of construction.

6. INVESTMENTS

	Association	
	2000	1999
	£	£
Quoted investments		
Market value at 1 September 1999	505,584	424,420
Additions	270,312	77,449
Disposal at opening market value	(261,551)	(59,383)
Revaluations	53,853	63,098
Market value at 31 August 2000	568,198	505,584
Historical cost at 31 August 2000	399,465	299,899

The Association owns 100% of the issued share capital of two subsidiaries with a total nominal value of £20,000 (1999: £6) and therefore the consolidated investments are £548,198 (1999 £505,579). £4,159 (1999 £4,909) of investments are attributable to a designated prize fund.

THE ORATORY SCHOOL ASSOCIATION
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000

Individual investments which represent 5% or greater of the investment fund:

	2000	1999
	£	£
CGU – 8 3/8% Prefs	-	42,675
M & G Securities – Charifund Income	-	56,883
Zeneca Group – 25p Ords	-	29,640
Barclays Bank - £1 Ords	-	46,250
British Petroleum – 25p Ords	33,417	46,200
HSBC holdings	29,730	-
Frank Russell Institutional Funds	32,302	-

7. DEBTORS

	Consolidated		Association	
	2000	1999	2000	1999
	£	£	£	£
Fees	238,947	316,922	238,947	316,922
Trade debtors	38,961	40,001	-	-
Sundry debtors	31,225	18,279	84,177	17,933
Prepayments and accrued income	69,600	70,638	68,666	120,824
Subsidiary companies	-	-	68,518	90,941
	<u>378,733</u>	<u>445,840</u>	<u>460,308</u>	<u>546,620</u>

8. CREDITORS: due within one year

Fees received in advance	463,700	368,348	463,700	368,348
School fees scheme advance payments	27,405	8,927	27,405	8,927
Trade creditors	273,865	386,959	259,855	381,282
Taxation and social security	85,469	80,339	83,874	76,071
Other creditors and accruals	13,782	2,675	-	-
Deferred income	133,946	36,771	133,946	36,771
	<u>998,167</u>	<u>884,019</u>	<u>968,780</u>	<u>871,399</u>

9. CREDITORS: due after more than one year

School fees scheme advance payments	73,844	122,313	73,844	122,313
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**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2000**

10. ALLOCATION OF THE CHARITY NET ASSETS

The charity has no restricted funds or endowment funds and the net assets are therefore attributable to the unrestricted funds.

11. UNRESTRICTED FUNDS

	Balance 1 September 1999 £	Incoming Resources £	Resources Expended £	Transfers/ Investment gains/(losses) £	Balance 31 August 2000 £
Designated funds					
Note 12	6,085,688	11,611	(481,101)	472,961	6,089,157
Non-charitable trading funds held by subsidiaries	708	312,913	(253,447)	(69,813)	(9,639)
Unrestricted income funds	2,301,906	7,001,935	(6,216,583)	(351,996)	2,735,262
	<u>8,388,302</u>	<u>7,326,459</u>	<u>(6,951,131)</u>	<u>51,150</u>	<u>8,814,780</u>

The unrestricted income fund is retained to cover the costs of plant and equipment and to provide working capital.

**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2000**

12. DESIGNATED FUNDS

	Balance 1 September 1999 £	Incoming Resources £	Resources Expended £	Transfers/ Investment gains/(losses) £	Balance 31 August 2000 £
Capital reserve	5,900,000	-	-	-	5,900,000
Scholarship/Bursary Funds					
- Oratory School	-	-	(441,040)	441,040	-
- Oratory Preparatory School	-	108	(35,613)	35,505	-
	-	108	(476,653)	476,545	-
Prize Funds					
- Oratory School	165,827	9,797	(2,944)	(3,584)	169,094
- Oratory Preparatory School	16,358	1,502	(1,504)	-	16,356
	182,185	11,299	(4,448)	(3,584)	185,450
Gatepier Fund	3,503	204	-	-	3,707
TOTAL	6,085,688	11,611	(481,101)	472,961	6,089,157

**THE ORATORY SCHOOL ASSOCIATION
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**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2000**

13. CAPITAL COMMITMENTS

	2000	1999
	£	£
Contracted for but not yet provided for:		
The Oratory School - CCF Building	-	233,831
The Oratory Preparatory School – Changing Block	502,730	-
	<u>502,730</u>	<u>233,831</u>
	<u><u>502,730</u></u>	<u><u>233,831</u></u>

14. OPERATING LEASE COMMITMENTS

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

	Other operating leases	
	2000	1999
	£	£
Expiring:		
In less than one year	16,077	504
In two to five years	8,304	22,840
	<u>24,381</u>	<u>23,344</u>
	<u><u>24,381</u></u>	<u><u>23,344</u></u>

15. RELATED PARTY DISCLOSURES

The company is controlled by the Board of Management.

On the basis that 100% of the company's voting rights are controlled within the group and consolidated financial statements in which the company is included have been made publicly available, the company has taken advantage of the exemption under FRS8 not to disclose intra-group transactions.

**THE ORATORY SCHOOL ASSOCIATION
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**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2000**

16. PENSION SCHEMES

RETIREMENT BENEFIT SCHEME

The company operated a funded, defined benefit scheme which was discontinued on 1 December 1999. The Scheme is currently being run as a closed fund with benefits being paid as they fall due.

The latest valuation as at 1 December 1999 showed that the Regular Contribution Rate had been 16.5% of Pensionable Salaries (inclusive of members' contributions) as from 1 December 1997.

At the valuation date, the market value of assets was £656,000, whilst the actuarial value was £533,000.

The actuarial value of the assets represented 123% of the accrued benefits based on Pensionable Salaries projected to Normal Retirement Age or the date of earlier withdrawal.

At the valuation date there was no deficiency on a current fund level basis.

GROUP PERSONAL PENSION SCHEME

From 1 December 1999 the company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in independently administered funds. The pension costs charged represent contributions paid in the year.

17. PRIOR PERIOD ADJUSTMENT

In 1994 the company received a grant from Combined Cadet Force (CCF) towards the cost of certain property improvements. The grant was set directly against the cost of the asset in the balance sheet and depreciation was charged on the net amount.

The accounting treatment is not in accordance with Statement of Standard Accounting Practice No. 4 (SSAP4), which requires such grants to be shown as a deferred credit on the balance sheet to be taken to income over the life of the related assets.

In order to comply with SSAP4, a prior period adjustment was made in the previous years accounts. The result of the adjustment was an increase in fixed assets of £36,771 in 1999 and an increase in the deferred income creditor of £36,771 in 1999. The adjustment has no effect on reserves.

**THE ORATORY SCHOOL ASSOCIATION
(LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2000**

18. CONTINGENT LIABILITY

As mentioned in note 17, in 1994 the company received a grant from the Combined Cadet Force (CCF) towards the cost of certain property improvements. In accordance with Statement of Standard Accounting Practice No. 4, this grant is now being taken to income over the useful economic life of the related asset.

As a condition of this grant, the CCF have free use of this facility. A further condition attached to this grant is that the CCF have the right to reclaim a portion of the grant if at any stage within 20 years, they cease to use the building for reasons outside their control.

At 31 August 2000 an amount of £28,767 would have been payable to the CCF if they had ceased to use this facility for reasons outside their control.

A further grant was made under similar circumstances in 1999. At 31 August 2000 an amount of £120,000 would have been payable to the CCF if they had ceased to use this facility for reasons outside their control within 20 years.