REGISTERED IN ENGLAND
COMPANY No.910421
CHARITY REGISTRATION N0.310490

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

(By Guarantee)
A Registered Charity

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st AUGUST 1997

A24 *A3MMR16J* 310
COMPANIES HOUSE 15/11/97

LARKING GOWEN
CHARTERED ACCOUNTANTS
NORWICH

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st AUGUST 1997

Contents

	Page
Professional advisors	1
Notice of meeting	2
Report of the council of management	3 & 4
Auditors' report	5
Statement of financial activities	6
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the financial statements	8 - 14
Income and expenditure account	15
Income and expenditure account - comparison: actual to budget	16

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

PROFESSIONAL ADVISORS

Solicitors:

Bankes Ashton
81 Guildhall Street
Bury St Edmunds
Suffolk
IP33 1PZ

Bankers:

Barclays Bank Plc
PO Box 53
52 Abbeygate Street
Bury St Edmunds
Suffolk
IP33 1LF

Auditors:

Larking Gowen
7 Queen Street
Norwich
Norfolk
NR2 4ST

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the twenty ninth annual general meeting of the members of Old Buckenham Hall (Brettenham) Educational Trust Limited will be held at Brettenham Park on 6th November 1997 at 5 pm for the following purposes:-

Resolution

To approve the minutes of the general meeting held on 7th November 1996.

To receive and adopt the financial statements for the year ended 31st August 1997, together with the reports of the council of management and auditors thereon.

To re-elect D. Rodger-Brown, R.W. Perowne, and N.J.W. Tavener, who retire by rotation, as members of the council of management.

To re-elect D.J.E. Sewell and R.J. Thomas who are required to retire at their first annual general meeting after their election on 4th March 1997, as members of the council of management.

To re-appoint Larking Gowen as auditors to the company for the ensuing year.

To authorise the council to fix the remuneration of the auditors

To transact any other ordinary business of the company.

By order of the board

N.J.W. Tavener
Secretary

A member entitled to attend and vote may appoint a proxy, who need not be a member, to attend and vote on his behalf.

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

REPORT OF THE COUNCIL OF MANAGEMENT

The council presents its annual report and audited financial statements for the year ended 31st August 1997.

Statement of members' responsibilities

Company law requires the members to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Trust and of the surplus or deficit of the Trust for that period. In preparing those financial statements, the members 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 Trust will continue to operate.

The members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities and review

The Trust operates a Preparatory school for boarders and day boys and a Pre-Preparatory school for both boys and girls.

Results

The Trust's financial results are shown in the statement of financial activities on page 6. The surplus for the period has been credited to revenue reserves, which, in the opinion of the council, are sufficient to meet the Trust's obligations.

The Trust's memorandum of association does not permit the payment of a dividend.

Futures developments

The council have authorised the expansion of the Pre-Preparatory school and Kindergarten which will require capital expenditure of £150,000 to be financed from both the Trust's own resources and bank borrowings.

The council also plan to admit girls to the Preparatory department from September 1998.

Members of council

Members of the council who served during the year were:

Donald Rodger-Brown (Chairman)	
Robert Perowne (Deputy Chairman)	
Joseph Andrew Bird, M.A.	
Mrs Anne Coxon	
Richard Dyson	
Mrs Anita Margaret Edwards	
Mrs Philippa Ruth Harvey	(Retired 7th November 1996)
Charles Peter Johnson	(Retired 13th June 1997)
David Bruce McMurray, M.A.	
John Michael Page	(Retired 13th June 1997)
David J.E. Sewell	(Appointed 4th March 1997)
Richard J. Thomas	(Appointed 4th March 1997)
Nicholas John Willett Tavener, M.A.	
Michael Gerald Walker	

All the members of the council are also members of the Trust and are liable to contribute a sum not exceeding £1 each if required, in the event of the Trust being wound up.

Address

Old Buckenham Hall School
Brettenham Park
Ipswich
Suffolk
IP7 7PH

Status

The Trust is limited by guarantee and does not have a share capital. It is registered with the Charity Commissioners and Ministry of Education as a Charitable Institution. The liability of each member is limited to £1.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing the re-appointment of Messrs Larking Gowen as auditors to the Trust will be put to the annual general meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the council

D. Rodger - Brown (Chairman)

N.J.W. Tavener (Secretary)

LARKING GOWEN

CHARTERED ACCOUNTANTS

Auditors' report to the members of Old Buckenham Hall (Brettenham) Educational Trust Limited

We have audited the financial statements on pages 6 to 14 which have been prepared under the historical cost convention and the accounting policies set out on pages 8 and 9.

Respective responsibilities of members and auditors

As described on page 3 the council members 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 members in the preparation of the financial statements, and of whether the accounting polices 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 charitable company's state of affairs as at 31st August 1997 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Larking Gowen

.....

LARKING GOWEN
REGISTERED AUDITORS
NORWICH

6th November 1997.

7 Queen Street, Norwich NR2 4ST Tel: 01603 624181 Fax: 01603 667800
13 West Street, Cromer NR27 9HZ Tel: 01263 512907 Fax: 01263 515487
1 Tavern Lane, Dereham NR19 1PX Tel: 01362 693318 Fax: 01362 696227
19 Mere Street, Diss IP22 3AD Tel: 01379 651067 Fax: 01379 650421
10 Oak Street, Fakenham NR21 9EH Tel: 01328 863121 Fax: 01328 856141
43 Bull Street, Holt NR25 6HP Tel: 01263 712017 Fax: 01263 712771
89 Station Road, Sheringham NR26 8RG Tel: 01263 824550 Fax: 01263 824876

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31st AUGUST 1997

	Notes	Unrestricted funds £	Total 1997 £	Total 1996 £
Incoming resources				
Fees receivable	1d.	1,097,981	1,097,981	1,051,524
Sundry fees		1,129	1,129	636
Gifts & donations		5,198	5,198	18,576
Other operating income		26,489	26,489	19,782
Dividends and interest received		6,410	6,410	5,927
Total incoming resources		1,137,207	1,137,207	1,096,445
Resources expended				
Direct charitable expenditure:				
School and household expenses		844,848	844,848	811,491
Depreciation and other amounts written off tangible fixed assets	1c.	43,854	43,854	27,514
Management and administration:				
Administrative and general expenses		214,181	214,181	186,673
Interest payable and similar charges	4.	384	384	346
Total resources expended		1,103,267	1,103,267	1,026,024
Net incoming resources		33,940	33,940	70,421
Gains/(losses) on investment assets				
Realised		-	-	-
Net movement in funds	2.	33,940	33,940	70,421
Fund balances brought forward as 1st September 1996		1,197,399	1,197,399	1,126,978
Fund balances carried forward at 31st August 1997		1,231,339	1,231,339	1,197,399

The statement of financial activities is equivalent to an income and expenditure account as permitted by Companies Act 1985. It relates entirely to the company's continuing activities, and incorporates the statement of recognised gains and losses required by FRS3.

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

BALANCE SHEET

AS AT 31st AUGUST 1997

	Notes	1997 £	1997 £	1996 £	1996 £
Fixed assets					
Tangible assets	5.	1,200,595		1,233,938	
Investments	6.	21,574	1,222,169	21,574	1,255,512
Current assets					
Stocks	7.	7,651		7,549	
Debtors	8.	38,492		39,974	
Cash at bank and in hand		226,512		51,393	
		272,655		98,916	
Creditors:amounts falling due within one year	9.	216,214		142,569	
Net current assets/(liabilities)			56,441		(43,653)
Total assets less current liabilities			1,278,610		1,211,859
Creditors: amounts falling due after more than one year	9.		47,271		14,460
Net assets			1,231,339		1,197,399
Capital and reserves					
General reserves	10a.		908,887		881,024
Designated reserves	10b.		322,452		316,375
			1,231,339		1,197,399

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

D Rodger-Brown D. Rodger Brown) **Governors**

R Perowne R Perowne)

The financial statements on pages 6 to 14 were approved by the members of the council on 6th November 1997 and are signed on its behalf above.

1. Accounting policies

The significant accounting policies used in the preparation of these financial statements are:

a. Basis of accounting

The company prepares its annual financial statements under the historical cost convention.

The company has adopted Statement of Recommended Practice (October 1995) "Accounting by Charities".

b. Stocks

Stock is valued at the lower of cost or market value.

c. Tangible fixed assets

Freehold properties

No depreciation is provided on freehold properties which were acquired in 1968 for £35,000 and are shown in the balance sheet at that figure plus additions at cost.

It is the company's practice to maintain these assets in a continual state of sound repair and to extend and make improvements thereto from time to time.

Accordingly the members of the council consider that the lives of these assets are so long and residual values, based on prices prevailing at the time of acquisition, are so high, that depreciation is insignificant.

Any permanent diminution in the value of such properties is charged to the profit and loss account as appropriate.

Motor vehicles, machinery and computer equipment have been depreciated using a method which is calculated to write down each asset to its estimated residual value over the period of its revenue earning life.

The annual rates of depreciation used are:

Motor vehicles	25% Reducing balance
Machinery	15% Reducing balance
Computer equipment	25% Straight line

Furniture, fixtures and school equipment are treated on the renewals basis. In addition to this, from 1st September 1996, expenditure on new items costing less than £3,000 (£1,000 for the period 6th April 1992 to 31st August 1996) has been written off in the period of purchase, whilst expenditure on new items costing more than £3,000 (£1,000 for the period 6th April 1992 to 31st August 1996) has been depreciated on a straight line basis over two to five years.

1. **Accounting policies** (continued)

d. Fee income

This represents school board and tuition fees invoiced during the period.

e. Cash flow statement

A cash flow statement is not included as part of these financial statements in view of the company falling outside the scope of Financial Reporting Standard No.1.

f. Leasing

All leases are operating leases and the annual rentals are charged to the profit and loss account over the lease term.

g. Unrestricted funds

All funds as detailed in note 10 are unrestricted funds which are expendable at the discretion of the members of council in furtherance of the objects of the charity.

2. **Net movement in funds**

This is stated after charging:	1997 £	1996 £
Depreciation of tangible owned assets	43,853	27,514
Hire of plant and machinery - operating leases	3,956	-
Auditors' remuneration (including accountancy and taxation services)	4,113	3,819
Staff costs (See note 4)	712,391	726,978

3. **Staff costs**

	1997	1996
Employees		
The average weekly number of employees during the year was:	45	47

3. Employees (continued)

	1997 £	1996 £
Costs during the year:		
Wages and salaries (Including staff expenses)	626,110	639,470
Social security costs	48,786	50,464
Other pension costs	37,495	37,044
	712,391	726,978

No remuneration was paid nor expenses reimbursed to trustees.

4. Interest payable and similar charges

	1997 £	1996 £
On bank loans, overdrafts and other loans:-		
Repayable within 5 years, not by instalments	384	346

5. Tangible fixed assets

	Freehold property £	Motors and machinery £	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost					
At 1st September 1996	1,070,163	83,287	126,538	34,405	1,314,393
Additions	-	-	-	10,510	10,510
At 31st August 1997	1,070,163	83,287	126,538	44,915	1,324,903
Depreciation					
At 1st September 1996	2,175	51,348	6,843	20,089	80,455
Charge for the year	19,606	8,061	4,974	11,212	43,853
At 31st August 1997	21,781	59,409	11,817	31,301	124,308
Net book value					
At 31st August 1997	1,048,382	23,878	114,721	13,614	1,200,595
At 31st August 1996	1,067,988	31,939	119,695	14,316	1,233,938

6. Investments

	1997 Nominal Holding	1997 Market value	1997 Cost	1996 Cost
Anglo Overseas 25p ordinary shares	1,050	5,870	4,270	4,270
BTR PLC 1998 Warrants to subscribe for Ord	3	1	1	1
Merchants Trust 25p ordinary shares	1,750	4,590	4,361	4,361
Mercury Keystone 50p ordinary shares	725	5,513	4,338	4,338
Lowland Investment Co. 25p ordinary shares	1,500	6,924	4,304	4,304
TR City of London 25p ordinary shares	3,000	6,465	4,300	4,300
		29,363	21,574	21,574

7. Stocks

Stocks comprise:	1997 £	1996 £
Food and housekeeping supplies	3,161	3,059
School books and stationery	600	600
Heating oil	2,250	2,250
Goods for resale	1,640	1,640
	7,651	7,549

8. Debtors

Amounts falling due within one year:	1997 £	1996 £
Fees outstanding, advances etc.	23,385	23,504
Other debtors	837	2,093
Prepayments	14,270	14,377
	38,492	39,974

9. Creditors

	1997 £	1996 £
a. Amounts falling due within one year:		
Bank overdraft (repayable on demand)	16,113	22,634
Loan	3,566	-
Trade creditors	20,731	33,357
Other creditors	-	745
Accruals	9,589	8,955
Deferred income and payments on account	151,935	63,707
Taxation and social security payable	14,280	13,171
	216,214	142,569
b. Amounts falling due after more than one year:		
Loan	30,311	-
Deferred income and payments on account	16,960	14,460
	47,271	14,460

The loan is guaranteed by 7 members of council. The Trust has indemnified the guarantors if the lender attempts to enforce the guarantee.

10. Capital and reserves

a. General reserves

	1997 £	1996 £
Balance brought forward	881,024	828,898
Surplus for year	33,940	70,421
Transfer to ear marked funds	-	(1,000)
Transfer to friends of Old Buchenham Hall School	(2,036)	(12,500)
Transfer to Stefan Cooke Bequest	(1,180)	(935)
Transfer to 1994 School Development Fund	(2,861)	(3,860)
Balance carried forward	908,887	881,024

b. Designated reserves

	Noted below	1997 £	1996 £
Ear marked funds	(i)	1,450	1,450
Friends of Old Buckenham Hall School	(ii)	80,378	78,342
Stefan Cooke Bequest	(iii)	227,473	226,293
1994 School Development Fund	(iv)	13,151	10,290
		322,452	316,375

(i) Ear marked funds

	1997 £	1996 £
Balance brought forward	1,450	450
Donations earmarked for special purposes	-	1,000
Balance carried forward	1,450	1,450

(ii) Friends of Old Buckenham Hall School

	1997 £	1996 £
Balance brought forward	78,342	65,842
Donations for tennis court improvements	-	12,500
Other donations	2,036	-
Balance carried forward	80,378	78,342

10. b. (Continued)

	1997 £	1996 £
(iii) Stefan Cooke Bequest		
Balance brought forward	226,293	225,358
Add:		
Investment income (gross)	1,180	935
Balance carried forward	227,473	226,293
(iv) 1994 School Development Fund		
Balance brought forward	10,290	6,430
Donations received in the year	2,861	3,860
Balance carried forward	13,151	10,290

No provision has been included for Income Tax Repayable on Deeds of Covenant and Gift Aid Payments.

c. Non Distributable Reserves and Funds

Capital reserves and funds amounting to £1,231,339 (1996 £1,197,399) are non distributable reserves as defined by S.263 of the Companies Act 1985.

11. Commitments under operating leases

At 31st August 1997 the company had annual commitments under non-cancellable operating leases as set out below:

Operating leases which expire:	1997 £	1996 £
Within one year	3,059	-
In years two to five	-	3,956
	3,059	3,956