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

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

(A Charitable Company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2005



OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2005

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OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED
PROFESSIONAL ADVISERS

Solicitors:

Ashton Graham
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
King Street House
15 Upper King Street
Norwich
Norfolk
NR3 1RB

The council presents its annual report and audited financial statements for the year ended 31 August 2005 under the Companies Act 1985 and the Charities Act 1993, together with the audited financial statements for the year, and confirm that the latter comply with the requirements of the Companies Act 1985, the Company's Memorandum & Articles of Association and the Charities SORP 2005.

Reference and administrative information

The list of professional advisers on page 1 forms a part of this report.

Status

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

The Trust operates under the working name Old Buckenham Hall.

Charity number: 310490
Company number: 910421

Members of council

Members of the council who served during the year and to the date of this report were:

Mr M Nicholls (Chairman)
Mr S Buckmaster (Deputy Chairman)
Mr J Buckle
Mrs M A Edwards (retired 4 March 2005)
Mr S Gorman
Mrs W Holland
Mr D Hughes
Mrs J R Khayat
Mr D J E Sewell
Dr R Townsend

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

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

Address and registered office

Old Buckenham Hall School
Brettenham Park
Ipswich
Suffolk
IP7 7PH

Key Executives

The Head: Mr M Ives

The Bursar: Mr C Imison

Structure, governance and management

Governing document

The Company is governed by its Memorandum and Articles, last amended on 21 June 2005.

Governing body

The Council members are elected on the basis of nominations received from various sources, with a view to ensuring as wide a mix as possible of relevant expertise. Members usually serve for a term of nine years and are eligible to stand for re-election.

Trustee training

New Members are inducted into the workings of the School, and also of the Company as a registered charity, including Board Policy and Procedures, organised for them by the Head and the Bursar. Training courses are attended as required.

Organisational management

The Members meet as a Board at least three times a year to determine the general policy for the Company and review its overall management and control, for which they are legally responsible. The work of implementing most of the Board's policies is carried out by the Finance and General Purposes Committee, chaired by Mr M Nicholls which meets before each meeting of the full Governing Board and on other occasions, specifically to review budgets and accounts, and to make recommendations to the Council. The day-to-day running of the School is delegated to the Head and Bursar, supported by other members of the Senior Management Team.

Risk management

The Council continues to keep the School's activities under review and consider the major risks faced in each of the principal areas of the School's operations. In the opinion of the Council the charity has established resources and review systems which, under normal conditions, should allow these risks to be mitigated to an acceptable level in its day to day operations.

Objects, aims, objectives and principal activities

The Object of the Trust, in accordance with its Memorandum of Association, is the education of children up to age 13.

Strategic aim

The School's strategic aim to reach its annual objective is the attainment of the highest academic levels whilst allowing pupils to benefit from an extra-curricular programme. This is intended to draw out their abilities and academic potential, awaken and develop wider interests in life and motivate them for a successful outcome at their chosen senior school.

Objectives for the year

The Board's main objective continued to be to educate all the School's pupils to at least the same high standard achieved by the School in previous years, so that they will be fully able to benefit from their chosen senior school for the completion of their education in due course. Our strategy for achieving this is to maintain a high teacher-to-pupil ratio, tailoring our services as appropriate in each case to suit individual needs.

Strong links with the community continued throughout the year by providing opportunities for the use of school facilities. The tsunami disaster gave the school the opportunity to raise substantial funds for victims which contributed towards providing a new pre-school in Sri Lanka.

Principal activity

The Trust continues to operate a Preparatory and Pre-Preparatory boarding and day school for both boys and girls.

Bursaries and other fee concessions

We are able to support a number of pupils through bursaries. This support which is available on a needs basis as determined by the Bursar in consultation with the Head, reduces annual fee income by approximately £20,000.

Review of achievements and performance in the year

Operational performance

100% of leavers went on to their chosen senior school. All pupils made the grade for their year. This achievement has been greatly helped by the high quality teaching staff we have been able to retain in the face of intense competition for this increasingly scarce resource from other schools in the locality.

Fundraising performance

The Trust continued to raise funds for the education of pupils. Additionally other funds were raised from lettings as well as donations from the Friends of Old Buckenham Hall School.

Investment performance

Due to current development plans, the majority of the investments were realised at their market value at the beginning of the accounting period.

Financial review and results for the year

Net income for the year significantly exceeded the target operating surplus. Surpluses are required to finance the ongoing capital expenditure needed to upgrade the School's facilities in order to keep pace with what is expected of us as a premier educational establishment.

Capital investment

During the year work was commenced upon constructing a new multi-purpose hall and also extending dining room facilities, due to be completed for use shortly into the next financial year. The cost incurred prior to the year end amounted to £481,877 and £48,386 respectively. The balance of the capital investments of £688,255 and £127,428 in respect of the multi-purpose hall and dining room facilities respectively, is shown as part of the capital commitments at the balance sheet date. Both these projects will make a substantial improvement to the day to day running of the school.

Reserves policy

The council has a long-standing policy to use any revenue surpluses and bank borrowings as appropriate to improve the facilities and the overall educational service provided. The school has no free reserves as all revenue surpluses have been reinvested to enhance the school's facilities. The council has ongoing plans for further improvements to the resources available to the school.

In the opinion of the council, the overall level of the reserves is sufficient to meet the Trust's obligations.

Investment policy

The company's investment powers are governed by its Memorandum of Association, which permits investments in securities or property without any restrictions.

Future plans

The number of pupils at the School increased in the year under review and is expected to continue for the foreseeable future.

Our key objective for the future remains the same as reported above for this year.

Statement of members' responsibilities

Law applicable to charitable companies requires the members to prepare financial statements for each financial year which give a true and fair view of the Trust's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the members should follow best practice and:

- 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 in operation.

The members are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Trust and which enable them to ascertain the financial position of the Trust and which enable them to ensure that the financial statements comply with 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.

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.

On behalf of the council

Mr. M Nicholls (Chairman)

Mr. S Gorman (Secretary)

Date: .....

LARKING GOWEN

CHARTERED ACCOUNTANTS

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

We have audited the financial statements of Old Buckenham Hall (Brettenham) Educational Trust Limited on pages 7 to 18 for the year ended 31 August 2005. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members of council and auditors

The members of council (who are also the directors of Old Buckenham Hall (Brettenham) Educational Trust Limited for the purposes of company law) responsibilities for preparing the Report of the Council of Management and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Members of Council Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Council of Management is not consistent with the financial statements, if the Trust has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding members of council's remuneration and transactions with the Trust is not disclosed.

We read other information contained in the Report of the Council of Management and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of Audit Opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the members of council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Trust'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.

Opinion

In our opinion the financial statements give a true and fair view of the charity's state of affairs as at 31 August 2005 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

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LARKING GOWEN
REGISTERED AUDITORS

11th November 2005

.....

DATE

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2005

	Notes	Unrestricted funds 2005 £	2004 £
Incoming resources			
Income from charitable activity			
Fees receivable	1d/2.	2,938,525	2,646,228
Registration fees		3,100	3,550
Other ancillary trading income		42,688	21,314
Voluntary Income			
Gifts & donations		15,344	2,915
Activities for generating funds			
Rents and lettings		27,902	24,683
Investment income		13,657	24,175
Total incoming resources		3,041,216	2,722,865
Resources expended			
Costs of generating funds			
Financing costs	6/15.	28,913	35,683
Charitable activity			
Teaching		1,399,127	1,347,819
Household		558,849	490,241
Property		605,611	669,786
		2,563,587	2,507,846
Governance costs		12,465	20,717
Total resources expended	16.	2,604,965	2,564,246
Net income for the year		436,251	158,619
Unrealised gain on investment assets		-	1,100
Net movement in funds	4.	436,251	159,719
Fund balances brought forward at 1 September 2004		1,918,298	1,758,579
Fund balances carried forward at 31 August 2005		2,354,549	1,918,298

The statement of financial activities is equivalent to an income and expenditure account as permitted by Companies Act 1985.

All amounts derive from continuing activities.

All gains and losses recognised in the year are included in the Statement of Financial Activities.

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED
BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2005

	Notes	2005 £	2005 £	2004 £	2004 £
Fixed assets					
Tangible assets	7.	3,184,555		2,731,100	
Investments	8.	27		28,649	
			3,184,582		2,759,749
Current assets					
Stocks	9.	12,774		7,926	
Debtors	10.	103,951		66,021	
Cash at bank and in hand		501,687		522,869	
		618,412		596,816	
Creditors: amounts falling due within one year	11a.	(777,483)		(557,936)	
Net current liabilities			(159,071)		38,880
Total assets less current liabilities			3,025,511		2,798,629
Creditors: amounts falling due after more than one year	11b.		(670,962)		(880,331)
Net assets			2,354,549		1,918,298
Funds					
Unrestricted reserves:	12.				
Property fund			2,236,445		-
General fund			118,104		1,918,298
			2,354,549		1,918,298

Mr M Nicholls)
) **Governors**
Mr S Gorman)

The financial statements on pages 7 to 18 were approved by the members of the council on November 11, 2005 and are signed on its behalf above.

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED
CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2005

	Notes	2005		2004	
		£	£	£	£
Cashflow statement					
Net cash inflow from operating activities	15.		391,745		591,872
Returns on investments and servicing of finance	15.		(15,946)		(10,841)
Capital expenditure and financial investment	15.		(534,413)		(371,211)
Cash (outflow)/inflow before management of liquid resources and financing			(158,614)		209,820
Increase/(decrease) in debt			161,714		(127,542)
Increase in cash in the year			3,100		82,278
Reconciliation of net cash flow to movement in net debt					
Increase in cash in the year	15.	3,100		82,278	
Cash (outflow)/inflow from (decrease)/increase in debt	15.	(161,714)		127,542	
Change in net debt for the year			(158,614)		209,820
Net debt at 31 August 2004	15.		(82,583)		(292,403)
Net debt at 31 August 2005			(241,197)		(82,583)

1. Accounting policies

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

a. Basis of accounting

The annual report and financial statements for the year ended 31 August 2005 have been prepared in accordance with the Companies Act 1985, the Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) ('SORP 2005'), and with applicable accounting standards. Where applicable, comparative results have been restated to comply with SORP 2005 but these restatements have had no effect on the funds brought forward at the start of the year.

The company prepares its annual financial statements under the historical cost convention as amended by the revaluation of investments.

b. Stocks

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

c. Tangible fixed assets

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 and machinery	25% reducing balance
Computer equipment	25% straight line

School buildings and facilities of a specific nature, having a shorter life than other school buildings are depreciated at the rate of 4% straight line.

General school buildings are depreciated at the rate of 2% on a straight line basis, down to their estimated residual values.

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

Included in the total net book value of freehold property is land held at 31 August 2005 (cost £162,500) which is not depreciated.

d. Fee income

This represents school board and tuition fees invoiced for the period. Fee income is stated after deducting bursaries and sibling discounts.

e. Other ancillary trading income and Income from generated funds

Income from other ancillary trading and Income from generated funds, including capital grants, is included in incoming resources when these are receivable.

f. Leasing

All leases are operating leases and the annual rentals are charged to the income and expenditure account over the lease term.

g. Unrestricted funds

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

The property fund represents the net investment in freehold property, net of depreciation and secured bank borrowings, and is not therefore available to cover normal fluctuations in working capital.

h. Fixed asset investments

Fixed asset investments are shown at market value.

i. Pension scheme

The School operates a contributory pension scheme for teaching staff. This scheme is administered by the Teachers' Pension Agency and is a defined benefit scheme. The Department of Education and Skills determines the level of employees' and employers' contributions currently at 6% and 13.5% respectively. These contributions are assessed every five years in accordance with advice of the government actuary using a prospective benefits valuation method. The School is not responsible for or entitled to receive benefit for any deficit or surplus on the scheme.

The School also operates a defined contribution group personal pension and a stakeholder scheme under which contributions by employees and by the school are held in funds separated from the company's finances.

Contributions payable to the above schemes are charged to the income and expenditure account.

j. Resources expended

Resources expended are accounted for on an accruals basis. Office and other costs not directly attributable to particular functional activity categories are apportioned over the relevant cost categories on the basis of estimates of the amount attributable to that activity in the year or pro rata to the direct costs of each activity.

The trust is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Governance costs comprise the costs of running the charity, including external audit, preparation of annual accounts (but not management accounts) and the costs of legal advice to the Council of Management.

k. Advance fees scheme

The school offers parents the opportunity to pay for tuition fees in advance in accordance with a written contract. This is treated as deferred income until the pupil joins the school, whereupon the fees for each school term are charged against the remaining balance and taken to income. Any shortfall is billed to the parent when the child leaves the school. Excess fees accrued are treated as additional school income.

2. School fees

	2005 £	2004 £
The school's fee income comprised:		
Gross fees	3,091,179	2,813,221
Less: Bursaries and sibling discounts	(152,654)	(166,993)
	2,938,525	2,646,228

2. School fees (continued)

Bursaries are awarded, dependent upon individual financial circumstances. The amounts are decided at the Trustees discretion.

Sibling discounts are available for a family's third and subsequent children who attend the school. A percentage, based on the number of children at the school, will be deducted from the annual fees.

3. Expenditure

	2005 £	2004 £
Charitable activities includes:		
Depreciation of tangible owned assets	109,470	109,707
(Deficit)/surplus on sale of fixed assets	(142)	199
Staff costs (See note 5)	1,687,266	1,564,645
Governance costs includes:		
Auditors' remuneration	8,500	6,500
Non-auditor services	-	1,545

4. Statement of changes in resources applied for fixed assets for charity use

Net movement in funds	436,251	159,719
Resources for acquisition (less disposals) of fixed assets for charitable use	563,062	370,948
Net movement in funds available for future activities	(126,811)	(211,229)

5. Staff costs

Employees	2005 No.	2004 No.
The average weekly number of employees during the year was:		
Teaching staff	30	30
Other staff	52	52
	82	82

No employee earned in excess of £60,000 in either the current or preceding year.

Costs during the year:	£	£
Wages and salaries (including staff expenses)	1,460,308	1,348,305
Social security costs	107,452	106,986
Other pension costs	119,506	109,354
	1,687,266	1,564,645

6. Interest payable and similar charges

	2005 £	2004 £
Bank loans and overdrafts	28,913	35,683

7. Tangible fixed assets

	Freehold property £	Motors and machinery £	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost					
At 1st September 2004	2,603,334	149,293	294,634	115,987	3,163,248
Additions	530,264	3,995	17,225	11,830	563,314
Disposals	-	(14,516)	-	(2,313)	(16,829)
At 31st August 2005	3,133,598	138,772	311,859	125,504	3,709,733
Depreciation					
At 1st September 2004	114,418	98,711	133,505	85,514	432,148
Charge for the year	45,200	13,541	35,135	15,591	109,467
Eliminated on disposal	-	(14,127)	-	(2,310)	(16,437)
At 31st August 2005	159,618	98,125	168,640	98,795	525,178
Net book value					
At 31st August 2005	2,973,980	40,647	143,219	26,709	3,184,555
At 31st August 2004	2,488,916	50,582	161,129	30,473	2,731,100

Included in freehold property, is land at cost of £162,500, which is not depreciated (2004: £162,500).

8. Investments

	2005 Nominal Holding	2005 Cost	2005 Market Value	2004 Market Value
Anglo Overseas				
10p ordinary shares	-	-	-	2,881
Brunner Investment				
25p ordinary shares	-	-	-	3,822
Lazard UK Alpha Retail	-	-	-	2,890
Merchants Trust				
25p ordinary shares	-	-	-	5,697
Old Mutual Corporate Bond Fund	-	-	-	2,622
Perpetual Inc & Growth Investment Trust				
10p ordinary shares	-	-	-	5,892
Threadneedle Strategic Bond	50.09	25	27	4,845
		25	27	28,649

	2005 £	2004 £
Market value as at 1.9.04	28,649	27,286
Additions	27	263
Disposals	(28,649)	-
Net investment gain	-	1,100
Market value at 31.8.05	27	28,649

All investments are listed UK securities.

9. Stocks	2005 £	2004 £
Stocks comprise:		
Food and housekeeping supplies	3,395	2,498
School books and stationery	100	100
Heating oil	8,534	4,535
Goods for resale	745	793
	12,774	7,926

10. Debtors	2005 £	2004 £
Amounts falling due within one year:		
Fees outstanding, advances etc.	39,255	27,792
Other debtors	17,906	495
Prepayments and accrued income	46,790	37,734
	103,951	66,021

11. Creditors	2005 £	2004 £
a. Amounts falling due within one year:		
Bank loans and overdraft	478,367	227,155
Loan	3,566	3,566
Trade creditors	49,018	27,567
Accruals	47,530	58,323
Deferred income	50,527	34,361
Taxation and social security payable	33,750	31,015
Fees in advance	114,725	175,949
	777,483	557,936
b. Amounts falling due after more than one year:		
Bank loan	259,168	369,382
Loan	1,783	5,349
Deferred income	64,650	60,550
Fees in advance	345,361	445,050
	670,962	880,331

The Lawn Tennis Association loan is guaranteed by certain members of council. The Trust has indemnified the guarantors if the lender attempts to enforce the guarantee. The total balance owing on the Lawn Tennis Association loan is £5,349 (2004 : £8,915).

11. b. Amounts falling due after more than one year: (continued)

The aggregate amount of creditors for which security has been given amounted to £737,535 (2004: £596,537).

Three bank loans are repayable by quarterly instalments totalling £20,615, and have interest charged on a floating rate basis at 1.25% over Bank Base Rate. The remaining bank loan is repayable by monthly instalments of £12,110 and has a fixed interest charge of 7.35%. The bank loans are secured by a legal charge over the land and property, limited to £1,750,000.

c. Analysis of loans

	2005 £	2004 £
Wholly repayable within five years	5,349	8,915
	5,349	8,915
Included in current liabilities	(3,566)	(3,566)
	1,783	5,349

d. Bank loans and overdrafts

Not wholly repayable within five years by instalments	-	33,060
Wholly repayable within five years	737,535	563,477
	737,535	596,537
Included in current liabilities	(478,367)	(227,155)
	259,168	369,382
Instalments not due within five years	-	33,060

e. Deferred income movement analysis

	Due Within One Year £	Due After One Year £	Total £
Balance as at 1 September 2004	175,949	445,050	620,999
Payments of fees to the school	(61,224)	(99,689)	(160,913)
Balance as at 31 August 2005	114,725	345,361	460,086

12. Unrestricted reserves

	Property Fund £	General Fund £	Total £
Balance as at 1 September 2004	-	1,918,298	1,918,298
Net movement in funds	-	436,251	436,251
Transfers	2,236,445	(2,236,445)	-
	2,236,445	118,104	2,354,549

Unrestricted reserves includes specific donations and funds received from the Friends of Old Buckenham Hall School. These have been spent as appropriate and by 31 August 2005 they had accumulated to:-

	2005 £	2004 £
Specific donations	257,389	257,045
Friends of Old Buckenham Hall School	111,597	96,597

13. Capital commitments

	2005 £	2004 £
Amount contracted for but not provided in the financial statements	904,419	-

14. Commitments under operating leases

	2005 £ Land & buildings	2004 £ Land & buildings
Operating leases which expire within one year	24,900	17,940

15. a. Reconciliation of surplus of income to net cash inflow from operating activities

	2005 £	2004 £
Net movement in funds for the year	436,251	159,719
Investment income	(13,657)	(24,175)
Interest payable	28,913	35,683
Depreciation	109,470	109,706
Loss/(profit) on sale of fixed assets	142	(199)
Increase in stocks	(4,847)	(188)
(Increase)/decrease in debtors	(37,418)	14,163
(Decrease)/increase in creditors	(127,108)	298,263
Unrealised profits	-	(1,100)
	391,745	591,872

b. Analysis of cash resources

	2004 £	Cashflow £	2005 £
Cash at bank and in hand	522,869	(21,182)	501,687
Bank overdraft	(100,411)	24,282	(76,129)
	422,458	3,100	425,558
Debt due within 1 year	(130,310)	(275,494)	(405,804)
Debt due after 1 year	(374,731)	113,780	(260,951)
	(505,041)	(161,714)	(666,755)
Total	(82,583)	(158,614)	(241,197)

c. Returns on investments and servicing of finance

	2005 £	2004 £
Dividends and interest received	13,111	23,059
Interest paid	(29,057)	(33,900)
	(15,946)	(10,841)

d. Capital expenditure

	2005 £	2004 £
Payments to acquire tangible fixed assets	(563,312)	(371,151)
Receipts from sales of tangible fixed assets	250	203
Payments to acquire fixed assets investments	-	(263)
Receipts from sales of fixed assets investments	28,649	-
	(534,413)	(371,211)

e. Financing

Cash element	(158,614)	209,820

16. Analysis of total resources expended

	Staff costs £	Other costs £	Depreciation £	Total £
Costs of generating funds				
Financing costs	-	28,913	-	28,913
Charitable activity				
Teaching	1,177,654	193,784	27,689	1,399,127
Household	352,691	198,911	7,247	558,849
Property	156,921	374,156	74,534	605,611
Governance costs	-	12,465	-	12,465
Total for charity	1,687,266	808,229	109,470	2,604,965

Included in the above resources expended were support costs totalling £192,172 (2004: £194,876), split between charitable activity as follows:

	2005 £	2004 £
Charitable activity		
Teaching	104,374	103,876
Household	41,690	37,783
Property	45,178	51,620
Governance costs	930	1,597
	192,172	194,876

17. Pension commitments

The school operates three pension schemes as disclosed in accounting policy note 1i.

The assets of the schemes are held separately from those of the school in independent administered funds.

The pension cost charge represents contributions payable by the school to the funds and amounted to £119,506 (2004: £109,354).

There were no outstanding contributions payable to the funds at the year end.

18. Related party transactions

The loan from the LTA is guaranteed by four guarantors, one of which is a governor.

One of the members of council of the school is a parent of children in attendance at the school. Fees payable in respect of these children are on normal school terms.

Fees totalling £4,256 have been paid to Ashton Graham of whom Mr D Hughes is a partner. The transactions were at arms length and were in the ordinary course of business.

The governors received no remuneration or other benefits for the year, and no reimbursement of expenses during the year.

The school paid an amount in respect of trustees' indemnity insurance during the year. The cost of this is not separately identifiable but is included in public liability insurance of £5,533.