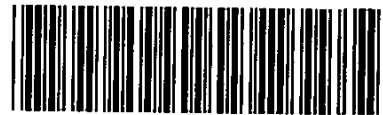


**St Joseph's School Launceston
Company Limited by Guarantee
Annual Report
Year Ended 31 August 2011**

**Company Registration Number 01780521
Charity Number 289048**

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St Joseph's School Launceston Company Limited by Guarantee

Financial Statements

Year Ended 31 August 2011

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St Joseph's School Launceston Company Limited by Guarantee

Officers and Professional Advisers

Registered Charity Name	St Joseph's School Launceston
Charity Number	289048
Company Registration Number	01780521
	St Stephens Hill Launceston Cornwall
Governors	Mr J Marshall Mr N Pockett Mrs M J Warren (Chairperson) Mr A Marshall Mrs L Maunder Mr S Alford Mr D Heard Mr S Robinson Mrs M Stoneman Mr T Watkins
Secretary	I Barton
Auditor	Francis Clark LLP Chartered Accountants & Statutory Auditor Ridge Grove Russell Street TAVISTOCK PL19 8BE
Bankers	Barclays Bank 6 Broad Street Launceston Cornwall

St Joseph's School Launceston Company Limited by Guarantee

Governors' Annual Report

Year Ended 31 August 2011

The Governors, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 August 2011

Reference and Administrative Details

Reference and administrative details are shown in the schedule of officers and professional advisers on page 1 of the financial statements

The Governors

The Governors who served the company during the period were as follows

Mr P Meeson (resigned August 2011)
Mr J Marshall
Mr N Pockett
Mrs M J Warren (Chairperson)
Mr A Marshall
Mrs L Maunder
Mr S Alford
Mr D Heard
Mr S Robinson
Mrs M Stoneman
Mr P Stopher-Walker (resigned March 2011)
Mr T Watkins

Key personnel

Mrs S Rowe Headteacher
Mr I Barton Bursar

Structure, Governance and Management

The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities. The Governors have complied with the duty in Section 4 of the 2006 Charities Act to have due regard to public benefit guidance published by the Charity Commission when reviewing the school's aims and objectives and in planning future activities

Status

The school is a company limited by guarantee, not having a share capital, and is a registered charity

Organisation

The Governors determine the general policy of the school. The day-to-day management of the school is delegated to the Headteacher and the Bursar.

The Board of Governors is made up of Foundation and Parent Governors. Up to 7 Foundation Governors are appointed to serve for 5 years by the other Governors and may stand for re-election for a further 5 years, but thereafter will be ineligible for re-appointment.

The Parent Governors are appointed by members of the Association. Eligible persons are anyone who has a child or children in full time attendance at the school. The Parent Governors serve for an initial period of 3 years, after which, they may stand for re-election for a further 3 years if they are still eligible under the aforementioned criteria.

St Joseph's School Launceston Company Limited by Guarantee

Governors' Annual Report *(continued)*

Year Ended 31 August 2011

Investment Powers, Policy and Performance

There are no restrictions on the company's powers of investment. The board's policy continues to be to put any surplus funds in high interest bank accounts.

Objectives and Activities

The principal activity of the company during the year is the running of an Independent Day School. The objective of the school is to educate the whole person, providing its pupils with the ability to fulfil their potential both academically and socially in a stimulating ecumenical educational environment.

The school caters for girls aged 3 to 16 and boys of 3 to 13 years of age.

Achievements and Performance

St Joseph's continues to offer very high quality non-selective education girls aged 3-16 and for boys aged 3-13.

This year saw another excellent performance in the public examinations with GCSE results which were again, well above the National average. Year 11 last year achieved 94% A* to C and a 56% pass rate in A* and A's. Further analysis of data revealed that on average the pupils achieved 1.4 grades above what was expected based on standardised testing.

This same high standard was reached further down the school where the foundation stage, KS1 and KS2 results were equally impressive.

St Joseph's School was presented with the Independent Schools Association Award of Excellence in March 2011. The citation for the award recognised the excellence St Joseph's achieves across the board.

Students also compete nationally in Art and Textiles and Music and Drama play a large part of school life with the Canzonetta Choir being asked to sing at the Royal Albert Hall, London, in November 2010.

St Joseph's pupils represented the South West ISA Schools Nationally in Swimming, Cross Country and Athletics during 2010/2011. In addition the Junior Football teams and Junior and Senior Netball teams are very successful. The Duke of Edinburgh Award and Residential visits also play their part in offering pupils a wide range of experiences.

Wider access to schooling was achieved during 2010/2011 with a total of £185,739 awarded in scholarships, Governors' Awards and Bursaries to 110 pupils throughout the school. Our school does not have an endowment fund and in granting awards we have to be mindful that we ensure a balance between fee-paying parents, many of whom make considerable sacrifices to fund their child's education, and those benefiting from awards.

Financial Review

Reserves

The results for the year are set out on the statement of financial activities. Funds included in note 21 to the accounts amount to £1,721,157 which have been invested in fixed assets. The Governor's policy is to improve the facilities of the School and to finance this by building up reserves out of annual operating surpluses.

St Joseph's School Launceston Company Limited by Guarantee

Governors' Annual Report *(continued)*

Year Ended 31 August 2011

Plans for Future Periods

The School's plan for the future is to continue to ensure the financial viability of the school by maintaining pupil numbers through marketing and academic achievement. In the current financial climate, the school recognises the importance of Bursaries, Governors' Awards and Scholarships and to this end have recently established the St Josephs School Foundation, in order to raise funds to satisfy these needs.

Risk management

The board continues to keep the school's activities under review, particularly with regard to any major risks that may arise from time to time. Their review aims to limit the risks to which the school could be exposed.

Responsibilities of the Governors

The Governors (who are also the directors of St Joseph's School Launceston for the purposes of company law) are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Governors are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Governors are aware

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

St Joseph's School Launceston Company Limited by Guarantee

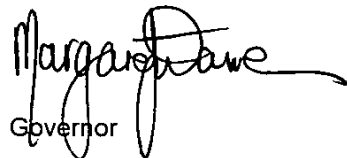
Governors' Annual Report *(continued)*

Year Ended 31 August 2011

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed on behalf of the Governors



Governor

16 April 2012

St Joseph's School Launceston Company Limited by Guarantee

Independent Auditor's Report to the Members of St Joseph's School Launceston Year Ended 31 August 2011

We have audited the financial statements of St Joseph's School Launceston for the year ended 31 August 2011 which comprise the Statement of Financial Activities incorporating the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity'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 charity'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 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 Governors and Auditors

As explained more fully in the Governors' responsibilities statement set out on page 4, the Governors (who are directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Governors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

St Joseph's School Launceston Company Limited by Guarantee

Independent Auditor's Report to the Members of St Joseph's School Launceston
Year Ended 31 August 2011

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of governors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit
- the Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Governors' Annual Report

JOHN TALBOT (Senior Statutory Auditor)
For and on behalf of
FRANCIS CLARK LLP
Chartered Accountants & Statutory Auditor

Ridge Grove
Russell Street
TAVISTOCK
PL19 8BE

20 April 2012

St Joseph's School Launceston Company Limited by Guarantee

Statement of Financial Activities (Incorporating the Income and Expenditure Account)

Year Ended 31 August 2011

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Incoming Resources					
Incoming resources from generating funds					
Voluntary income	2	380	–	380	5,750
Investment income	3	5	–	5	12
Incoming resources from charitable activities	4	1,405,537	–	1,405,537	1,153,098
Other incoming resources	5	4,092	–	4,092	4,090
Total Incoming Resources		1,410,014	–	1,410,014	1,162,950
Resources Expended					
Charitable activities	6/7	(1,748,129)	(3,800)	(1,751,929)	(1,386,935)
Governance costs	8	(44,670)	–	(44,670)	(11,334)
Total Resources Expended		(1,792,799)	(3,800)	(1,796,599)	(1,398,269)
Net Expenditure for the Year	9	(382,785)	(3,800)	(386,585)	(235,319)
Other Recognised Gains and Losses					
Gains on revaluation of fixed assets for charity's own use		1,554,602	–	1,554,602	–
Net Movement in Funds		1,171,817	(3,800)	1,168,017	(235,319)
Reconciliation of Funds					
Total funds brought forward		546,558	6,582	553,140	788,459
Total Funds Carried Forward		1,718,375	2,782	1,721,157	553,140

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities

The notes on pages 10 to 20 form part of these financial statements.

St Joseph's School Launceston Company Limited by Guarantee

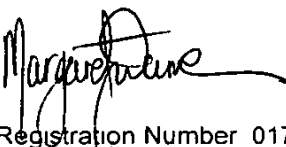
Balance Sheet

31 August 2011

	Note	2011 £	2010 £
Fixed Assets			
Tangible assets	11	2,873,166	1,199,929
Current Assets			
Stocks		2,786	13,788
Debtors	12	46,182	37,598
Cash at bank		81,595	19,868
		<u>130,563</u>	<u>71,254</u>
Creditors: Amounts falling due within one year	13	(1,126,562)	(541,221)
Net Current Liabilities		(995,999)	(469,968)
Total Assets Less Current Liabilities		1,877,167	729,961
Creditors: Amounts falling due after more than one year	14	(156,010)	(176,822)
Net Assets		1,721,157	553,140
Funds			
Restricted income funds	19	2,782	6,582
Unrestricted Income Funds			
Unrestricted income funds	20	(488,303)	(110,187)
Revaluation reserve	20	2,206,678	656,745
Total Unrestricted Income Funds		1,718,375	546,558
Total Funds		1,721,157	553,140

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the Board on the 16.4.2012 and are signed on their behalf by

Governor 

Governor 

Company Registration Number 01780521

MARGARET WARREN

TREVOR WATKINS

The notes on pages 10 to 20 form part of these financial statements.

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 August 2011

1. Accounting Policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

(b) Fees

Fees receivable 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. The School offers parents the opportunity to pay for tuition fees in advance in accordance with a written contract. The amounts received are held as creditors, the income being released in the term to which it relates.

(c) Investment assets and income

Fixed asset investments are stated at open market value.

(d) Fund Accounting

Funds held by the charity are either

Unrestricted General Funds - these are funds which can be used in accordance with the charitable objects at the discretion of the Governors.

Restricted Funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and the purpose of each fund is included in the notes to the financial statements.

(e) Resources Expended

Resources are included in the Statement of Financial Activities on an accruals basis.

All expenditure is directly attributable to specific activities and has been included in the appropriate cost categories.

(f) Fixed Assets

All fixed assets are initially recorded at cost.

(g) Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Buildings	- 2% straight line
Plant and machinery	- 20% straight line
Fixtures, fittings and equipment	- 20% straight line
Motor vehicles	- 20% straight line

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 August 2011

1 Accounting Policies *(continued)*

(h) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

(i) Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the statement of financial activities on a straight line basis

(j) Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

(k) Pension costs

Non-teaching staff

The school operates a defined contribution scheme for certain non-teaching staff. Contributions are charged in the year in which they become payable

Teachers' Pension

The Teachers' Pension is a contributory final salary pension scheme, but as the Scheme is multi employer it is not possible for the School to identify its share of the Scheme assets and liabilities. Accordingly contributions are accounted for as if the Scheme were a defined contribution scheme. Further details of the Scheme are given in Note 15

(l) Going concern basis

The continuance of the school's activities is dependent on the continued support of the bank. The financial statements have been drawn up on a going concern basis, on the understanding that this support will continue

2 Voluntary Income

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Donations			
Donations	380	380	5,750

3. Investment Income

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Bank interest receivable	5	5	12

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 August 2011

4 Incoming Resources from Charitable Activities

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Fees	1,689,581	1,689,581	1,325,956
Scholarships	(56,366)	(56,366)	(63,266)
Means Tested Bursaries	(36,210)	(36,210)	(52,005)
Means Tested Governors' Awards	(93,163)	(93,163)	(92,499)
Staff discounts	(25,120)	(25,120)	(13,858)
Sibling discounts	(9,563)	(9,563)	(6,086)
Discounts	(137,776)	(137,776)	-
Registration fees	1,700	1,700	1,150
Transport income	72,454	72,454	53,706
	<u>1,405,537</u>	<u>1,405,537</u>	<u>1,153,098</u>

5 Other Incoming Resources

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Other income	<u>4,092</u>	<u>4,092</u>	<u>4,090</u>

6 Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Teaching costs	983,235	3,800	987,035	820,626
Welfare costs	103,731	-	103,731	86,319
Premises costs	116,288	-	116,288	92,724
Transport	80,434	-	80,434	47,092
Support costs	464,441	-	464,441	340,176
	<u>1,748,129</u>	<u>3,800</u>	<u>1,751,929</u>	<u>1,386,937</u>

7 Analysis of Provision of Charitable Activities

	Staff costs £	Other costs	Depreciation £	Total Funds 2011 £	Total Funds 2010 £
Teaching costs	903,283	38,139	45,613	987,035	820,626
Welfare costs	44,681	59,050	-	103,731	101,186
Premises costs	29,145	70,450	16,693	116,288	92,724
Transport	17,435	62,999	-	80,434	47,092
Support costs	246,559	217,882	-	464,441	340,176
	<u>1,241,103</u>	<u>448,520</u>	<u>62,306</u>	<u>1,751,929</u>	<u>1,386,937</u>

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 August 2011

8 Governance Costs

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Accountancy fees	3,000	3,000	1,422
Audit fees	11,657	11,657	7,169
Legal fees	30,013	30,013	2,743
	<u>44,670</u>	<u>44,670</u>	<u>11,334</u>

9 Net Outgoing Resources for the Year

This is stated after charging

	2011 £	2010 £
Staff pension contributions	91,325	84,917
Depreciation	62,306	49,463
Auditors' remuneration		
- audit of the financial statements	11,656	7,169
- accountancy	3,000	1,420
Interest payable and similar charges	<u>51,467</u>	<u>31,061</u>

10. Staff Costs and Emoluments

Total staff costs were as follows:

	2011 £	2010 £
Wages and salaries	1,075,101	805,268
Social security costs	74,677	56,198
Other pension costs	91,325	84,917
	<u>1,241,103</u>	<u>946,383</u>

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 August 2011

10. Staff Costs and Emoluments *(continued)*

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows

	2011 No	2010 No
Teaching staff	32	28
Administrative staff	18	11
Welfare staff	4	4
Grounds staff	2	3
Transport staff	3	1
	<u>59</u>	<u>47</u>

The number of employees whose remuneration for the year fell within the following bands, were

	2011 No	2010 No
£60,000 to £69,999	<u>1</u>	<u>-</u>

11 Tangible Fixed Assets

	Land and buildings £	Other plant & machinery etc. £	Total £
Cost or Valuation			
At 1 September 2010	1,136,624	309,444	1,446,068
Additions	80,549	116,992	197,541
Disposals	-	(49,984)	(49,984)
Revaluation	1,522,827	-	1,522,827
At 31 August 2011	<u>2,740,000</u>	<u>376,452</u>	<u>3,116,452</u>
Depreciation			
At 1 September 2010	15,082	231,057	246,139
Charge for the year	16,693	45,613	62,306
On disposals	-	(33,384)	(33,384)
Revaluation adjustment	(31,775)	-	(31,775)
At 31 August 2011	<u>-</u>	<u>243,286</u>	<u>243,286</u>
Net Book Value			
At 31 August 2011	<u>2,740,000</u>	<u>133,166</u>	<u>2,873,166</u>
At 31 August 2010	<u>1,121,542</u>	<u>78,387</u>	<u>1,199,929</u>

Revaluation of fixed assets

The school's freehold land and buildings were valued at £2,740,000 on a depreciated replacement cost basis by Philip Waite, RICS Registered Valuer, of independent chartered surveyors Aitchison Raffety as at 28 July 2011. This valuation has been incorporated into the accounts. The previous full valuation was carried out in 2009.

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 August 2011

11. Tangible Fixed Assets *(continued)*

In respect of assets stated at valuations, the comparable historical cost and depreciation values are as follows

	2011 £	2010 £
NBV of revalued tangible fixed assets.		
Net book value at end of year	<u>2,740,000</u>	<u>1,100,350</u>
Historical cost		
At 1 September 2010	645,780	624,155
Cost of assets revalued in year	<u>80,549</u>	<u>21,625</u>
At 31 August 2011	<u>726,329</u>	<u>645,780</u>
Depreciation:		
At 1 September 2010	180,983	170,571
Aggregate depreciation on assets revalued in year	<u>12,024</u>	<u>10,412</u>
At 31 August 2011	<u>193,007</u>	<u>180,983</u>
Net historical cost value:		
At 31 August 2011	<u>533,322</u>	<u>464,797</u>
At 1 September 2010	<u>464,797</u>	<u>453,584</u>

Hire purchase agreements

Included within the net book value of £2,873,166 is £69,200 (2010 - £48,542) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £19,845 (2010 - £15,804)

Capital commitments

	2011 £	2010 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>19,933</u>

12 Debtors

	2011 £	2010 £
Trade debtors	12,767	12,307
Prepayments	<u>33,415</u>	<u>25,291</u>
	<u>46,182</u>	<u>37,598</u>

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 August 2011

13. Creditors: Amounts falling due within one year

	2011 £	2010 £
Bank loans and overdrafts	465,929	340,571
Trade creditors	399,128	127,997
PAYE and social security	31,734	27,282
Hire purchase agreements	20,264	13,957
Other creditors	134,825	17,003
Accruals	74,682	14,411
	<u>1,126,562</u>	<u>541,221</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2011 £	2010 £
Bank loans and overdrafts	465,929	340,571
Hire purchase agreements	20,264	13,957
	<u>486,223</u>	<u>354,528</u>

14. Creditors: Amounts falling due after more than one year

	2011 £	2010 £
Bank loans and overdrafts	86,201	96,890
Other creditors comprise:		
Hire purchase agreements	36,713	38,857
Accruals and deferred income	33,096	41,075
	<u>156,010</u>	<u>176,822</u>

Bank borrowings are secured by a legal charge over the school land and buildings and the property known as The Headmaster's House, St Joseph's School, Launceston

The bank loan is repayable in instalments, of which £25,252 (2010 - £41,711) is due after more than five years. The loan represents 3.6% of the value of the charged property. Interest charged on this loan during the year amounted to £7,277 (2010 - £6,921)

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2011 £	2010 £
Bank loans and overdrafts	86,201	96,890
Hire purchase agreements	36,713	38,857
	<u>122,914</u>	<u>135,747</u>

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 August 2011

15. Pensions

The Teacher's Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 1997, as amended. These regulations apply to teachers in schools and other educational establishments in England and Wales maintained by local authorities, to teachers in many independent and voluntary-aided schools, and to teachers and lecturers in establishments of further and higher education. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Not less than every four years the Government Actuary (GA), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions.

The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate (SCR) is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 - 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR has been assessed at 19.75%, and the supplementary contribution rate has been assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years), a total contribution rate of 20.5%. This translates into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement has also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

A copy of the GA's 2004 valuation report can be found on the TeacherNet website at www.teachernet.gov.uk/pensions

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 August 2011

15. Pensions (continued)

In the year ended 31 August 2011 the employer contribution payable by the school was £89,617 (2010 - £81,417) Contributions totalling £11,242 were payable at the year-end and are included in creditors

Non Teaching Staff

The employers contributions to the non-teaching staff defined contribution scheme during the year was £1,708 (2010 - £3,500) Contributions totalling £771 were payable at the year-end and are included in creditors

16 Advance Fee Payments

Parents may enter into a contract to pay the school tuition fees in advance The money may be returned subject to specific conditions on the receipts of one terms notice Assuming the pupil will remain in the school, advance fees will be applied as follows

	2011 £	2010 £
Within 1 to 2 years	8,000	8,000
Within 2 to 5 years	25,075	33,075
	<u>33,075</u>	<u>41,075</u>
Within 1 year	8,000	8,000
	<u>41,075</u>	<u>49,075</u>

The balance represents accrued liability under the contracts The movements during the year were

	2011 £	2010 £
Balance at start of year	49,075	—
New contracts	—	57,000
	<u>49,075</u>	<u>57,000</u>
Amount utilised in payment of fees	(8,000)	(7,925)
Balance at end of year	<u>41,075</u>	<u>49,075</u>

17 Commitments under Hire Purchase Agreements

Future commitments under hire purchase agreements are as follows

	2011 £	2010 £
Amounts payable within 1 year	20,264	13,957
Amounts payable between 2 to 5 years	36,713	38,857
	<u>56,977</u>	<u>52,814</u>

Hire purchase borrowings are secured on the asset acquired

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 August 2011

18. Commitments under Operating Leases

At 31 August 2011 the company had annual commitments under non-cancellable operating leases as set out below

	Assets other than Land and buildings	
	2011 £	2010 £
Operating leases which expire.		
Within 2 to 5 years	<u>12,573</u>	<u>12,573</u>

19 Restricted Income Funds

	Balance at 1 Sep 2010 £	Outgoing resources £	Balance at 31 Aug 2011 £
Friends of the School Fund	<u>6,582</u>	<u>(3,800)</u>	<u>2,782</u>

Friends of the School raise money for the acquisition of specific items for the school

20. Unrestricted Income Funds

	Balance at 1 Sep 2010 £	Outgoing resources £	Transfers £	Gains and losses £	Balance at 31 Aug 2011 £
General Funds	(110,187)	(382,785)	4,669	–	(488,303)
Revaluation reserve	656,745	–	(4,669)	1,554,602	2,206,678
	<u>546,558</u>	<u>(382,785)</u>	<u>–</u>	<u>1,554,602</u>	<u>1,718,375</u>

21. Analysis of Net Assets Between Funds

	Tangible fixed assets £	Net current liabilities £	Long term liabilities £	Total £
Restricted Income Funds.				
Friends of the School Fund	2,782	–	–	2,782
Unrestricted Income Funds	<u>2,870,384</u>	<u>(995,999)</u>	<u>(156,010)</u>	<u>1,718,375</u>
Total Funds	<u>2,873,166</u>	<u>(995,999)</u>	<u>(156,010)</u>	<u>1,721,157</u>

22 Related Party Transactions

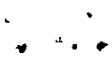
The company is under the effective control of the Governors, who are all members

No Governors nor any persons connected with them have received any remuneration or expenses from the school

Mrs M J Warren, a Governor, lent funds totalling £100,000 to the school during the year on an interest free basis. The balance outstanding at the year end is included in creditors and was repaid shortly after the year end

23 Company Limited by Guarantee

The company is limited by guarantee, having no share capital. In the event of the company being wound up the liability of each member is limited to £1



St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 August 2011

24. Going Concern

At 31 August 2011 the school had a deficit on its income funds of £488,303, having suffered a deficit of £386,585 during the year

A program of cost reductions and controls was implemented in April 2011 which has now started to take effect. Projections have been prepared for the period ending 31 July 2012 and 31 July 2013 which indicate a return to profitability and the generation of cash. These projections have been reviewed by an outside firm of accountants appointed by the School's bankers.

In addition, the Governors have negotiated a 20 year term loan and overdraft facility with Barclays Bank and consider that it is appropriate to prepare accounts on the basis that the School is a going concern.