

**St Joseph's School Launceston
Company Limited by Guarantee**

**Annual Report
Period from 1 September 2011 to 31 July 2012**

**Company Registration Number 01780521
Charity Number 289048**

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St Joseph's School Launceston Company Limited by Guarantee

Financial Statements

Period from 1 September 2011 to 31 July 2012

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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 D Heard Mrs M Stoneman Mr T Watkins Ms S A Graybow Mr D Jasper
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

Period from 1 September 2011 to 31 July 2012

The Governors, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the period from 1 September 2011 to 31 July 2012

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 J Marshall
Mr N Pockett
Mrs M J Warren (Chairperson)
Mr A Marshall
Mrs L Maunder
Mr S Alford (resigned April 2012)
Mr D Heard
Mr S Robinson (resigned December 2011)
Mrs M Stoneman
Mr T Watkins
Ms S A Graybow (appointed January 2012)
Mr D Jasper (appointed January 2012)

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 2011 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)*

Period from 1 September 2011 to 31 July 2012

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 14 years of age.

Achievements and Performance

St Joseph's continues to offer very high quality non-selective education for girls aged 3-16 and boys aged 3-14.

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 100% A* to C in 5 or more subjects and a 53% pass rate in A* and A's.

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

St Joseph's pupils represented the South West ISA Schools Nationally in Swimming and Cross Country during 2011/2012. In addition the Junior Football and Rugby teams and Junior and Senior Netball teams were very successful. St Joseph's School also provides high quality extra-curricular provision in a broad range of areas with Music and Drama performance featuring strongly in the school year. 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 2011/2012 with a total of £196,337 awarded in scholarships, Governors' Awards and Bursaries to 103 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 £1,898,225 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.

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.

St Joseph's School Launceston Company Limited by Guarantee

Governors' Annual Report *(continued)*

Period from 1 September 2011 to 31 July 2012

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 regulations

Company law requires the Governors to prepare financial statements for each financial year. Under that law the Governors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and 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 accounting 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. They 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.

Small Company Provisions

This report has been prepared in accordance with the small company regime (Section 419(2) of the Companies Act 2006).

Signed on behalf of the Governors


Governor
5 November 2012

St Joseph's School Launceston Company Limited by Guarantee

Independent Auditor's Report to the Members of St Joseph's School Launceston

Period from 1 September 2011 to 31 July 2012

We have audited the financial statements of St Joseph's School Launceston for the period from 1 September 2011 to 31 July 2012 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

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 also the directors of the charitable 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 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 trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the reports and financial statements 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 July 2012 and of its incoming resources and application of resources including its income and expenditure for the period 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.

Opinion on Other Matter Prescribed by the Companies Act 2006

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

St Joseph's School Launceston Company Limited by Guarantee

Independent Auditor's Report to the Members of St Joseph's School Launceston *(continued)*

Period from 1 September 2011 to 31 July 2012

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, or
- 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

6 November 2012

St Joseph's School Launceston Company Limited by Guarantee

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

Period from 1 September 2011 to 31 July 2012

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds Period from 1 Sep 11 to 31 Jul 12 £	Total Funds Year to 31 Aug 11 £
Incoming Resources					
Incoming resources from generating funds					
Voluntary income	2	1,000	4,512	5,512	380
Investment income	3	–	–	–	5
Incoming resources from charitable activities	4	1,524,812	–	1,524,812	1,405,537
Other incoming resources	5	22,567	–	22,567	4,092
Total Incoming Resources		1,548,379	4,512	1,552,891	1,410,014
Resources Expended					
Charitable activities	6/7	(1,375,550)	(3,704)	(1,379,254)	(1,751,929)
Governance costs	8	(8,778)	–	(8,778)	(44,670)
Total Resources Expended		(1,384,328)	(3,704)	(1,388,032)	(1,796,599)
Net Income/(Expenditure) for the Year	9	164,051	808	164,859	(386,585)
Other Recognised Gains and Losses					
Gains on revaluation of fixed assets for charity's own use		12,209	–	12,209	1,554,602
Net Movement in Funds		176,260	808	177,068	1,168,017
Reconciliation of Funds					
Total funds brought forward		1,718,375	2,782	1,721,157	553,140
Total Funds Carried Forward		1,894,635	3,590	1,898,225	1,721,157

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 9 to 19 form part of these financial statements.

St Joseph's School Launceston Company Limited by Guarantee

Balance Sheet

31 July 2012

	Note	31 Jul 12 £	31 Aug 11 £
Fixed Assets			
Tangible assets	11	2,515,119	2,873,166
Investments	12	315,000	—
		<u>2,830,119</u>	<u>2,873,166</u>
Current Assets			
Stocks		—	2,786
Debtors	13	50,718	46,181
Cash at bank		20,679	81,595
		<u>71,397</u>	<u>130,562</u>
Creditors: Amounts falling due within one year	14	<u>(316,998)</u>	<u>(1,126,561)</u>
Net Current Liabilities		<u>(245,601)</u>	<u>(995,999)</u>
Total Assets Less Current Liabilities		<u>2,584,518</u>	<u>1,877,167</u>
Creditors: Amounts falling due after more than one year	15	<u>(686,293)</u>	<u>(156,010)</u>
Net Assets		<u>1,898,225</u>	<u>1,721,157</u>
Funds			
Restricted income funds	20	3,590	2,782
Unrestricted Income Funds:			
Unrestricted income funds	21	(295,982)	(488,303)
Revaluation reserve	21	2,190,617	2,206,678
Total Unrestricted Income Funds		<u>1,894,635</u>	<u>1,718,375</u>
Total Funds		<u>1,898,225</u>	<u>1,721,157</u>

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 5 Nov 2012 and are signed on their behalf by

Governor 

Governor 

Company Registration Number 01780521

MJ WARREN

T WATKINS

The notes on pages 9 to 19 form part of these financial statements

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 September 2011 to 31 July 2012

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

Investment properties are revalued annually at their open market value in accordance with FRSSE (effective April 2008). The surplus or deficit on revaluation is transferred to a revaluation reserve except where the deficit reduces the property below its historical cost, in which case it is taken to the profit and loss account.

No depreciation is provided on investment properties which is a departure from the requirements of the Companies Act 2006. In the opinion of the directors these properties are held primarily for their investment potential and so their current value is of more significance than any measure of consumption and to depreciate them would not give a true and fair view. The provisions of the FRSSE (effective April 2008) in respect of investment properties have therefore been adopted in order to give a true and fair view. If this departure from the Act had not been made, the profit/loss for the year would have been reduced by depreciation.

However, the amount of depreciation cannot reasonably be quantified and the amount which might otherwise have been shown cannot be separately identified or quantified.

(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.

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 September 2011 to 31 July 2012

1 Accounting Policies *(continued)*

(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	- 25% reducing balance

(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.

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 September 2011 to 31 July 2012

2 Voluntary Income

	Unrestricted Funds £	Restricted Funds £	Total Funds Period from 1 Sep 11 to 31 Jul 12 £	Total Funds Year to 31 Aug 11 £
Donations				
Donations	<u>1,000</u>	<u>4,512</u>	<u>5,512</u>	<u>380</u>

3 Investment Income

	Total Funds Period from 1 Sep 11 to 31 Jul 12 £	Total Funds Year to 31 Aug 11 £
Bank interest receivable	<u>-</u>	<u>5</u>

4 Incoming Resources from Charitable Activities

	Unrestricted Funds £	Total Funds Period from 1 Sep 11 to 31 Jul 12 £	Total Funds Year to 31 Aug 11 £
Fees	1,812,175	1,812,175	1,689,581
Scholarships	(75,843)	(75,843)	(56,366)
Means Tested Bursaries	(61,631)	(61,631)	(36,210)
Means Tested Governors' Awards	(58,863)	(58,863)	(93,163)
Staff discounts	(28,185)	(28,185)	(25,120)
Sibling discounts	(15,254)	(15,254)	(9,563)
Discounts	(160,354)	(160,354)	(137,776)
Registration fees	1,475	1,475	1,700
Transport income	111,292	111,292	72,454
	<u>1,524,812</u>	<u>1,524,812</u>	<u>1,405,537</u>

5 Other Incoming Resources

	Unrestricted Funds £	Total Funds Period from 1 Sep 11 to 31 Jul 12 £	Total Funds Year to 31 Aug 11 £
Other income	<u>22,567</u>	<u>22,567</u>	<u>4,092</u>

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 September 2011 to 31 July 2012

6. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds Period from 1 Sep 11 to 31 Jul 12 £	Total Funds Year to 31 Aug 11 £
Teaching costs	782,989	3,704	786,693	987,035
Welfare costs	76,865	–	76,865	103,731
Premises costs	129,885	–	129,885	116,288
Transport	76,803	–	76,803	80,434
Support costs	309,008	–	309,008	464,441
	<u>1,375,550</u>	<u>3,704</u>	<u>1,379,254</u>	<u>1,751,929</u>

7. Analysis of Provision of Charitable Activities

	Staff costs £	Other costs	Depreciation £	Total Funds Period from 1 Sep 11 to 31 Jul 12 £	Total Funds Year to 31 Aug 11 £
Teaching costs	708,341	38,599	39,753	786,693	987,035
Welfare costs	23,761	53,104	–	76,865	103,731
Premises costs	34,282	56,335	39,268	129,885	116,288
Transport	21,734	55,069	–	76,803	80,434
Support costs	172,862	136,146	–	309,008	464,441
	<u>960,980</u>	<u>339,253</u>	<u>79,021</u>	<u>1,379,254</u>	<u>1,751,929</u>

8. Governance Costs

	Unrestricted Funds £	Total Funds Period from 1 Sep 11 to 31 Jul 12 £	Total Funds Year to 31 Aug 11 £
Accountancy fees	–	–	3,000
Audit fees	5,890	5,890	11,657
Legal fees	2,888	2,888	30,013
	<u>8,778</u>	<u>8,778</u>	<u>44,670</u>

9 Net Incoming/(Outgoing) Resources for the Period

This is stated after charging

	Period from 1 Sep 11 to 31 Jul 12 £	Year to 31 Aug 11 £
Staff pension contributions	72,339	91,325
Depreciation	79,021	62,306
Auditors' remuneration		
- audit of the financial statements	5,890	11,657
- accountancy	–	3,000
Interest payable	<u>34,838</u>	<u>51,467</u>

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 September 2011 to 31 July 2012

10. Staff Costs and Emoluments

Total staff costs were as follows:

	Period from 1 Sep 11 to 31 Jul 12 £	Year to 31 Aug 11 £
Wages and salaries	832,292	1,075,101
Social security costs	56,349	74,677
Other pension costs	72,339	91,325
	<u>960,980</u>	<u>1,241,103</u>

Particulars of employees:

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

	Period from 1 Sep 11 to 31 Jul 12 No	Year to 31 Aug 11 No
Teaching staff	30	32
Administrative staff	19	18
Welfare staff	4	4
Grounds staff	2	2
Transport staff	3	3
	<u>58</u>	<u>59</u>

The number of employees whose remuneration for the period fell within the following bands, was

	Period from 1 Sep 11 to 31 Jul 12 No	Year to 31 Aug 11 No
£60,000 to £69,999	<u>-</u>	<u>1</u>

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 September 2011 to 31 July 2012

11 Tangible Fixed Assets

	Land and buildings £	Other plant & machinery etc £	Total £
Cost or Valuation			
At 1 September 2011	2,740,000	376,451	3,116,451
Additions	10,920	26,185	37,105
Disposals	–	(44,161)	(44,161)
Transfer to investments (note 12)	(315,000)	–	(315,000)
At 31 July 2012	2,435,920	358,475	2,794,395
Depreciation			
At 1 September 2011	–	243,286	243,286
Charge for the period	39,268	39,753	79,021
On disposals	–	(43,031)	(43,031)
At 31 July 2012	39,268	240,008	279,276
Net Book Value			
At 31 July 2012	2,396,652	118,467	2,515,119
At 31 August 2011	2,740,000	133,165	2,873,165

Revaluation of fixed assets

The school's freehold land and buildings were valued at £2,425,000 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. The trustees are not aware of any material changes to the valuation since it was last revalued.

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

	31 Jul 12 £	31 Aug 11 £
NBV of revalued tangible fixed assets:		
Net book value at end of period	2,396,652	2,740,000
Historical cost:		
At 1 September 2011	726,329	645,780
Transfer to investments	(75,137)	–
Over provision at 31 August 2011 (note 21)	(12,209)	–
Additions since revaluation	10,920	80,549
At 31 July 2012	649,903	726,329
Depreciation:		
At 1 September 2011	193,007	180,983
Transfer to investments	(20,496)	–
Aggregate depreciation on assets revalued in period	10,998	12,024
At 31 July 2012	183,509	193,007

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 September 2011 to 31 July 2012

11. Tangible Fixed Assets <i>(continued)</i>	31 Jul 12 £	31 Aug 11 £
Net historical cost value:		
At 31 July 2012	<u>466,394</u>	<u>533,322</u>
At 1 September 2011	<u>533,322</u>	<u>464,797</u>

Hire purchase agreements

Included within the net book value of £2,515,119 is £64,266 (2011 - £69,200) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the period in respect of such assets amounted to £14,728 (2011 - £19,845)

12. Investments

Movement in market value

	31 Jul 12 £	31 Aug 11 £
Transfer from Tangible Fixed Assets	<u>315,000</u>	-
Market value at 31 July 2012	<u>315,000</u>	-
Historical cost at 31 July 2012	<u>75,137</u>	-

Analysis of investments at 31 July 2012 between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds Period from 1 Sep 11 to 31 Jul 12 £	Total Funds Year to 31 Aug 11 £
Other investments				
UK Investment Property	<u>315,000</u>	-	<u>315,000</u>	-

The school owns a property, known as The Headmaster's House. This property was previously occupied by the charity for its own purposes. As it is now let it has been transferred from Tangible Fixed Assets to Investments. The property was valued at 28 July 2011 by Philip Waite, RICS Registered Valuer, of independent chartered surveyors Aitchison Raffety.

13. Debtors

	31 Jul 12 £	31 Aug 11 £
Trade debtors	<u>50,718</u>	12,766
Prepayments	-	<u>33,415</u>
	<u>50,718</u>	<u>46,181</u>

14. Creditors: Amounts falling due within one year

	31 Jul 12 £	31 Aug 11 £
Bank loans and overdrafts	<u>150,509</u>	465,929
Trade creditors	<u>83,563</u>	399,128
PAYE and social security	<u>28,118</u>	31,734
Hire purchase agreements	<u>17,867</u>	20,264
Other creditors	<u>20,482</u>	134,825
Accruals	<u>16,459</u>	<u>74,681</u>
	<u>316,998</u>	<u>1,126,561</u>

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 September 2011 to 31 July 2012

14 Creditors' Amounts falling due within one year *(continued)*

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

	31 Jul 12 £	31 Aug 11 £
Bank loans and overdrafts	150,509	465,929
Hire purchase agreements	17,867	20,264
	<u>168,376</u>	<u>486,193</u>

15. Creditors' Amounts falling due after more than one year

	31 Jul 12 £	31 Aug 11 £
Bank loans and overdrafts	665,958	86,201
Other creditors comprise.		
Hire purchase agreements	20,335	36,713
Accruals and deferred income	–	33,096
	<u>686,293</u>	<u>156,010</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 loans are repayable in instalments, of which £9,183 (2011 - £25,252) is due after more than five years. The loans represent 25.7% of the value of the charged property. Interest charged on these loans during the year amounted to £15,320 (2011 - £7,804)

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

	31 Jul 12 £	31 Aug 11 £
Bank loans and overdrafts	665,958	86,201
Hire purchase agreements	20,335	36,713
	<u>686,293</u>	<u>122,914</u>

16 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.

St Joseph's School Launceston Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 September 2011 to 31 July 2012

16. Pensions (continued)

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.

In the period ended 31 July 2012 the employer contribution payable by the school was £71,376 (2011 - £89,617). Contributions totalling £9,554 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 £963 (2011 - £1,708). Contributions totalling £175 were payable at the year-end and are included in creditors.

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17. 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 receipt of one terms notice. Assuming the pupil will remain in the school, advance fees will be applied as follows

	31 Jul 12 £	31 Aug 11 £
Within 1 to 2 years	–	8,000
Within 2 to 5 years	–	25,075
	–	33,075
Within 1 year	33,075	8,000
	<u>33,075</u>	<u>41,075</u>

It is anticipated that all fees received under advance fee payments contracts will be repaid in the next year due to changes in pupils' circumstances

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

	31 Jul 12 £	31 Aug 11 £
Balance at start of year	41,075	49,075
Amount utilised in payment of fees	(8,000)	(8,000)
Balance at end of year	<u>33,075</u>	<u>41,075</u>

18. Commitments under Hire Purchase Agreements

Future commitments under hire purchase agreements are as follows

	31 Jul 12 £	31 Aug 11 £
Amounts payable within 1 year	17,867	20,264
Amounts payable between 2 to 5 years	20,335	36,713
	<u>38,202</u>	<u>56,977</u>

Hire purchase borrowings are secured on the asset acquired

19. Commitments under Operating Leases

At 31 July 2012 the company had annual commitments under non-cancellable operating leases as set out below

	Assets other than Land and buildings	
	31 Jul 12 £	31 Aug 11 £
Operating leases which expire:		
Within 2 to 5 years	<u>19,152</u>	<u>12,573</u>

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Notes to the Financial Statements

Period from 1 September 2011 to 31 July 2012

20 Restricted Income Funds

	Balance at 1 Sep 2011 £	Incoming resources £	Outgoing resources £	Balance at 31 Jul 2012 £
Friends of the School Fund	<u>2,782</u>	<u>4,512</u>	<u>(3,704)</u>	<u>3,590</u>

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

21 Unrestricted Income Funds

	Balance at 1 Sep 2011 £	Incoming resources £	Transfers £	Over provision for addition £	Balance at 31 Jul 2012 £
General Funds	(488,303)	164,051	28,270	–	(295,982)
Revaluation reserve	<u>2,206,678</u>	<u>–</u>	<u>(28,270)</u>	<u>12,209</u>	<u>2,190,617</u>
	<u>1,718,375</u>	<u>164,051</u>	<u>–</u>	<u>12,209</u>	<u>1,894,635</u>

At 31 August 2011 an amount had been accrued for the cost of additional work, which had been included in the valuation at £18,209. The total due was disputed by the company and agreement was duly reached to reduce the accrual by £12,209. As this does not affect the valuation figure, the accrual has been released direct to the revaluation reserve.

22. Analysis of Net Assets Between Funds

	Tangible fixed assets £	Net current liabilities £	Long term liabilities £	Total £
Restricted Income Funds				
Friends of the School Fund	3,590	–	–	3,590
Unrestricted Income Funds	<u>2,826,529</u>	<u>(245,601)</u>	<u>(686,293)</u>	<u>1,894,635</u>
Total Funds	<u>2,830,119</u>	<u>(245,601)</u>	<u>(686,293)</u>	<u>1,898,225</u>

23 Related Party Transactions

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

No trustees 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. This was repaid during the year.

24. 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.