

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2001

Charity no: 803179

Company no: 2492411 (England and Wales) ✓



THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2001**

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THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	H E Knobil
Trustees	Mrs E Kornbluth
Directors	C J Morris
	Sir H Solomon
	R C Taylor (Chairman of Governors)
	M Dagul
	D Felsenstein
	J M Lewis
	M J Teacher
	Mrs R Cohen
	Prof. S Reif
	R Bloom (appointed 25 October 2001 as Parent Governor)
Headmaster	Mr P Skelker
Bursar	Dr D Tarlow
Rabbinical adviser	Rabbi Dr Jeffrey Cohen
Secretary	Dr D Tarlow
Registered office and College address	87/91 Elstree Road Bushey Hertfordshire WD2 3RH
Auditors	A V Audit Limited 48 Portland Place London W1B 1AJ
Bankers	HSBC Plc 90 Baker Street London W1M 2AX
Company Number	2492411 (England and Wales)
Governing document	Memorandum and articles of association
Constitution	Company limited by guarantee
Registered Charity Number	803179

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2001

The Governors, who are also the directors of the Charity for the purposes of the Companies Act and the trustees for the purposes of Charity law, present their report together with the audited financial statements for the year ended 31 July 2001. The Governors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2000 in preparing the annual report and financial statements of the charity. The financial statements comply with current statutory requirements and the memorandum and articles of association

The Charity is a charitable company limited by guarantee and was set up on 12 April 1990. It is governed by a memorandum and articles of association dated 28 March 1990.

OBJECTS OF THE CHARITY

The objects of the Charity is to operate The Charles Kalms Henry Ronson Immanuel College which is an Orthodox Jewish Secondary School in Hertfordshire.

The College aims for the highest standards of academic excellence in both Jewish and secular studies. It aims to create in its pupils an integrated personality whose Jewish identity is knowledgeable, secure and proud, a spur to achievement and responsibility, and a challenge to exemplary citizenship in an ethically and religiously pluralistic society.

The College opened in September 1990 and occupies a twelve acre campus.

REVIEW OF ACTIVITIES

The statement of financial activities is set out on pages 6 to 7 and shows the results for the year.

The net incoming resources for the year amounted to £32,232. Total funds have increased by £32,232 for the year.

In the year, the school had 389 (1999/2000: 365) day pupils. The Charles Kalms Henry Ronson Immanuel College is an Independent Jewish Secondary School for boys and girls aged 11 to 18. In May 2000, the Independent School Inspectorate, the body recognised by the Department for Education and Employment and OFSTED as responsible for the regular inspection of independent schools in England inspected Immanuel College. In their report, the inspectors describe Immanuel College as "particularly notable" for the very good ethos and pastoral care and the high levels of academic achievement. They commented that the school "lives out its philosophy and achieves its aims in a remarkably integrated way". During the year the college successfully upgraded its sports facilities, this involved major improvements and the resurfacing of sports pitches and tennis courts.

The College continues to be fully utilised and has a waiting list for places.

RESERVES

Its memorandum of association prohibits the Charity from making distributions.

Note 14 to the financial statements shows the assets and liabilities attributable to the various funds by type. The free reserves being the unrestricted funds not tied up in fixed assets were in deficit at the balance sheet date as seen in note 14B to the financial statements. It is the Board's intention that the free reserves held by the charity should be between 3 and 6 months of the resources expended. The Board has continued to keep the secured overdraft facility under review to ensure that in the absence of free reserves, it remains adequate to cover the college's working capital requirements.

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2001

GOVERNORS AND ORGANISATION

The Governors of the Charity during the year were:

H E Knobil	D Felsenstein
Mrs E Kornbluth	J M Lewis
C J Morris	M J Teacher
Sir H Solomon	Mrs R Cohen
R C Taylor	Prof. S Reif
M Dagul	R Bloom (appointed 25 October 2001)

The College has an active Governing Body, which participates in many aspects of the activities and is responsible for ensuring that the school adheres to its ethos and well-defined philosophy and operates within its agreed financial budgets.

The day to day running of the College, including those activities which are funded by the Charity, are delegated to the Headteacher and the Bursar.

R C Taylor is the Chairman of the Board of Governors of the College. As set out in the Articles of Association, the Governors for the time being of the Jewish Educational Development Trust shall be entitled by written notice to appoint the Chairman of the Governors, the Honorary Treasurer and up to five of the ordinary Governors. The Board of Governors shall be entitled to appoint up to eight ordinary Governors to fill casual vacancy amongst such Governors and it is in their absolute power to remove any such Governors. The Board of Governors may appoint any of the ordinary Governors to hold the position of Deputy Chairman. Every Governor (other than those holding office ex officio) shall hold office for a period of three years unless removed or disqualified and shall be eligible for re-appointment for further terms without limitation of three years each.

The College's Parents Teachers Association, is a separate body from the charity with its own financial standing and does not affect the day to day running of the charity.

Details of related party transactions are included in the notes to the financial statements.

GRANT-MAKING POLICY

This year, the value of scholarships, grants, prizes and other awards made to the College's pupils out of restricted funds amounted to £500 (1999/2000: £15,200). Furthermore, awards totalling almost £296,106 (1999/2000: £316,000) in bursaries and allowances were made from unrestricted funds.

The Governors' policy is to make these awards on the basis of the individual's educational ability, and their financial position, subject to the particular conditions imposed by the original donor where the award is out of restricted funds.

RISK MANAGEMENT

The trustees are in the process of considering the major risks to which the Charity may be exposed and will take the necessary steps to monitor and control these risks to mitigate any impact they may have on the Charity in the future.

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2001

AUDITORS

A V Audit Limited acquired the audit practice of Jayson Newman and in accordance with section 26 of the Companies Act 1989 has been appointed as auditors in succession. In accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed as auditors of the charity will be put to the Annual General Meeting.

GOVERNORS' STATEMENT OF RESPONSIBILITIES

Company law requires the Governors to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year.

In preparing those financial statements, the Governors are required to:

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

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

Approved by the Board of Governors and signed on behalf of the board on ...21/5/2002.

R Taylor

Chairman



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
(A Company Limited By Guarantee)**

We have audited the financial statements on pages 6 to 21 which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets), and the accounting policies set out on pages 10 and 11.

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

As described in the Statement of Governors' Responsibilities on page 4 the Governors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility 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 Governors' report is not consistent with the financial statements, if the charity 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 governors' remuneration and transactions with the charity is not disclosed.

We read the Governors' report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the governors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the charity as at 31 July 2001 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

AV Audit Ltd

AV Audit Limited
Registered Auditor
48 Portland Place
London W1B 1AJ

Date: *21/5/2002*

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2001**

	Note	Unrestricted funds £	Restricted funds £	Total 2001 £	Total 2000 £
INCOMING RESOURCES					
Charitable activities					
School fees	2(a)	2,703,115	-	2,703,115	2,402,671
Other income	3	391,554	-	391,554	386,295
Other activities to generate funds					
Letting income		4,208	-	4,208	9,357
Donations and similar resources					
Donations		5,013	98,970	103,983	72,846
Investment income					
Bank interest received		3,627	-	3,627	312
Total incoming resources		3,107,517	98,970	3,206,487	2,871,481
RESOURCES EXPENDED					
Costs of generating funds					
Interest payable	4	52,189	-	52,189	58,879
Advertising		28,268	-	28,268	33,569
		80,457	-	80,457	92,448
Net incoming resources available for charitable application		3,027,060	98,970	3,126,030	2,779,033
Charitable expenditure					
Scholarships	2(b)	296,106	500	296,606	331,200
Teaching	5	1,579,648	-	1,579,648	1,429,179
Premises	5	-	165,069	165,069	-
Running costs and maintenance of school	5	711,691	-	711,691	580,210
Lunches, transport and other chargeable items	5	304,965	1,905	306,870	257,268
Management and administration	5	33,914	-	33,914	37,605
Total charitable expenditure		2,926,324	167,474	3,093,798	2,635,462
Total resources expended		3,006,781	167,474	3,174,255	2,727,910

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
CONTINUED
FOR THE YEAR ENDED 31 JULY 2001**

	Note	Unrestricted funds £	Restricted funds £	Total 2001 £	Total 2000 £
Net incoming resources before transfers for the year		100,736	(68,504)	32,232	143,571
Transfers between funds	14	(33,954)	33,954	-	-
Net movement in funds		66,782	(34,550)	32,232	143,571
Total funds at 1 August 2000	14	2,332,942	42,365	2,375,307	2,231,736
Total funds at 31 July 2001	14	2,399,724	7,815	2,407,539	2,375,307

All amounts derive from continuing activities.

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

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

BALANCE SHEET AT 31 JULY 2001

	Note	£	2001 £	£	2000 £
Fixed assets					
Tangible assets	9		3,226,016		3,250,583
Current assets					
Debtors	10	202,852		134,074	
Cash at bank and in hand		66,132		36,973	
		<u>268,984</u>		<u>171,047</u>	
Creditors: Amounts falling due within one year	11	<u>(373,479)</u>		<u>(316,771)</u>	
Net current liabilities			<u>(104,495)</u>		<u>(145,724)</u>
Total assets less current liabilities			3,121,521		3,104,859
Creditors: Amounts falling due after more than one year	12		<u>(713,982)</u>		<u>(729,552)</u>
Net assets			<u>2,407,539</u>		<u>2,375,307</u>
Funds					
Designated funds					
- Revaluation reserve			1,839,354		1,839,354
- Fixed asset funds			819,282		811,229
General reserve			<u>(258,912)</u>		<u>(317,641)</u>
Unrestricted funds	14B		2,399,724		2,332,942
Restricted funds	14A		7,815		42,365
			<u>2,407,539</u>		<u>2,375,307</u>

The financial statements were approved by the Board on and signed on behalf of the board 21 May 2002

M Teacher

) *Michael Teacher*
) Directors

R Taylor

) *RT*

The notes on pages 10 to 21 form part of these financial statements.

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2001**

	Note	£	2001 £	£	2000 £
Net cash inflow from operating activities	18		287,906		148,976
Returns on Investments and Servicing of finance					
Interest received		4,786		312	
Interest paid		(51,827)		(57,431)	
Interest element of finance lease rentals		(362)		(1,448)	
Net cash outflow from returns on investments and servicing of finance			(47,403)		(58,567)
Capital Expenditure					
Proceeds on sale of fixed assets		4,530		4,041	
Payments to acquire tangible assets		(98,254)		(84,625)	
Net cash outflow for capital expenditure			(93,724)		(80,584)
Net cash in/(out)flow before management of liquid resources and financing			146,779		9,825
Financing					
Capital element of hire purchase contracts		(6,116)		(8,270)	
Capital element of bank loan		(32,620)		-	
Net cash (out) flow from financing	21		(38,736)		(8,270)
Increase/(decrease) in cash in year	20		108,043		1,555

The notes on pages 10 to 21 form part of these financial statements.

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2001

1. Accounting policies

The financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets), and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are as follows:

Incoming resources

Income is recognised in the period in which the Charity is entitled to receipt and the amount can be measured with reasonable certainty.

School fees are accounted for in the period in which the service is provided and are stated after deducting concessions, scholarships and bursaries granted by the College from its unrestricted funds, but include contributions receivable from Restricted Funds for Scholarships.

Donations receivable for the general purposes of the Charity are included in unrestricted funds. Donations for activities restricted by the wishes of the donor are taken to "restricted funds" where these wishes are legally binding on the Governors.

Resources expended

Resources expended are accounted for on an accruals basis and include attributable VAT which cannot be recovered. All costs have been directly attributed to one of the functional categories of resources expended in the statement of financial activities. These include the direct costs of the activities of the charity and depreciation on fixed assets.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Scholarships from restricted funds are included as expenditure in the period for which the award is given. Bursaries and fee concessions from the unrestricted funds toward school fees at the school are treated as a reduction in those fees.

Tangible fixed assets and depreciation

The freehold of the school was purchased from the Jewish Education Development Trust in 1998 for £250,000 and was re-valued on an open market basis by James Andrew Professional Services Limited, a firm of independent Chartered Surveyors on 30 March 1999 at £2,800,000. The value of the land has been estimated at approximately 27.5% of this value. This value has been adopted as the historical cost under the transitional provisions of the Financial Reporting Standard 15. Building improvement and extensions subsequent to the revaluation are capitalised at cost. Other categories of assets are capitalised and carried at cost less accumulated depreciation.

Depreciation is provided to write off the cost, less estimated residual value, of all fixed assets except freehold land, over their expected useful lives. It is calculated at the following rates:

Freehold buildings	- 2% straight line
Furniture, fittings and equipment	- 15% reducing balance
Computer equipment	- 15% reducing balance/33% straight line
Books	- 33% straight line
Motor vehicles	- 33% straight line
Inalienable assets	- 5% straight line

Freehold buildings are now depreciated at 2% straight line from ½% in the previous year because this

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 JULY 2001

1. Accounting policies - continued

Tangible fixed assets and depreciation

better reflects wear and tear. The effect of this change increased the depreciation charge for the year by £33,257.

Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Pensions

The college contributes to the Teachers' Superannuation Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The college also contributes to a defined contribution scheme, the Jewish Memorial Council. Pension contributions are charged to the statement of financial activities in the year in which they become payable.

2. School fees

(a) The school fee income comprised:

	2001 £	2000 £
Gross fees	2,702,615	2,387,471
Add back: Scholarships paid for by Restricted Funds	500	15,200
	2,703,115	2,402,671

(b) Scholarships, bursaries and fee concessions

i) Paid for by Unrestricted Funds comprised:

	2001 £	2000 £
Bursaries, scholarships and fee concessions	296,106	316,000

ii) Paid for by Restricted Funds comprised:

	2001 £	2000 £
Scholarships paid for by Restricted Funds	500	15,200

The above scholarships were made to 1 individuals (2000: 5).

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2001**

3. Other income

	2001	2000
	£	£
Charitable activities		
Registration fee	13,029	7,160
Lunches and transport charges	343,994	334,767
Vending machine income	1,801	5,314
Fees protection insurance	29,731	25,129
Torat Chaim – extra tuition	-	5,100
Fees in lieu of notice	-	2,183
Sixth form conferences, school play tickets and other income	27	6,642
Profit on sale of fixed assets	1,813	-
Interest on late payment of fees	1,159	-
	391,554	386,295

4. Interest Payable

	2001	2000
	£	£
Bank interest	51,827	57,431
Finance lease interest	362	1,448
	52,189	58,879

5. Analysis of resources expended

	Staff costs	Other costs	Depreciation	Total 2001	Total 2000
	£	£	£	£	£
Charitable expenditure					
Scholarships, bursaries and fee concessions	-	296,606	-	296,606	331,200
Teaching	1,468,461	111,187	-	1,579,648	1,429,179
Premises	-	165,069	-	165,069	-
Running costs and maintenance of school	306,981	284,606	120,104	711,691	580,210
Lunches, transport and other chargeable items	-	306,870	-	306,870	257,268
Management and administration	-	33,914	-	33,914	37,605
	1,775,442	1,198,252	120,104	3,093,798	2,635,462

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2001**

5. Analysis of resources expended (continued)

Management and administration costs comprise:	2001 £	2000 £
Motor and travel	3,334	1,525
Legal and professional	20,909	15,804
Telephone	23,246	10,648
Bank charges	5,438	4,431
Sundry	3,854	3,207
Provision for bad debts	20,000	(10,000)
Bad debts written off	(52,308)	2,823
Audit fees	9,441	9,167
	33,914	37,605

6. Net income/(expenditure)

	2001 £	2000
Net income/(expenditure) is stated after charging		
Depreciation	120,104	72,624
Auditors' remuneration - audit services	9,441	9,167

7. Staff costs

	2001 £	2000 £
Staff costs consist of:		
Wages and salaries	1,579,299	1,432,550
Social security costs	126,955	114,613
Pension costs	70,986	64,951
	1,777,240	1,612,114

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2001**

7. Staff costs (continued)

The average monthly number of employees employed by the charity (excluding Governors) during the year was as follows:

	2001 Number	2000 Number
Teaching Full time	55	50
Support staff	13	14
Administration	<u>6</u>	<u>7</u>
	<u>74</u>	<u>71</u>

Number of employees whose emoluments as defined for taxation purposes amounted to over £50,000 in the year as follows:-

£50,000 - £60,000	1	1
	<u>—</u>	<u>—</u>

The number of higher paid employees to whom retirement benefits are accruing under money defined benefits schemes amounted to 1 (2000: 1).

8. Governors

None of the directors, who are the Board of Governors, received any remuneration, other benefits or reimbursement of expenses during the year or last year.

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2001**

9. Tangible Assets

	Freehold Property	Furniture, fittings, Equipment and books	Motor Vehicles	Total
Cost or valuation	£	£	£	£
At 1 August 2000	2,987,102	698,817	4,694	3,690,613
Additions	-	98,254	-	98,254
Disposals	-	(2,869)	-	(2,869)
Revaluation	-	-	-	-
At 31 July 2001	<u>2,987,102</u>	<u>794,202</u>	<u>4,694</u>	<u>3,785,998</u>
Depreciation				
At 1 August 2000	29,870	405,467	4,693	440,030
Charge for year	44,342	75,762	-	120,104
Eliminated on Disposals	-	(152)	-	(152)
Revaluation	-	-	-	-
At 31 July 2001	<u>74,212</u>	<u>481,077</u>	<u>4,693</u>	<u>559,982</u>
Net book value				
At 31 July 2001	<u>2,912,890</u>	<u>313,125</u>	<u>1</u>	<u>3,226,016</u>
At 31 July 2000	<u>2,957,232</u>	<u>293,350</u>	<u>1</u>	<u>3,250,583</u>
Analysis of Cost and Valuation				
Valuation	<u>2,800,000</u>	<u>nil</u>	<u>nil</u>	<u>2,800,000</u>
Cost	<u>187,102</u>	<u>794,202</u>	<u>4,694</u>	<u>985,998</u>

The closing net book value represents fixed assets used wholly for charitable purposes.

The freehold buildings were valued on an open market basis by James Andrew Professional Services Limited, a firm of independent Chartered Surveyors on 30 March 1999. The trustees are not aware of any material changes since the last valuation.

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2001**

9. Tangible Assets – continued

Comparable historical cost for the land and buildings included at valuation:

	£
Cost	
At 1 August 2000	1,186,533
Additions	-
At 31 July 2001	1,186,533
Depreciation based on cost	
At 1 August 2000	11,864
Charge for the year	<u>5,932</u>
At 31 July 2001	<u>17,796</u>
Net book values	
At 31 July 2001	<u>1,168,737</u>
At 31 July 2000	<u>1,174,669</u>

Included above are assets held under finance leases or hire purchase contract as follows:

	Furniture, fittings, Equipment and books £
Net book values	
At 31 July 2001	<u>Nil</u>
At 31 July 2000	<u>12,856</u>
Depreciation charge for the period	
31 July 2001	<u>Nil</u>
31 July 2000	<u>2,269</u>

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2001**

10. Debtors

	2001	2000
	£	£
Trade debtors	180,560	116,334
Other debtors	17,999	11,433
Prepayments	4,293	6,307
	202,852	134,074

All amounts shown under debtors fall due for payment within one year.

11. Creditors: Amounts falling due within one year

	2001	2000
	£	£
Bank overdraft	173,933	224,467
Trade Creditors	86,033	60,785
Amounts due under finance lease	-	6,116
Other creditors	98,279	5,964
Accruals and deferred income	15,234	19,439
	373,479	316,771

The bank overdraft is the amount currently drawn down on a standing facility of £200,000 (2000: £300,000) secured by way of fixed and floating charges over the charity's assets to provide additional working capital as the need arises.

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

	2001	2000
	£	£
Bank loan	539,030	600,000
Other creditors	174,952	129,552
	713,982	729,552

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2001**

**12. Creditors: Amounts falling due after
more than one year (continued)**

	2001 £	2000 £
Analysis of loans		
Wholly repayable within five years	567,380	600,000
Loan maturity analysis		
Between one and two years	28,350	37,302
Between two and five years	195,702	116,119
In five years or more	343,328	446,579
	567,380	600,000

Legal Mortgage

On 3 July 1998 a charge was registered by HSBC plc over the Freehold Property with the benefit of all rights, licences, guarantees, rent deposits, contracts, deeds, undertaking and warranties relating to the property, of any goodwill of any business from time to time carried on at the property, any rental and other money payable under any lease, licence or other interest created in respect of the property and all other payments whatsoever in respect of the property.

	2001 £	2000 £
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	-	6,478
Finance charges and interest allocated to future accounting periods	-	(362)
	-	6,116
Included in liabilities falling due within one year	-	(6,116)
	-	-

The aggregate amount of creditors for which security has been given amounted to £567,380 (2000: £600,000).

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2001**

13. Analysis of Net Assets Between Funds

	Fixed assets	Net current assets/ (liabilities)	Long term Liabilities	Fund balances At 31 July 2001
	£	£	£	£
Restricted funds	-	7,815	-	7,815
Designated funds	3,226,016	-	(567,380)	2,658,636
General funds	-	(83,960)	(174,952)	(258,912)
	<u>3,226,016</u>	<u>(76,145)</u>	<u>(742,332)</u>	<u>2,407,539</u>

14A. Restricted Funds

	Balance at 1 August 2000	Transfers between funds	Incoming Resources	Expenditure	Balance at 31 July 2001
	£	£	£	£	£
School trips	7,615	-	1,905	(1,905)	7,615
Sports facility upgrade	34,750	33,954	96,365	(165,069)	-
Scholarships	-	-	500	(500)	-
Music department	-	-	200	-	200
	<u>42,365</u>	<u>33,954</u>	<u>98,970</u>	<u>(167,474)</u>	<u>7,815</u>

The Sports facility upgrade fund represents donations given for the upgrade of the college's sports facilities. During the year under review, these funds were applied accordingly thereby lifting the restriction. The deficit of expenditure over income was covered by unrestricted funds.

14B. Unrestricted Funds

	Balance at 1 August 2000	Incoming Resources	Expenditure	Transfers and Investment gains/(losses)	Balance at 31 July 2001
	£	£	£	£	£
General reserve	(317,641)	3,107,517	(2,886,677)	(162,111)	(258,912)
Designated funds	2,650,583	-	(120,104)	128,157	2,658,636
	<u>2,332,942</u>	<u>3,107,517</u>	<u>(3,006,781)</u>	<u>(33,954)</u>	<u>2,399,724</u>

The general reserve fund represents those funds which are unrestricted and not designated for other purposes.

The designated fund represents the net book value of tangible fixed assets less the bank loan secured on those assets.

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 JULY 2001

15. Pensions

Teachers are required to join the Teachers' Pension Scheme. Under the Teachers' Pension Scheme, teachers' contributions, on a pay-as-you go basis and employer's contributions are credited to the Exchequer. An annual account, the Teachers' Pension Account, is kept of receipts and expenditure. Any excess of income over expenditure is deemed to be invested in Government securities. Notional interest on the deemed investment is added to the Account, and the resultant balance is known as the Notional Fund. Expenditure debited to the Accounts excludes the cost of pension increases paid under the Pension (Increases) Act.

Every 5 years the Government actuary conducts an actuarial review of the Scheme, using normal actuarial principles. The cost of pension increases is excluded from the valuation and consequently neither teachers nor employers contribute to this added value, which is met directly by the Exchequer. During the year, the College contributed 7.4% up to 1 April 2001 and 8.35% thereafter of pensionable salaries to the scheme.

16. Related Party Transactions

The following trustees had children at the School during the year to 31 July 2001 and accordingly paid fees to the School:

	Fee ledger balance owed by/ (owed to) at the year end	Fees paid during year
R C Taylor	Nil	£19,586
M Teacher	Nil	£6,995
J Lewis	Nil	£13,291
Mrs E Kornbluth	Nil	£6,995
Mrs R Cohen	£7,333	£6,995

The above transactions have been undertaken on an arm's length basis.

17. Financial Commitments

At 31 July 2001, the Charity had annual commitments under non-cancellable operating leases as follows:

	2001 £	2000 £
Other operating leases		
Expiry date:		
Between two to five years	25,172	25,172

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE

**NOTES FORMING PART TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2001**

**18. Reconciliation of operating (deficit)/surplus to
Net cash (outflow)/inflow from operating activities**

	2001	2000
	£	£
Operating (deficit)/surplus	79,635	202,138
Depreciation of tangible assets	120,104	72,624
Profit on sale of fixed assets	(1,813)	-
(Increase)/decrease in debtors	(68,778)	(81,564)
Increase/(decrease) in creditors	<u>158,758</u>	<u>(44,222)</u>
	<u>287,906</u>	<u>148,976</u>

20. Analysis of changes in net (debt)/funds

	Balance at 1 August 2000	Cashflow	Other non cash changes	Balance at 31 July 2001
	£	£	£	£
Net cash:				
Cash at bank and in hand	36,973	29,159	-	66,132
Bank overdrafts	(224,467)	78,884	-	(145,583)
	<u>(187,494)</u>	<u>108,043</u>	<u>-</u>	<u>(79,451)</u>
Debt:				
Finance leases	(6,116)	6,116	-	-
Debts falling due within 1 year	-	-	-	-
Debts falling due after 1 year	(600,000)	32,620	-	(567,380)
	<u>(793,610)</u>	<u>146,779</u>	<u>-</u>	<u>(646,831)</u>

21. Reconciliation of net cashflow to movement in net (debt)/funds

	2001	2000
	£	£
Increase/(decrease) in cash in period	108,043	1,555
Cash inflow from decrease in debt	38,736	8,270
	<u>146,779</u>	<u>9,825</u>
Change in net debt	146,779	9,825
New finance lease	-	-
	<u>146,779</u>	<u>9,825</u>
Movement in net funds/(debt) in period	146,779	9,825
Opening net funds	(793,610)	(803,435)
	<u>(646,831)</u>	<u>(793,610)</u>
Closing net (debt) funds	<u>(646,831)</u>	<u>(793,610)</u>