

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2003

Charity no: 803179

Company no: 2492411 (England and Wales)



THE JOURNAL OF THE

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THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
(A Company Limited by Guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	Mrs E Kornbluth 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 M Lew
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 WD23 4EB
Auditors	HLB AV Audit plc 66 Wigmore Street London W1U 2HQ
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
Charity Number	803179

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
(A Company Limited by Guarantee)

REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2003

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 2003.

OBJECTS OF THE CHARITY

The object 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. The Charles Kalms Henry Ronson Immanuel College is an Independent Jewish Secondary School for boys and girls aged 11 to 18.

REVIEW OF ACTIVITIES

The Statement of Financial Activities is set out on pages 6 to 7 and shows the results for the year.

The college incurred charitable expenditure of £4,756,532 and the costs of generating funds was £34,490. After taking into account these expenses, the net incoming resources for the year were £285,595. This surplus has been achieved through an increase in fees to meet the strongly rising operating costs of the school. At 31 July 2003, as shown on the balance sheet on page 8, the college has net assets of £2,781,329 which were mainly held as fixed assets, as shown in note 8.

The school saw a 20% increase in student numbers from 389 in the 2001/2002 academic year to 466 day pupils in 2002/2003. Waiting lists are full and this gives us the confidence that the numbers of students will continue in the foreseeable future. This is a result of our continued resolve to keep up the academic standards in both Jewish and secular subjects, in an atmosphere of tolerance and integrity. The school was delighted with the excellent results achieved by its pupils in the academic year 2002/2003, which were the best results ever. There was a rise in the percentage of A grades gained in the year – 45% compared with 42% in 2001/2002. 80% of passes were at grades A and B, compared with 74% in 2001/2002, and 92% at grades A to C, compared with 89% in 2001/2002. For the third year in succession Immanuel College maintained its 100% pass rate at A2. Twelve out of fifty five candidates gained 3 or more A grades. The school achieved a 89% GCSE pass rate for the academic year 2002/2003. The school has undertaken to make improvements to its land and buildings in phases, to accommodate more classrooms and better facilities for the increasing numbers of students.

RESERVES

Note 13 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, £(641,056) [2002: £(415,244)], at the balance sheet date as seen in note 14 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 budgeted resources expended, £1 million to £2 million. The board intend to reach this reserve policy by increasing pupil numbers. This reserve will provide sufficient resources in the event of unforeseen circumstances. 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
(A Company Limited by Guarantee)

REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2003

GOVERNORS AND ORGANISATION

The Governors of the Charity during the year were:

R C Taylor (Chairman)
C J Morris
Sir H Solomon
Mrs E Kornbluth
M Dagul
D Felsenstein

J M Lewis
M J Teacher
Mrs R Cohen
Prof. S Reif
R Bloom
M Lew

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.

The Board of Governors shall comprise the Chief Rabbi (ex officio), the Chairman, the Deputy Chairman, the Honorary Treasurer and up to thirteen other ordinary Governors. At any one time there should be a minimum of 5 but no more than 17 Governors on the board. With the exception of the position on the board for the Chief Rabbi, the Board shall appoint the Chairman, the Honorary Treasurer, the Deputy Chairman and the other ordinary Governors and in their absolute discretion, remove any such Governors. Every Governor (other than those holding office ex officio) shall hold office for a period of three years unless removed or disqualified or otherwise cease to hold office and shall be eligible for reappointment 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 £8,230 (2001/2002: £8,500). Furthermore, awards totalling almost £366,668 (2001/2002: £321,485) 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 Governors 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
(A Company Limited by Guarantee)

REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2003

AUDITORS

In accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; 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 20 May 2004



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.

This report is made solely to the company's members, as a body, in accordance with section 385 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have found.

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.

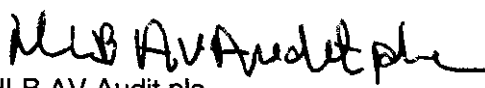
BASIS OF OPINION

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 2003 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.


HLB AV Audit plc
Registered Auditor
Date: 25 May 2004

66 Wigmore Street
London
W1U 2HQ

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2003

	Note	Unrestricted funds £	Restricted funds £	Total 2003 £	Total 2002 £
INCOMING RESOURCES					
Charitable activities					
School fees	2	4,485,122	-	4,485,122	3,614,819
Other income	3	568,138	-	568,138	484,560
Other activities to generate funds					
Letting income		-	-	-	2,900
Donations and similar resources					
Donations		6,280	14,620	20,900	54,567
Investment income					
Bank interest received		2,457	-	2,457	4,075
Total incoming resources		5,061,997	14,620	5,076,617	4,160,921
RESOURCES EXPENDED					
Costs of generating funds					
Advertising		34,490	-	34,490	24,858
		34,490	-	34,490	24,858
Charitable expenditure					
Scholarships and bursaries	2,4	366,668	8,230	374,898	329,985
Teaching	4	2,435,001	760	2,435,761	1,970,587
Premises and support costs	4	1,279,692	-	1,279,692	1,163,486
Lunches, transport and other chargeable items	4	499,962	5,630	505,592	391,885
Management and administration	4	160,589	-	160,589	191,925
Total charitable expenditure		4,741,912	14,620	4,756,532	4,047,868
Total resources expended		4,776,402	14,620	4,791,022	4,072,726
Net movements in funds		285,595	-	285,595	88,195

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
CONTINUED
FOR THE YEAR ENDED 31 JULY 2003

	Note	Unrestricted funds £	Restricted funds £	Total 2003 £	Total 2002 £
Net movement in funds		285,595	-	285,595	88,195
Total funds at 1 August 2002	13,14	2,494,138	1,596	2,495,734	2,407,539
Total funds at 31 July 2003	13,14	2,779,733	1,596	2,781,329	2,495,734

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
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BALANCE SHEET AT 31 JULY 2003

	Note	£	2003 £	£	2002 £
Fixed assets					
Tangible assets	8		3,927,915		3,448,218
Current assets					
Debtors	9	76,607		127,158	
Cash at bank and in hand		2,193		4,913	
		78,800		132,071	
Creditors: Amounts falling due within one year	10	(506,895)		(365,911)	
Net current liabilities			(428,095)		(233,840)
Total assets less current liabilities			3,499,820		3,214,378
Creditors: Amounts falling due after more than one year	11		(718,491)		(718,644)
Net assets			2,781,329		2,495,734
Funds					
Designated funds					
Revaluation reserve			1,839,354		1,839,354
Fixed asset funds			1,581,435		1,070,028
General reserve			(641,056)		(415,244)
Unrestricted funds	14		2,779,733		2,494,138
Restricted funds	13		1,596		1,596
			2,781,329		2,495,734

The financial statements were approved by the Board on 20 May 2004 and signed on behalf of the board

M Teacher

Michael Beecher

) Governors

R Taylor

R Taylor

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

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2003

		2003		2002	
	Note	£	£	£	£
Net cash inflow from operating activities	20		555,472		428,150
Returns on Investments and Servicing of finance					
Interest received		3,917		4,710	
Interest paid		(45,403)		(48,706)	
Net cash outflow from returns on investments and servicing of finance			(41,486)		(43,996)
Capital Expenditure					
Proceeds on sale of fixed assets		14,823		3,724	
Payments to acquire tangible assets		(668,762)		(390,969)	
Net cash outflow for capital expenditure			(653,939)		(387,245)
Net cash (out)/in flow before management of liquid resources and financing			(139,953)		(3,091)
Financing					
Capital element of bank loan		(31,710)		(28,544)	
Net cash out flow from financing	22		(31,710)		(28,544)
(Decrease)/increase in cash in year	21		(171,663)		(31,635)

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

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
(A Company Limited by Guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2003

1. Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets), 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.

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.

Designated funds – these are funds set aside by the governors out of unrestricted general funds for specific purposes or projects (note 12 and 14).

Restricted funds – these are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised for a particular purpose (note 13).

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 before deducting concessions, scholarships and bursaries granted by the College from its unrestricted funds and 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.

Premises and support costs comprise all services supplied centrally, identifiable as wholly or mainly in support of the charitable objectives, and include an appropriate proportion of general overheads.

Management and administrative cost relate to the management of the Charity's assets, organisational administration and compliance with constitutional and statutory requirements.

Scholarships from restricted funds are included as expenditure in the period for which the award is given.

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
(A Company Limited by Guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2003

1. Accounting policies - continued

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	- 33% straight line
Books	- 33 % straight line
Motor vehicles	- 33 % straight line

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

Teaching staff employed by the college are eligible for membership of the Teachers Pension Scheme, which is a national, statutory contributory, unfunded defined benefit scheme administered by the Teachers Pension Agency, an executive agency of the Department for Education and Employment. Pension costs are assessed in accordance with the advice of the Government Actuary.

The college also contributes to defined contribution schemes, the Jewish Memorial Council scheme and a scheme with Norwich Union in respect of teachers. Additionally, the college contributes to a defined contribution scheme with Norwich Union for non-teaching staff.

The pension costs charged in the statement of financial activities represent the contributions payable by the college during the year in accordance with FRS 17. The contributions to the Teachers Pension Scheme have been accounted for as if it were a defined contribution scheme as it meets the criteria of FRS 17 in respect of multi- employer schemes to do so.

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
(A Company Limited by Guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2003

2. School fees

	2003	2002
	£	£
School fees contributed by parents	4,110,224	3,284,834
Bursaries, scholarship and fee concessions:		
- awarded from unrestricted funds	366,668	321,485
- awarded from restricted donations	8,230	8,500
Gross fees	4,485,122	3,614,819

3. Other income

	2003	2002
	£	£
Charitable activities		
Registration fee	13,370	14,550
Lunches and transport income	530,555	442,091
Vending machine income	1,121	-
Fees protection insurance	15,734	25,658
Sixth form conferences, school play tickets and other income	5,898	1,626
Interest on late payment of fees	1,460	635
	568,138	484,560

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
(A Company Limited by Guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2003

4. Analysis of resources expended

	Staff costs	Other costs	Depreciation	Total 2003	Total 2002
	£	£	£	£	£
Costs of generating funds					
Advertising	-	34,490	-	34,490	24,858
Charitable expenditure					
Scholarships, bursaries and fee concessions	-	374,898	-	374,898	329,985
Teaching	2,247,690	188,071	-	2,435,761	1,970,587
Premises and support costs	495,651	609,800	174,241	1,279,692	1,163,486
Lunches, transport and other chargeable items	-	505,592	-	505,592	391,885
Management and administration	7,180	153,409	-	160,589	191,925
	<u>2,750,521</u>	<u>1,866,260</u>	<u>174,241</u>	<u>4,791,022</u>	<u>4,072,726</u>

	2003 £	2002 £
Management and administration costs comprise:		
Telephone	1,640	1,626
Bank charges	7,378	4,714
Sundry	6,652	3,180
Provision for bad debts	49,967	25,000
Bad debts written off	29,768	89,212
Audit fees	12,500	12,510
Charitable donations	100	480
Interest payable	45,404	48,706
Administration Salaries	7,180	6,497
	<u>160,589</u>	<u>191,925</u>

Interest payable relates to bank interest on loans repayable in more than 5 years.

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2003

5. Net movement in funds

	2003	2002
	£	£
Net movement in funds is stated after charging		
Depreciation	174,241	165,043
Auditors' remuneration	12,500	12,510

6. Staff costs

	2003	2002
	£	£
Staff costs consist of:		
Wages and salaries	2,398,698	1,992,919
Social security costs	190,695	147,957
Pension costs	161,128	101,749
	2,750,521	2,242,625

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

	2003	2002
	Number	Number
Teaching full time	70	66
Support staff	15	12
Administration	12	12
	97	90

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

£60,000 - £70,000	1	1
£70,000 - £80,000	1	1

The number of higher paid employees to whom retirement benefits are accruing under money defined benefits schemes amounted to 2 (2002: 2).

7. Governors' remuneration and reimbursed expenses

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.

During the year under review, the Charity took out professional indemnity and Governors' liability insurance cover as permitted by its governing document. The annual premium paid in respect of this is £550.

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
(A Company Limited by Guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2003

8. Tangible Assets

	Freehold Property	Furniture, fittings, Equipment and books	Motor Vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 August 2002	3,202,905	965,644	4,694	4,173,243
Additions	524,070	144,692	-	668,762
Disposals	-	(14,823)	(4,694)	(19,517)
At 31 July 2003	3,726,975	1,095,513	-	4,822,488
Depreciation				
At 1 August 2002	122,870	597,462	4,693	725,025
Charge for year	45,996	128,245	-	174,241
Eliminated on Disposal	-	-	(4,693)	(4,693)
At 31 July 2003	168,866	725,707	-	894,573
Net book value				
At 31 July 2003	3,558,109	369,806	-	3,927,915
At 31 July 2002	3,080,035	368,182	1	3,448,218
Analysis of Cost and Valuation				
Valuation	2,800,000	-	-	2,800,000
Cost	926,975	1,095,513	-	2,022,488

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2003

8. Tangible Assets – continued

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.

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

	£
Cost	
At 1 August 2002	1,402,336
Additions	524,070
At 31 July 2003	1,926,406
Depreciation based on cost	
At 1 August 2002	45,843
Charge for the year	38,528
At 31 July 2003	84,371
Net book values	
At 31 July 2003	1,842,035
At 31 July 2002	1,356,493

9. Debtors

	2003 £	2002 £
Trade debtors	66,060	92,561
Other debtors	6,395	19,272
Prepayments	4,152	15,325
	76,607	127,158

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

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2003

10. Creditors: Amounts falling due within one year

	2003	2002
	£	£
Bank loans and overdraft	328,998	160,747
Trade creditors	130,453	150,390
Other creditors	7,750	6,086
Accruals and deferred income	39,694	48,688
	506,895	365,911

The bank overdraft is the amount currently drawn down on a standing facility of £400,000 (2002: £400,000) secured by way of fixed and floating charges over the charity's assets to provide additional working capital as the need arises.

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

	2003	2002
	£	£
Bank loan	463,070	494,088
Other creditors	255,421	224,556
	718,491	718,644

	2003	2002
	£	£
Total loans	507,126	538,836
Included in current liabilities	(44,056)	(44,748)
	463,070	494,088

Loan maturity analysis

Between one and two years	44,056	44,748
Between two and five years	142,703	195,753
In five years or more	320,367	298,335
	507,126	538,836

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.

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
(A Company Limited by Guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2003

11. Creditors: Amounts falling due after more than one year - continued

The mortgage is repayable by June 2011 and interest is charged at 1.5% (2002: 2%) over the bank's base rate.

The aggregate amount of creditors for which security has been given amounted to £507,126 (2002: £538,836).

12. Analysis of Net Assets Between Funds

	Fixed assets	Net current liabilities	Long term liabilities	Fund balances At 31 July 2003
	£	£	£	£
Restricted funds	-	1,596	-	1,596
Designated funds	3,927,915	(44,056)	(463,070)	3,420,789
General funds	-	(385,635)	(255,421)	(641,056)
	<u>3,927,915</u>	<u>(428,095)</u>	<u>(718,491)</u>	<u>2,781,329</u>

13. Restricted Funds

	1 August 2002	Incoming Resources	Expenditure	31 July 2003
	£	£	£	£
School trips	-	5,630	(5,630)	-
Scholarships and bursary	-	8,230	(8,230)	-
Playground equipment	1,596	-	-	1,596
Music department Brochures	-	165	(165)	-
English Department	-	200	(200)	-
Sports Department	-	395	(395)	-
	<u>1,596</u>	<u>14,620</u>	<u>(14,620)</u>	<u>1,596</u>

The school trips fund represents monies donated solely for school trip expenses, this was fully utilised in the year.

Scholarship and bursary fund represent specific donations to assist certain pupils with their school fees, these were fully utilised in the year.

Playground equipment fund was established on 1 November 2001 for the purchase of playground equipment and the restrictions were lifted at the point of purchase.

Music, English and Sport department funds to acquire equipment was fully utilised during the year at which point the restrictions were lifted.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2003

14. Unrestricted Funds

	Balance at 1 August 2002 £	Incoming Resources £	Expenditure £	Transfers and Investment gains/ (losses) £	Balance at 31 July 2003 £
General reserve	(415,244)	5,061,997	(4,602,161)	(685,648)	(641,056)
Designated funds	2,909,382	-	(174,241)	685,648	3,420,789
General reserve	2,494,138	5,061,997	(4,776,402)	-	2,779,733

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.

15. Pensions

Teachers are eligible to join the Teachers' Pension Scheme, which is a defined benefits 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 13.5% (2002: 8.35%) of pensionable salaries to the scheme. The College's contributions are set in relation to the current service period only and the College is unable to identify its share of the underlying assets and liabilities of the scheme. The pension cost charge represents contributions payable by the College to the scheme and amounted to £153,337 (2002: £94,716) in respect of this scheme. There is no available information about the existence of any surplus or deficit in the scheme to be able to ascertain the implications of any surplus or deficit for the college.

Contributions are also made in respect of teaching staff to defined contribution schemes, the assets of which are independently administered. The contributions made to the Jewish Memorial totalled £3,432 (2002: £2,511) and that to Norwich Union amounted to £642 (2002: £1,045).

Non-teaching staff are eligible to participate in a defined contribution scheme managed by Norwich Union. The assets of the scheme are held separately from the College in an independently administered fund. The pension cost charge in respect of this scheme amounted to £3,706 (2002: £3,637) during the year.

There were no amounts unpaid or prepaid to any of the schemes at the year end.

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NOTES FORMING PART TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 JULY 2003

16. Related Party Transactions

The following Governors had children at the School during the year to 31 July 2003 and accordingly were charged fees as follows:

	Fee ledger balance owed by/(owed to) at the year end	Fees paid during year
R C Taylor	-	£ 8,350
M Teacher	-	£ 8,350
J Lewis	-	£16,700
R Bloom	-	£ 8,350

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

17. Financial Commitments

At 31 July 2003, the Charity had annual commitments under non-cancellable operating leases as follows:

	2003 £	2002 £
Other operating leases		
Expiry date:		
Between two to five years	1,508	25,172

18. Capital Commitments

At 31 July 2003, the Charity had capital commitments as follows:

	2003 £	2002 £
Contracted for but not provided in the accounts	-	450,000

19. Share capital

The Company is limited by guarantee and has no share capital. The liability of its members is limited to £1 per member.

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(A Company Limited by Guarantee)

NOTES FORMING PART TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 JULY 2003

20. Reconciliation of net movement in funds to
Net cash inflow from operating activities

	2003	2002
	£	£
Net movement in funds	285,593	88,195
Interest receivable	(3,917)	(4,710)
Interest payable	45,403	48,706
Depreciation of tangible assets	174,241	165,043
Profit on sale of fixed assets	-	-
(Increase)/decrease in debtors	50,551	75,694
Increase in creditors	3,601	55,222
	555,472	428,150

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

	Balance at	Other non	Cashflow	Balance at
	1 August	cash	changes	31 July
	2002			2003
	£	£	£	£
Net cash:				
Cash at bank and in hand	4,913	(2,720)	-	2,193
Bank overdrafts	(115,999)	(168,943)	-	(284,942)
	(111,086)	(171,663)	-	(282,749)
Debt:				
Debts falling due within 1 year	(44,748)	692	-	(44,056)
Debts falling due after 1 year	(494,088)	31,018	-	(463,070)
	(649,922)	(139,953)	-	(789,875)

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

	2003	2002
	£	£
(Decrease)/Increase in cash in year	(171,663)	(31,635)
Cash inflow from decrease in debt	31,710	28,544
Movement in net (debt)/funds in year	(139,953)	(3,091)
Opening net debt	(649,922)	(646,831)
Closing net debt	(789,875)	(649,922)

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
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FOR THE YEAR ENDED 31 JULY 2003

The following pages do not form part of the statutory financial statements.

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
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DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2003

	2003		2002	
	£	£	£	£
Turnover				
Gross tuition fees		4,485,122		3,614,819
Less: Bursaries and fee concessions		(374,898)		(329,985)
		4,110,224		3,284,834
Registration fees	13,370		14,550	
Other	22,752		30,183	
Lunches, transport and other chargeable items	530,555		442,091	
		566,677		486,824
		4,676,901		3,771,658
Staff cost				
Teaching staff	2,247,690		1,818,785	
Support staff	502,831		423,840	
		(2,750,521)		(2,242,625)
Lunches, transport and other chargeable items		(505,592)		(391,884)
Depreciation		(174,241)		(165,043)
Other operating charges (on the next page)		(940,368)		(894,482)
		306,179		77,624
Donations (including scholarships)	20,900		54,567	
Bank interest receivable	2,457		4,075	
Other interest receivable	1,460		635	
		24,817		59,277
Balance carried forward – continued		330,996		136,901

THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
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SCHEDULE TO DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2003

	2003	2002
	£	£
Balance brought forward from previous page	330,996	136,901
Interest payable	(45,403)	(48,706)
Surplus for the year	285,593	88,195

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THE CHARLES KALMS HENRY RONSON IMMANUEL COLLEGE
(A Company Limited by Guarantee)

SCHEDULE TO DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2003

	2003		2002	
	£	£	£	£
Teaching				
Consumables	59,286		36,974	
Exam charges	(3,996)		859	
Teaching aids	5,164		4,320	
Courses	24,807		15,119	
Subscriptions	16,262		13,361	
Printing, postage and stationery	67,764		56,913	
Hire of equipment	18,785		24,858	
		188,072		152,404
Estate				
Cleaning	104,556		86,797	
Repairs	172,447		232,520	
Light and heat	35,672		30,759	
Rates	10,287		11,998	
Consumables	4,842		2,774	
Insurance	32,756		33,790	
Security	87,742		69,022	
Rent	27,685		-	
		475,987		467,660
Administration				
Motor and travel	16,435		4,783	
Advertising	34,490		24,256	
Legal and professional	32,549		35,151	
Computer costs	14,496		17,823	
Telephone	32,794		32,518	
Bank charges	7,378		4,714	
Sundry	38,478		16,608	
Provision for bad debts	49,967		25,000	
Bad debts written off	29,768		89,212	
Accountancy	7,354		11,363	
Audit fees	12,500		12,510	
Charitable donations	100		480	
		276,309		274,418
As per detailed income and expenditure account		940,368		894,482