

1949068

**ST MARY'S SCHOOL SHAFTESBURY
TRUST**

**Trustees' report and
financial statements**

**for the year ended
31 August 1999**

BDO

BDO Stoy Hayward
Chartered Accountants



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ST MARY'S SCHOOL SHAFTESBURY TRUST

Annual report and financial statements for the year ended 31 August 1999

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Directors

Mr J H Smith
Mrs J Dallyn
Sister M Cecilia Goodman IBVM
Sister M Gillian Orchard IBVM
Mrs A Beale
Mrs L Eeles
Mr J Goulding
Vice Admiral M Gretton
Mr C S Hamilton
Mr C McCann
Lady Katharine Page
Mr R Wilson

Secretary and registered office

Mr N M Peters, St Mary's School, Shaftesbury, Dorset SP7 9LP

Company number

1949068

Registered charity number

292845

Auditors

BDO Stoy Hayward, 5th Floor, Old Orchard, 39-61 High Street, Poole, Dorset BH15 1AE

Bankers

Lloyds Bank Plc, 32 High Street, Shaftesbury, Dorset SP7 8JJ

Solicitors

Stone King, 13 Queen Square, Bath BA1 2HJ

**Report of the Trustees
for the year ended 31 August 1999**

FINANCIAL STATEMENTS

The governors, trustees and directors present their report and financial statements for the year ended 31 August 1999. These comply with current statutory requirements and the Memorandum and Articles of Association.

CONSTITUTION

St Mary's School Shaftesbury Trust is a company limited by guarantee, governed under the terms of its Memorandum and Articles of Association. During the year the constitution of the school was changed to eliminate one tier of governance by making the governors the directors and trustees. The activities of the governors are however overseen by a board of guardians whose duties are outlined in the articles of association.

PRINCIPAL ACTIVITY

The principal activity of the trust and its subsidiary undertaking is to run St Mary's, a school located at Shaftesbury.

The aim of St Mary's School has been defined as being:

To educate Roman Catholic girls and those of other Christian denominations in an environment which nurtures Christian values and prepares them for any walk of life.

The governors express this aim in the three equally important aspects of the education offered in the school:

- the spiritual and pastoral
- the academic and curricular
- the extra-curricular and recreational

GOVERNORS, TRUSTEES AND DIRECTORS

The following are the names of the governors, trustees and directors who have acted during the year.

Mr JH Smith
Mrs J Dallyn (appointed 11 January 1999)
Sister M Cecilia Goodman IBVM
Sister M Gillian Orchard IBVM (appointed 11 January 1999)
Sister M Campion Livesey IBVM (retired 11 January 1999)
Mrs A Beale (appointed 11 January 1999)
Mrs L Eccles (appointed 11 January 1999)
Mr J Goulding (appointed 11 January 1999)
Vice Admiral M Gretton (appointed 11 January 1999)
Mr CS Hamilton
Mr C McCann (appointed 11 January 1999)
Major General JH Page (retired 11 January 1999)
Lady Katharine Page (appointed 11 January 1999)
Mr R Wilson (appointed 11 January 1999)

Hereinafter the governors who are also trustees and directors will be referred to as the governors.

**Report of the Trustees
for the year ended 31 August 1999 (*continued*)**

GOVERNORS, TRUSTEES AND DIRECTORS (*continued*)

Mr Smith and Mr Hamilton serve on the school's Finance and Development Committee. Governors nominate new governors for ratification by the guardians at general meeting.

POLICY MATTERS

Subject to the Memorandum of Association the governors are responsible for the general direction and control of the school.

The headmistress and senior staff are responsible for the day to day operation of the school.

There have been no material policy changes during the year.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

During the period the school has continued to operate at full capacity in the successful pursuit of the aims listed above. In pursuing its charitable objectives, the school is in membership of:

The Independent Schools Information Service (ISIS)
The Girls Schools Association (GSA)
The Governing Bodies of Girls Schools Association (GBGSA)
The Boarding Schools Association (BSA) and other organisations.

The results of the school are set out in the statement of financial activities on page 5.

During the year the freehold properties were valued by external valuers at £2.5 million on the open market.

The charity does not depend on the services of volunteers and does not benefit from any donated facilities or services.

The staff have considered the implications of the possible effects of the millennium bug both on its administrative systems and on equipment for the use by pupils and, as far as is possible, have taken appropriate action to prevent any problems occurring.

**Report of the Trustees
for the year ended 31 August 1999 (continued)**

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

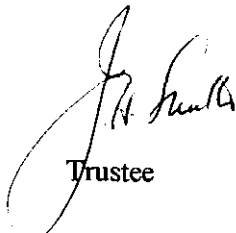
- (1) select suitable accounting policies and then apply them consistently;
- (2) make judgements and estimates that are reasonable and prudent; and
- (3) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

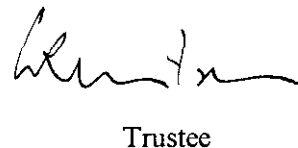
AUDITORS

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

This report was approved by the Trustees on 12 May 2000.



Trustee



Trustee

Auditors' Report

Auditors' report to the members of St Mary's School Shaftesbury Trust

We have audited the financial statements on pages 5 to 17 which have been prepared on the basis of the accounting policies set out on pages 8 and 9.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

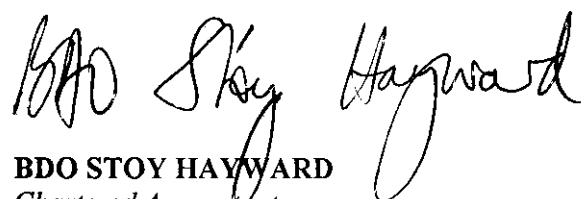
Basis of opinion

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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion the financial statements give a true and fair view of the company's affairs at 31 August 1999 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD
Chartered Accountants
Registered Auditors
Poole

13 June 2000

**Statement of Financial Activities
for the year ended 31 August 1999**

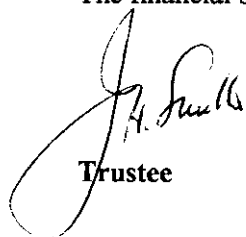
	Notes	Unrestricted funds £	Restricted funds £	Total £	1998 Total £
Incoming resources					
School fees	2	2,995,728	-	2,995,728	2,877,729
Investment income	3	44,650	-	44,650	47,898
Appeal proceeds		-	537	537	11,164
Other income		10,039	-	10,039	12,969
Donation from IBVM		-	-	-	50,000
Trading income		106,175	-	106,175	94,618
Total incoming resources		3,156,592	537	3,157,129	3,094,378
Resources expended					
Direct charitable expenditure:					
Education	5	(2,475,913)	(4,669)	(2,480,582)	(2,304,650)
Other expenditure:					
Management and administration	6	(296,373)	-	(296,373)	(267,406)
Trading expenditure		(90,291)	-	(90,291)	(78,029)
Corporation tax		(1,209)	-	(1,209)	-
Total resources expended		(2,863,786)	(4,669)	(2,868,455)	(2,650,085)
Net incoming/(outgoing) resources before other gains/(losses)		292,806	(4,132)	288,674	444,293
Unrealised gain on investments	11	20,948	-	20,948	3,447
Balances brought forward		3,451,866	200,769	3,652,635	3,204,895
Balances carried forward		3,765,620	196,637	3,962,257	3,652,635

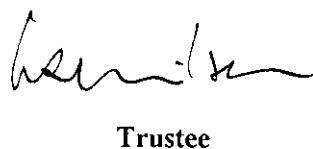
Net incoming/(outgoing) resources are wholly derived from continuing activities. There are no recognised gains or losses other than those shown above for the year.

Balance sheet at 31 August 1999

	Notes	1999	1998
		£	£
FIXED ASSETS			
Tangible assets	10	4,006,768	3,638,736
Investments	11	133,917	112,969
		<u>4,140,685</u>	<u>3,751,705</u>
CURRENT ASSETS			
Stocks		11,986	11,700
Debtors	12	217,378	221,192
Cash at bank and in hand		598,972	638,657
		<u>828,336</u>	<u>871,549</u>
CREDITORS:			
amounts falling due within one year	13	(597,286)	(466,247)
Net Current Assets		<u>231,050</u>	<u>405,302</u>
Total assets less current liabilities		<u>4,371,735</u>	<u>4,157,007</u>
CREDITORS:			
amounts falling due after more than one year	14	(409,478)	(504,372)
Net Assets	18	<u>3,962,257</u>	<u>3,652,635</u>
FUNDS			
Restricted funds	16	196,637	200,769
Unrestricted funds			
Designated funds	17	229,215	203,774
Other charitable funds		3,536,405	3,248,092
		<u>3,962,257</u>	<u>3,652,635</u>

The financial statements on pages 5 to 17 were approved by the trustees on 12 May 2000.


Trustee


Trustee

**Cash flow statement
for the year ended 31 August 1999**

	Notes	1999 £	1998 £
Net cash inflow from operating activities	19	584,806	445,343
Returns on investments and servicing of finance			
Interest received		38,312	42,343
Interest element of finance lease rental payments		(16,019)	(18,475)
		22,293	23,868
Taxation			
Corporate tax paid		(1,209)	-
		(1,209)	-
Investing activities			
Net receipts from appeal		3,933	11,368
Purchase of tangible fixed assets		(559,826)	(228,082)
Sale of tangible fixed assets		5,600	-
Purchase of investments		-	(15,000)
		(550,293)	(231,714)
Cash inflow before use of liquid resources and financing		55,597	237,497
Financing			
Repayment of amounts borrowed		(48,829)	(47,278)
Capital element of finance lease rental payments		(46,453)	(43,787)
Loan release		-	(50,000)
		(95,282)	(141,065)
(Decrease)/increase in cash	20	(39,685)	96,432
RECONCILIATION OF NET CASHFLOW TO MOVEMENT IN NET DEBT			
(Decrease)/increase in cash in period		(39,685)	96,432
Cash to repay loan instalments		48,829	47,278
Cash to repay finance lease rentals		46,453	43,787
Loan release		-	50,000
Change in net funds resulting from cashflows		55,597	237,497
New finance leases		-	(141,472)
Increase in loan		(2,088)	(9,307)
Movement in net funds in the year		53,509	86,718
Net funds/(debt) at 1 September 1998		39,234	(47,484)
Net funds at 31 August 1999	20	92,743	39,234

**Notes to the financial statements
for the year ended 31 August 1999**

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared under the historical cost convention, as modified by the revaluation of fixed asset investments listed on stock exchanges. They have been prepared in accordance with applicable accounting standards and comply with the requirements of the Statement of Recommended Practice, Accounting by Charities.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost less estimated residual value of each item evenly over its estimated useful life. Such estimated useful lives are as follows:

Freehold buildings and improvements	- 50 years
Furniture and equipment	- 5 years
Motor vehicles	- 3 - 4 years
Assets held under finance leases	- The shorter of the primary lease period or the estimated useful life

Property repairs and refurbishments along with individual items of furniture and equipment costing less than £2,000 are written off in the statement of financial activities when the expenditure is incurred.

Investments

Listed investments are stated at market value.

Other fixed asset investments are stated at cost less provision for permanent diminution in value.

Stocks

Stocks, which comprise fuel oil and kitchen stores, are stated at the lower of cost and net realisable value.

Income and expenses

Income and expenses are accounted for on an accruals basis. All income and expenditure whether restricted or unrestricted are dealt with through the statement of financial activities.

Finance leases

Assets acquired under finance leases are included as tangible fixed assets at the original cost of the asset and are depreciated in accordance with the policy as stated above.

The net obligations under finance leases are shown under creditors and the finance charges are charged to the statement of financial activities at the rate of interest implicit in the lease.

**Notes to the financial statements
for the year ended 31 August 1999 (continued)**

1. ACCOUNTING POLICIES (continued)

Funds

Restricted funds are subject to conditions imposed by the donor, or the trusts under which the donation was made. They are represented by specific net assets set aside for the purpose.

Unrestricted funds reflect the anticipated development requirements and maintenance needs of the school.

Pension costs

Pension costs represent the contributions payable during the accounting period.

Group financial statements

The financial statements contain information about St Mary's School Shaftesbury Trust as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption conferred by S.248 of the Companies Act 1985 not to produce consolidated financial statements as the group it heads qualifies as a medium group.

2. FEE INCOME

Fee income comprises the total of school fees receivable in respect of the academic year covered by these accounts, net of bursaries and scholarships:

	1999 £	1998 £
Gross school fees	3,145,606	2,995,279
Bursaries and scholarships	(149,878)	(117,550)
Fee income	<u>2,995,728</u>	<u>2,877,729</u>

3. INVESTMENT INCOME

Bank interest	38,312	42,343
Other interest	1,845	1,687
Dividend income	4,493	3,868
	<u>44,650</u>	<u>47,898</u>

4. SUBSIDIARY UNDERTAKING

The charity has a wholly owned trading subsidiary, Coombe House Limited, which lets the school facilities for private functions out of term time and covenants any surplus to the charity. The company is registered in England and Wales and audited accounts are filed with the Registrar of Companies. The directors receive no remuneration for their services.

Notes to the financial statements
for the year ended 31 August 1999 (continued)

4. SUBSIDIARY UNDERTAKING (continued)

Set out below are the results of the subsidiary.

	1999 £	1998 £
Profit and loss account		
Turnover	3,500	4,024
Administrative expenses	(2,183)	(5,400)
	<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation	1,317	(1,376)
Taxation on Profit/(loss) on ordinary activities	-	(62)
	<hr/>	<hr/>
Profit/(loss) on ordinary activities after taxation	1,317	(1,314)
	<hr/>	<hr/>
Retained in subsidiary	1,317	(1,314)
	<hr/>	<hr/>
Capital and reserves		
Share capital	100	100
Profit and loss account	(2,380)	(3,697)
	<hr/>	<hr/>
	(2,280)	(3,597)
	<hr/>	<hr/>

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £	Other costs £	Depreciation £	Total £	1998 Total £
Direct charitable expenditure					
Education	1,617,736	679,273	183,573	2,480,582	2,304,650
Other expenditure					
Management and administration	152,091	133,334	10,948	296,373	267,406
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	1,769,827	812,607	194,521	2,776,955	2,572,056
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Notes to the financial statements
for the year ended 31 August 1999 (continued)

5. ANALYSIS OF TOTAL RESOURCES EXPENDED (continued)

Resources expended include amounts attributable to:

	1999 £	1998 £
Depreciation - owned assets	141,799	146,525
- leased assets	52,722	54,707
Auditors' remuneration	3,450	3,300
	<u> </u>	<u> </u>

6. MANAGEMENT AND ADMINISTRATION COSTS

Salaries and wages	152,091	135,324
Depreciation	10,948	11,981
Professional fees	12,558	12,517
Office costs	33,109	31,951
Bank charges and other interest	24,804	31,516
Other costs	62,863	44,117
	<u> </u>	<u> </u>
	296,373	267,406
	<u> </u>	<u> </u>

7. EMPLOYEES

(a) Number of employees

The average weekly number of employees during the year was:

	Number	Number
Full time		
Teaching and pastoral	38	36
Administration	6	5
Maintenance and domestic	11	13
	<u> </u>	<u> </u>
	55	54
	<u> </u>	<u> </u>
Part time		
Teaching and pastoral - part time	23	23
- visiting	30	21
Administration	5	6
Maintenance and domestic	36	28
	<u> </u>	<u> </u>
	94	78
	<u> </u>	<u> </u>

Notes to the financial statements
for the year ended 31 August 1999 (continued)

7. EMPLOYEES <i>(continued)</i>	1999	1998
(b) Employment costs	£	£
Wages and salaries	1,587,022	1,440,360
Social security costs	120,876	109,862
Other pension costs	89,524	81,376
	<u>1,797,422</u>	<u>1,631,598</u>
8. INTEREST PAYABLE AND SIMILAR CHARGES		
On finance leases terminating within five years	16,019	18,475
Capital enhancement on loan	2,088	9,306
	<u>18,107</u>	<u>27,781</u>
9. TAXATION		

The company is registered as a charity and there is no liability to taxation on its charitable activities. During the year the company suffered £1,209 (1998: NIL) corporation tax on its trading activities.

10. TANGIBLE FIXED ASSETS

(a) Summary

	Buildings in the course of construction £	Freehold property and improvements £	Furniture and equipment £	Motor vehicles £	Total £
Cost					
1 September 1998	7,812	3,783,866	1,033,872	50,604	4,876,154
Additions	522,928	-	9,983	29,842	562,553
Disposals	-	-	-	(22,748)	(22,748)
Transfers	(179,455)	177,054	2,401	-	-
31 August 1999	<u>351,285</u>	<u>3,960,920</u>	<u>1,046,056</u>	<u>57,698</u>	<u>5,415,959</u>
Depreciation					
1 September 1998	-	437,884	749,530	50,004	1,237,418
Charge for year	-	75,520	109,484	9,517	194,521
On disposals	-	-	-	(22,748)	(22,748)
31 August 1999	<u>-</u>	<u>513,404</u>	<u>859,014</u>	<u>36,773</u>	<u>1,409,191</u>
Net book value					
31 August 1999	<u>351,285</u>	<u>3,447,516</u>	<u>187,042</u>	<u>20,925</u>	<u>4,006,768</u>
31 August 1998	<u>7,812</u>	<u>3,345,982</u>	<u>284,342</u>	<u>600</u>	<u>3,638,736</u>

Notes to the financial statements
for the year ended 31 August 1999 (continued)

10. TANGIBLE FIXED ASSETS (continued)

(b) Use of such assets (at net book value)

	Buildings in the course of construction £	Freehold property and improvements £	Furniture and equipment £	Motor Vehicles £	Total £
Education	351,285	3,447,516	168,338	20,925	3,988,064
Management and administration	-	-	18,704	-	18,704
	<u>351,285</u>	<u>3,447,516</u>	<u>187,042</u>	<u>20,925</u>	<u>4,006,768</u>

Included above under the heading of "furniture and equipment" are assets acquired under finance lease arrangements with a net book value of £110,776 (1998: £163,498) at the balance sheet date.

Freehold property and improvements includes land of £165,000 (1998: £165,000) which is not depreciated.

During the year freehold land and buildings were valued at £2.5 million on the open market by Symonds & Sampson.

(c) Capital commitments

At 31 August 1999 the governors had authorised capital expenditure as follows:

	1999 £	1998 £
Against which orders had been placed	<u>490,002</u>	<u>8,831</u>

11. FIXED ASSET INVESTMENTS

(a) Cost

	Listed in UK £	Investment in subsidiary undertaking £	Total £
Cost			
1 September 1998 and 31 August 1999	<u>89,997</u>	<u>100</u>	<u>90,097</u>

(b) Valuation

1 September 1998	112,869	100	112,969
Unrealised gain	20,948	-	20,948
31 August 1999	<u>133,817</u>	<u>100</u>	<u>133,917</u>

Notes to the financial statements
for the year ended 31 August 1999 (continued)

11. FIXED ASSET INVESTMENTS (continued)

(c) Listed investment portfolio

Investment		% of portfolio
M & G Securities	- Charifund income	32%
Henderson investors	- Income & growth exempt fund	35%
Kleinwort Benson	- Chariguard UK equity fund	33%
		<u>100%</u>

These investments all form part of the bursary fund.

	1999 £	1998 £
12. DEBTORS		
School fees receivable	106,478	113,635
Amounts owed by subsidiary undertaking	2,280	7,341
Other debtors	95,625	85,871
Prepayments	12,995	14,345
	<u>217,378</u>	<u>221,192</u>

13. CREDITORS: amounts falling due within one year

Loan (note 15)	49,366	48,829
School fees received in advance	259,907	142,533
Net obligations under finance leases	47,685	46,521
Trade creditors	34,200	19,681
Other taxes and social security costs	52,612	38,890
Other creditors	136,769	127,858
Accruals	16,747	41,935
	<u>597,286</u>	<u>466,247</u>

Obligations under finance leases are secured on the fixed assets to which they relate.

14. CREDITORS: amounts falling due after more than one year

Loan (note 15)	296,868	344,145
Other creditors	300	300
Net obligations under finance leases	112,310	159,927
	<u>409,478</u>	<u>504,372</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 1999 *(continued)*

	1999 £	1998 £
15. LOAN		
(a) Maturity		
Not wholly repayable within 5 years		
Repayable by instalments		
- due within one year	49,366	48,829
- due between 2 and 5 years	184,579	195,317
- due in more than 5 years	112,289	148,829
	<u>346,234</u>	<u>392,975</u>

The loan is interest free provided the company repays each instalment by the due date.

Capital repayment instalments carry a premium linked to increases in The Retail Price Index above its standing at 1 September 1991.

(b) Security

The loan is secured by a mortgage over the freehold land.

16. RESTRICTED CAPITAL FUNDS

	1998 £	Donations received £	Transfers/ Depreciation £	1999 £
Sports Hall	200,769	537	(4,669)	196,637
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

This fund was established for the construction/renovation of the Sports Hall. Sufficient resources are held in an appropriate form to enable the fund to be applied in accordance with the restrictions imposed.

17. DESIGNATED FUNDS

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	1998 £	Gains, income and transfers £	1999 £
Bursary	203,774	25,441	229,215
	<u> </u>	<u> </u>	<u> </u>

The bursary fund contains a donation of £5,000 received specifically for this purpose and is hence restricted.

Notes to the financial statements
for the year ended 31 August 1999 (continued)

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted capital funds £	Unrestricted funds £	Total £
Tangible fixed assets	196,637	3,810,131	4,006,768
Investments	-	133,917	133,917
Current assets	-	828,336	828,336
Current liabilities	-	(597,286)	(597,286)
Long term liabilities	-	(409,478)	(409,478)
	<u>196,637</u>	<u>3,765,620</u>	<u>3,962,257</u>

19. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1999 £	1998 £
Net incoming resources	288,674	444,293
Investment income	(44,650)	(47,898)
Appeal proceeds	(537)	(11,164)
Tax paid in year	1,209	-
Interest payable and similar charges	18,109	27,781
Sundry income	6,338	5,555
Donations	-	(50,000)
Depreciation	194,521	201,232
Profit on disposal of fixed assets	(5,600)	-
Increase in stocks	(288)	(7,099)
Decrease/(increase) in debtors	1,617	(41,870)
Increase/(decrease) in creditors	125,413	(75,487)
Net cash inflow from operating activities	<u>584,806</u>	<u>445,343</u>

20. ANALYSIS OF CHANGES IN NET FUNDS

	1998 £	Cash flows £	Other changes £	1999 £
Cash at bank and in hand	638,657	(39,685)	-	598,972
Debt due within 1 year	(48,829)	48,829	(49,366)	(49,366)
Debt due after 1 year	(344,146)	-	47,278	(296,868)
Finance leases	(206,448)	46,453	-	(159,995)
Total	<u>39,234</u>	<u>55,597</u>	<u>(2,088)</u>	<u>92,743</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 1999 (continued)

21. LEASE COMMITMENTS	1999	1998
	£	£
The net obligation under finance leases is repayable as follows:		
In one year or less	47,685	46,521
Between one and five years	112,310	159,927
	<u>159,995</u>	<u>206,448</u>

22. PENSION ARRANGEMENTS

The company provides defined pension benefits for its teaching staff by contributing to the teachers' superannuation scheme administered by the Department for Education and Employment. Contribution levels are reviewed every 5 years by the Government Actuary, the latest revision having taken place with effect from 1 April 1997.

The company also operates a defined contribution pension scheme for non-teaching staff. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

23. RELATED PARTY TRANSACTIONS

During the year the trust had the following transaction with its subsidiary company, Coombe House Limited:

Repayment of loan by Coombe House Limited	<u>£2,720</u>
The outstanding balance as at 31 August 1999	<u>£2,280</u>

24. CONTROLLING PARTIES

Throughout the year the trust has been under the control of the governors, a list of whom is disclosed in the trustees' report.

No governor or closely connected person received, in their position as governor, trustee and director emoluments from the charity. Expenses totalling £1,095 were reimbursed to governors during the year to cover travelling and out of pocket expenses.