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SHERBORNE SCHOOL FOR GIRLS

(Company Limited by Guarantee and not having a Share Capital)

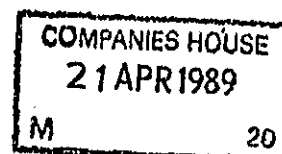
Registered Charity

REPORT AND ACCOUNTS

for the year ended

31 AUGUST 1988

BAKER TILLY
(FORMERLY HOWARD TILLY & CO)
CHARTERED ACCOUNTANTS
ABBOTS FEE
GREENHILL
SHERBORNE
DORSET



SHERBORNE SCHOOL FOR GIRLS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 AUGUST 1988

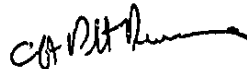
Council

G. A. Pitt-Rivers, Esq.
R. A. R. Hedderwick, Esq.
The Right Reverend The Bishop of Sherborne
Mrs J. C. Peake
Mrs J. R. Grayburn, M.A.
H. E. M. Barnes, Esq., F.C.A.
Mrs. J. T. Melvin
Sir Basil Blackwell
P. F. Moule, Esq.
The Viscountess Ullswater
Mrs. E. A. Smart, M.A., B.C.L.
A. O. H. Quick, Esq., M.A.
Rear Admiral J. Garnier, C.B.E., L.V.O.
C. Clayton, Esq.
A. W. C. Edwards, Esq.,

The following members in accordance with the Articles of Association retire at the Annual General Meeting and being eligible, offer themselves for re-election.

Sir Basil Blackwell
P. F. Moule, Esq.
Rear Admiral J. Garnier, C.B.E., L.V.O.
A. W. C. Edwards, Esq.

Messrs. Baker Tilly, formerly practising as Howard Tilly & Co., the School auditors, offer themselves for re-election.



G. A. Pitt-Rivers

Chairman

REPORT OF THE AUDITORS TO THE MEMBERS OF THE COUNCIL
OF THE SHERBORNE SCHOOL FOR GIRLS

We have audited the financial statements in accordance with approved auditing standards.

In our opinion the accounts which have been prepared under the historical cost convention give a true and fair view of the state of the Company's affairs at 31 August 1988 and of the revenue surplus and source and application of funds for the year ended on that date, and comply with the Companies Act 1985.

Baker Tilly

Abbots Fee
Greenhill
Sherborne
Dorset

BAKER TILLY
(formerly Howard Tilly & Co.)
Chartered Accountants

15 February 1989

SHERBORNE SCHOOL FOR GIRLS

INCOME AND EXPENDITURE ACCOUNT for the year ended 31 AUGUST 1988

<u>1987</u> <u>£</u>		<u>Notes</u>	<u>£</u>	<u>£</u>
2,456,641	Turnover	1(b) & 2		2,758,413
984,775	Education expenses		1,159,065	
572,872	Housing expenses		613,569	
653,607	Establishment expenses		718,192	
10,000	Transfer to Asset Replacement Reserve		10,000	
<hr/> 2,221,254				<hr/> 2,500,826
235,387	Operating Profit	3		257,587
72,905	Investment and other income			44,148
<hr/> 308,292	Surplus on ordinary activities			<hr/> 301,735
1,069	Mounsey Bequest Distribution			660
3,551	Transfers from Appeal Funds			-
<hr/> 312,912				<hr/> 302,395
(1,877)	(Deficiency)/Surplus on repayment of investments			16,607
<hr/> 311,035	Retained surplus for the financial year			<hr/> 319,002
2,029,363	Retained surplus at 1 September 1987			2,340,398
-	Transfer to Investment Funds			(385,002)
<hr/> £2,340,398	Retained surplus at 31 August 1988			<hr/> £2,274,398
=====				=====

SHERBORNE SCHOOL FOR GIRLS

BALANCE SHEET as at 31 AUGUST 1988

<u>1987</u>	<u>£</u>	<u>Notes</u>	<u>£</u>	<u>£</u>	<u>£</u>
		<u>Fixed Assets</u>	1(c)& 6		
		<u>Tangible Assets</u>			
24,658		Freehold Land			24,658
2,208,665		Buildings			2,403,803
286,305		Furniture and Equipment			264,406
<u>1,000</u>		Library			<u>1,000</u>
2,520,628					2,693,867
	518,616	<u>Investments</u> - General Fund		349,124	
	<u>191,763</u>	Less: Compounded Fees		<u>232,454</u>	
	326,853			116,670	
<u>413,043</u>	<u>86,190</u>	Investments - Specific Funds		<u>484,628</u>	<u>601,298</u>
2,933,671					3,295,165
		<u>Current Liabilities</u>			
		Creditors: Amounts falling due within			
172,009		one year 9		404,843	
<u>168,775</u>		Bank overdraft 10		<u>-</u>	
340,784				404,843	
		<u>Current Assets</u>			
35,536		Stocks	1(d) 35,289		
57,124		Debtors	8 59,403		
-		Cash at Bank		82,660	
<u>403</u>		Cash in Hand		<u>216</u>	
<u>93,063</u>				<u>177,568</u>	
247,721		Net Current Liabilities			227,275
<u>2,685,950</u>		Total Assets less Current Liabilities			<u>3,067,890</u>
		<u>Creditors: Amounts falling due after</u>			
		more than one year			
180,000		Bank Loan	10		230,000
<u>£2,505,950</u>					<u>£2,837,890</u>
=====		<u>Capital and Reserves</u>			=====
2,340,398		Accumulated surplus			2,274,398
79,362		Asset Replacement Reserve 13			78,864
<u>86,190</u>		Specific Funds	12		<u>484,628</u>
<u>£2,505,950</u>					<u>£2,837,890</u>
=====					=====

G. A. Pitt-Rivers

B. Blackwell

) Members of Council

SHERBORNE SCHOOL FOR GIRLS

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Year ended 31 August 1988

<u>1987</u> <u>£</u>	<u>SOURCE OF FUNDS</u>	<u>£</u>
308,292	Surplus	301,735
39,599	Disposal of investments	186,099
3,551	Appeal Fund receipts	-
1,069	Bequest	660
	Adjustment for items not involving movement of funds	
140,024	Depreciation	150,913
(6,328)	Net Transfer from asset replacement reserve	(498)
80,000	Bank Loan	50,000
<u>£566,207</u> <u>=====</u>		<u>£688,909</u> <u>=====</u>
	<u>APPLICATION OF FUNDS</u>	
608,479	Purchase of fixed assets	324,152
-	Transfer to Investment Funds	385,002
<u>£608,479</u> <u>=====</u>		<u>£709,154</u> <u>=====</u>
<u>£(42,272)</u> <u>=====</u>	(Decrease) in working capital	<u>£(20,245)</u> <u>=====</u>
4,296	Increase/(Decrease) in stocks	(247)
4,901	Increase in debtors	2,279
259	Increase/(Decrease) in cash	(187)
(42,586)	(Increase) in creditors	(232,834)
34,422	Decrease/(Increase) in provision for compounded fees	(40,691)
(43,564)	(Increase)/Decrease in Bank Overdraft	251,435
<u>£(42,272)</u> <u>=====</u>		<u>£(20,245)</u> <u>=====</u>

SHEERBORNE SCHOOL FOR GIRLS

Notes to Accounts - Year to 31 August 1988

1 Accounting Policies

(a) Basis of Accounting

The accounts have been prepared under the historical cost convention.

(b) Turnover

This comprises gross fees receivable and fees for extra tuition after deducting remissions, scholarships, bursaries etc.

(c) Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Buildings	- 2½% of cost
Fire precautions	- 5% of cost
Boilers	- 10% of cost
Furniture, Machinery and Equipment	- 10% of cost

No depreciation is provided on Freehold Land.

(d) Stocks

Stocks are valued at the lower of cost or net realisable value.

2 Turnover

The turnover is attributable to the one principal activity of the Company.

3 Operating Profit

The operating profit is stated after charging:

<u>1987</u>		<u>1988</u>
140,023	Depreciation of tangible fixed assets	150,913
1,481,097	Staff costs (Note 4)	1,694,419
5,000	Audit Fees	6,000

4 Staff Costs

<u>1987</u>		<u>1988</u>
1,295,023	Wages and salaries	1,472,135
90,894	Social Security costs	110,371
<u>95,180</u>	<u>Other pension costs</u>	<u>111,913</u>
1,481,097		1,694,419
=====		=====

The average weekly number of employees during the year was as follows:

<u>1987</u>		<u>1988</u>
70	Teaching staff	67
<u>142</u>	<u>Administrative and domestic staff etc</u>	<u>143</u>
212		210
=====		=====

SHEREBORNE SCHOOL FOR GIRLS

Notes to the Accounts - Year to 31 August 1988

5 Interest Payable

Interest payable on bank loan, mortgage loan and overdrafts:

<u>1987</u>	<u>1988</u>
27,258	35,521
=====	=====

6 Tangible Fixed Assets

	Freehold Land	Buildings	Furniture Machinery and Equipment	Library	Total
At 1 September 1987	24,658	2,732,221	518,786	1,000	3,276,665
Additions	-	290,841	33,311	-	324,152
At 31 August 1988	24,658	3,023,062	552,097	1,000	3,600,817
Cost	24,658	3,023,062	545,957	-	3,593,677
Valuation - 1955	-	-	-	1,000	1,000
" - 1947	-	-	6,140	-	6,140
	24,658	3,023,062	552,097	1,000	3,600,817
<u>Depreciation</u>					
At 1 September 1987	-	523,556	232,481	-	756,037
Charge for year	-	95,703	55,210	-	150,913
At 31 August 1988	-	619,259	287,691	-	906,950
<u>Written down values</u>					
At 31 August 1988	24,658	2,403,803	264,406	1,000	2,693,867
At 31 August 1987	24,658	2,208,665	286,305	1,000	2,520,628

The Market Value of the freehold land and buildings is substantially more than the Balance Sheet figure.

At 31 August 1988 capital expenditure commitments were as follows:-

	<u>1987</u>	<u>1988</u>
Expenditure contracted for:		
Arts Centre	18,976	21,000
Classroom Blocks	223,000	387,562
Library Improvements	198,291	19,228
Fire Alarm System	10,830	40,000
House Mistress' Flats	123,000	102,837
	£ 574,097	£570,627
	=====	=====

SHERBORNE SCHOOL FOR GIRLS

Notes to Accounts - Year to 31 August 1988

7 <u>Investments</u>	<u>General Funds</u>		<u>Specific Funds</u>	
	<u>Quoted</u>	<u>Unquoted</u>	<u>Quoted</u>	<u>Cash</u>
Cost at 1 September 1987	516,966	1,650	34,849	51,341
Additions/(Sales)	(169,492)	-	441,330	(42,892)
At 31 August 1988	347,474	1,650	476,179	8,449
	=====		=====	
Totals	£349,124		£484,628	
	=====		=====	

Market Values -

31 August 1988	352,033	393,842
31 August 1987	536,561	48,078

The unlisted investment comprises 4 shares of £1,000 each in Bibby Line Limited at probate value at date of gift. The shares represent .165% of the issued share capital of that company.

The Investment of Specific Funds represent the assets of the following:

Investment Fund	389,766
Scholarship Fund	83,682
Prizes Fund	11,180
	£484,628
	=====

8 <u>Debtors</u>			
	<u>1987</u>		<u>1988</u>
49,729	Fees less provision for doubtful debts		35,905
4,454	Other debtors		19,804
2,941	Prepayments		3,694
	=====		=====
57,124			59,403
	=====		=====

9 Creditors

Amounts falling due within one year

	<u>1987</u>		<u>1988</u>
-	Social security and other taxes		40,268
58,783	Other creditors		69,669
35	Accruals		1,196
113,191	Fees received in advance		293,710
	=====		=====
172,009			404,843
	=====		=====

SHERBORNE SCHOOL FOR GIRLS

Notes to Accounts - Year to 31 August 1988

10 Bank Loans and Overdrafts

Amounts falling due within one year

<u>1987</u>		<u>1988</u>
168,775	Bank overdraft	nil
=====		=====

Amounts falling due after more than one year

	Bank loan repayable by instalments over 10 years from January 1989 with interest at $1\frac{1}{2}\%$ over bank base rate	
180,000		230,000
=====		=====

11 Contingent Liability

There is a contingent liability to refund sums received in composition of fees in the event that the girl concerned does not enter the School or leaves before completing five years at the School.

Assuming compositions run their normal course they will mature as follows:-

within one year	54,723
after one year	<u>177,731</u>
	232,454
	=====

12 Specific Funds

These comprise investment, scholarship and prize funds and are represented by specific investments (see 7 above). Income and Expenditure of these funds are excluded from the Company's Income and Expenditure Account.

Balances at 31 August 1987	86,190
Transfers from Accumulated Surpluses	385,002
Income and Surplus on Sales of Investments	<u>13,436</u>
	484,628
	=====

13 Assets replacement reserve

The purpose of this reserve is to endeavour to spread the cost of major replacements evenly from year to year.

Balance at 31 August 1987	79,362
Transfer from Income and Expenditure Account	10,000
	<u>89,362</u>
Expenditure during the year	<u>10,498</u>
	78,864
	=====

SHERBORNE SCHOOL FOR GIRLS

Notes to Accounts - Year to 31 August 1988

14 Directors' Remuneration

No member of the Council receives fees or other emoluments.

15 Pensions

Provision for the pensions of the teaching staff is made by contributions to the scheme of the Department of Education and Science. The trust deed of the pension fund for other members of staff requires actuarial valuations to be made at least every three years. The latest valuation made in July 1986 indicated that assets in hand should be sufficient to provide the benefits specified in the rules.

Schedule 1SHERBORNE SCHOOL FOR GIRLSINVESTMENTS 31 AUGUST 1988GENERAL FUNDS

<u>Quoted Investments</u>		<u>Market Value</u> <u>31 August 1988</u>
£52,253	11½% Treasury Stock 1989	52,287
£45,400	13% Treasury Stock 1990	47,311
£37,742	11½% Treasury Stock 1991	39,094
£39,000	12½% Exchequer Stock 1992	41,090
£32,172.39	13½% Exchequer Stock 1992	34,858
£39,000	10% Treasury Stock 1993	39,754
£33,832.80	13½% Exchequer Stock 1994	39,440
£21,000	12% Treasury Stock 1995	22,601
£11,000	14% Treasury Stock 1996	13,043
£19,300	13½% Exchequer Stock 1997	<u>22,555</u>
		£352,033
		=====
<u>Unquoted Investments</u>		
Bibby Line Ltd	4 Shares of £1,000 at Valuation	£1,650
		=====

SPECIFIC FUNDS

<u>Quoted Investments</u>		<u>Scholarships</u>	<u>Prizes</u>
£1,550	12½% Treasury Stock 1993	1,232	433
1,370	15½% Treasury Loan 1996	1,262	443
800	3½% War Stock	-	302
Equities Investment Fund for Charities			
"Charifund" -			
17,791	Income Units	87,265	
2,047	Income Units		<u>10,040</u>
		89,759	11,218
			100,977
			=====

SHERBORNE SCHOOL FOR GIRLS

INVESTMENTS 31 AUGUST 1988

Schedule 1 cont'd

Investment Fund
Quoted Investments

SPECIFIC FUNDS (cont)

Market Value
31 August 1988

Brought Forward		100,977
Temple Bar Investment Trust		
£15,000 6% Conv. Unsec. Loan Stock 2002		14,400
British Commonwealth Holdings		
£10,000 7½% Conv. Unsec. Loan Stock 2000		8,100
Cookson Group	4000 Ordinary 50p	9,640
W. H. Smith	3850 "A" Ordinary 50p	10,010
British Gas	8750 Ordinary 25p	15,138
Argyll Group	7000 Ordinary 25p	12,180
Hilldown Holdings	4700 Ordinary 10p	12,643
Cadbury Schweppes	5600 Ordinary 25p	20,272
Granada Group	4400 Ordinary 25p	12,848
Magnet	6000 Ordinary 25p	12,600
Ratners Group	4000 Ordinary 10p	8,520
Grand Metropolitan	2700 Ordinary 50p	13,338
Lex Service	3000 Ordinary 25p	11,400
Fleming American Investment Trust	9500 Ordinary 25p	10,925
B.I.C.C.	3700 Ordinary 50p	12,395
De La Rue	3000 Ordinary 25p	14,340
Dee Corporation	7500 Ordinary 5p	12,825
B.A.T. Industries	2300 Ordinary 25p	10,143
P and O Steam Navigation	2300 Deferred Ordinary £1	12,926
I.C.I.	1000 Ordinary £1	10,010
Sun Alliance and London Insurance	1300 Ordinary 25p	12,441
British Telecom	6000 Ordinary 25p	13,860
Suter	5000 Ordinary 5p	8,900
M & G Smaller Companies Fund	1250 Income Units	13,011
		<u>292,865</u>
		<u>£393,842</u>
		=====

SCHEDULE 2SHERBORNE SCHOOL FOR GIRLSSchedule of Gross Fees for 1987/88

		<u>£</u>	<u>£</u>
<u>Gross Fees</u>			
<u>Winter Term</u>			
455 Boarders	@ £2,000	910,000	
11 Day Girls	@ £1,330	<u>14,630</u>	924,630
<u>Spring Term</u>			
453 Boarders	@ £2,000	906,000	
11 Day Girls	@ £1,330	<u>14,630</u>	920,630
<u>Summer Term</u>			
450 Boarders	@ £2,000	900,000	
11 Day Girls	@ £1,330	<u>14,630</u>	914,630
Additional Accommodation			1,895
			<hr/>
			2,761,785
Allowances			<hr/> 4,450
Gross Fees less allowances			2,757,335
Deduct Scholarships			<hr/> 81,258
			2,676,077
Add: Fees for extra tuition etc. less cash advances			78,548
Registration and Scholarship fees			<hr/> 3,688
Turnover per accounts			<hr/> £2,758,413
			=====