

COKETHORPE EDUCATIONAL TRUST LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JULY 2005**

**The MGroup Partnership
Chartered Certified Accountants
Registered Auditors
Cranbrook House
287-291 Banbury Road, Oxford
OX2 7JQ**



Company Registration Number: 767293

COKETHORPE EDUCATIONAL TRUST LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2005**

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COKETHORPE EDUCATIONAL TRUST LIMITED

COMPANY INFORMATION FOR THE YEAR ENDED 31 JULY 2005

GOVERNORS / DIRECTORS

A W Baker (Vice Chairman)
B Brown
C E Day (resigned 22/02/05)
S J Horsman
J R Hunt
A C Jones
D P Mason
J M Moore (deceased 04/04/05)
D Shepherd
M St John Parker (Chairman)
D J Stew
J J L Holland (resigned 01/09/05)
D Whibley
J E Bond-Smith
A C Burdall (appointed 08/03/05)
D W Macdonald (appointed 08/03/05)
M J Neilon (appointed 26/06/05)

SECRETARY

S A Landon

REGISTERED OFFICE

Cokethorpe School
Witney
Oxon

COMPANY REGISTRATION NUMBER

767293

CHARITY REGISTRATION NUMBER

309650

AUDITORS

The MGroup Partnership
Chartered Certified Accountants
Cranbrook House
287-291 Banbury Road
Oxford
OX2 7JQ

COKETHORPE EDUCATIONAL TRUST LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31 JULY 2005

BANKERS

National Westminster Bank Plc
21-23 High Street
Witney
Oxon
OX28 6HW

HSBC Bank Plc
24 Market Square
Witney
Oxon
OX28 6BG

SOLICITORS

John Welch and Stammers
24 Church Green
Witney
Oxon
OX28 4AT

COKETHORPE EDUCATIONAL TRUST LIMITED

GOVERNORS' ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2005

The Governors present their annual report with the financial statements of the company for the year ended 31 July 2005.

LEGAL STATUS

Cokethorpe School was founded in 1957 and became a charitable company in 1963. Successive Headmasters have been elected to the Society of Headmasters and Head Mistresses of Independent Schools since 1983.

The company is limited by guarantee and does not have a share capital. The liability of the members in the event of a winding up is limited to £1 each.

The Governing Instruments under which the company operates are its Memorandum and Articles of Association and policies made from time to time by the Trust's governing body.

ORGANISATION

The following Governors held office during the year:-

Sub-Committee

A W Baker (Vice Chairman)	Finance / Planning
B Brown	Planning
C E Day (resigned 22/02/05)	Finance
S J Horsman	Education
J R Hunt	Education
A C Jones	Education
D P Mason	Planning
J M Moore (deceased 04/04/05)	Education
D Shepherd	Planning
M St John Parker (Chairman)	Finance / Education / Planning
D J Stew	Finance
J J L Holland (resigned 01/09/05)	Planning
D Whibley	Finance
J E Bond-Smith	Finance
A C Burdall (appointed 08/03/05)	Finance
D W Macdonald (appointed 08/03/05)	Education
M J Neilon (appointed 26/06/05)	Finance

The full Committee and Sub-committees meet termly covering planning, education and finance. Governors are elected in accordance with the Articles of Association. All Governors are elected onto the Governing Body.

LEGAL AND ADMINISTRATIVE INFORMATION

Further legal and administrative information is provided on pages 1 and 2 of these accounts.

COKETHORPE EDUCATIONAL TRUST LIMITED

GOVERNORS' ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2005

INVESTMENT POWERS AND POLICY

The Governors' investment powers are laid down in the Memorandum of Association and restrictions contained therein. These powers are also subject to conditions imposed by law.

RESERVES POLICY

The School's unrestricted general funds stood at £2,971,795 at the year end, wholly deployed as part of the school premises and equipment (the fixed assets fund), with the need for day to day working capital being met by careful management of short term liquid resources in the absence of free reserves.

The Governors consider that free reserves of £900,000 or two months expenditure, would be practicable and achievable in order to cover the risks and uncertainties of operating as an independent educational establishment.

The policy is therefore to continue building up reserves out of the annual operating surplus until that level is reached, subject to the prior demands of further capital expenditure to equip the school with the up to date facilities needed to maintain the standard of education services currently provided.

RISK MANAGEMENT

The Governors examine the major risks that the school faces each financial year when preparing and updating the strategic plan. The company has developed systems to monitor and control these risks to mitigate any impact that they have on the school in the future.

STATEMENT OF DIRECTORS' / GOVERNORS' RESPONSIBILITIES

Company law requires the directors / governors 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 surplus or deficit of the company for that period. In preparing those financial statements, the directors / 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 and the Charities SORP 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 company will continue in operation.

The directors / governors 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.

COKETHORPE EDUCATIONAL TRUST LIMITED

GOVERNORS' ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2005

CHARITABLE OBJECTS

The object of the company during the year was the provision of Education for boys and girls at Cokethorpe School.

REVIEW OF ACTIVITIES AND RESULTS

In 2004/2005, the school had 573 pupils, in the current year we have 601 pupils, and future registrations give us confidence that these numbers will continue to increase in the foreseeable future.

We were able to award £605,162 in scholarships and bursaries to 217 pupils through our general trust funds. This gives us the opportunity to maintain our educational standards while ensuring that our school is not too financially selective.

The financial results are set out on page 8. Incoming resources exceeded resources expended in the year by £253,229 (2004 - £69,078).

The School was delighted with its public examination results - both at GCSE and Advanced Level. Improvements have continued and it is pleasing to note a significant increase in the number of students gaining top grades.

The introduction of a comprehensive and exciting activities programme has met with favour and interest and has complemented the work undertaken in the classroom. These activities are offered to pupils during the last hour of the academic day.

The Headmaster, supported by both Governors and his Senior Management Team, have produced a development plan that whilst ambitious and exciting is wholly achievable in the next five years. An increased roll, improved academic standing and a burgeoning reputation are positive omens and the School remains forward thinking and confident.

RELATED PARTY TRANSACTIONS

There were no outstanding balances with related parties at 31 July 2005.

AUDITORS

The auditors, The MGroup Partnership, have expressed their willingness to continue in office.

THIS REPORT WAS APPROVED AT A GOVERNORS' MEETING ON 22/11/2005

SIGNED ON BEHALF OF THE BOARD OF GOVERNORS

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COKETHORPE EDUCATIONAL TRUST LIMITED

INDEPENDENT AUDITORS' REPORT FOR THE YEAR ENDED 31 JULY 2005

TO THE MEMBERS OF COKETHORPE EDUCATIONAL TRUST LIMITED

We have audited the financial statements of Cokethorpe Educational Trust Limited for the year ended 31 July 2005 on pages 8 to 19 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention (except for the revaluation of freehold land and buildings in August 1994) and the accounting policies set out on pages 11 and 12.

This report is made solely to the company's members, as a body, in accordance with section 235 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 auditors' 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's members as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS / GOVERNORS AND AUDITORS

As described in the Governors' Report the company's directors / governors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is 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 company 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 company is not disclosed.*

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Governors' Report. We consider the implications for our report if we become aware of any apparent misstatements or other material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF OPINION

We conducted our audit in accordance with United Kingdom 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 governors / trustees 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 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.

/ continued

COKETHORPE EDUCATIONAL TRUST LIMITED

**INDEPENDENT AUDITORS' REPORT - continued
FOR THE YEAR ENDED 31 JULY 2005**

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 July 2005 and of the incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



THE MERROUP PARTNERSHIP
CHARTERED CERTIFIED ACCOUNTANTS
REGISTERED AUDITORS
OXFORD
30 NOVEMBER 2005

COKETHORPE EDUCATIONAL TRUST LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2005**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2005 £	Total Funds 2004 £
INCOMING RESOURCES					
Charitable activities					
Fees		5,519,217	-	5,519,217	4,849,611
Other income		56,065	250	56,315	49,217
Other activities to generate funds					
Interest receivable		1,408	33	1,441	1,055
Total incoming resources		5,576,690	283	5,576,973	4,899,883
RESOURCES EXPENDED					
Costs of generating funds					
Financing costs		106,166	-	106,166	107,366
Fund-raising costs - advertising		15,571	-	15,571	13,627
- publicity		3,500	-	3,500	3,000
Costs deductible		125,237	-	125,237	123,993
Net incoming resources available for charitable application		5,451,453	283	5,451,736	4,775,890
Charitable expenditure					
Teaching		2,942,146	-	2,942,146	2,697,901
Support		508,816	-	508,816	411,660
Welfare		308,464	-	308,464	315,788
Premises		811,587	176	811,763	690,468
Management and administration		22,156	-	22,156	8,612
Bursaries and scholarships awarded		605,162	-	605,162	582,383
Total charitable expenditure		5,198,331	176	5,198,507	4,706,812
Total resources expended		5,323,568	176	5,323,744	4,830,805
Net movement in funds for the year		253,122	107	253,229	69,078
Total funds at 1 August 2004		2,718,673	1,458	2,720,131	2,651,053
Total funds at 31 July 2005	14	2,971,795	1,565	2,973,360	2,720,131

All amounts relate to continuing activities.

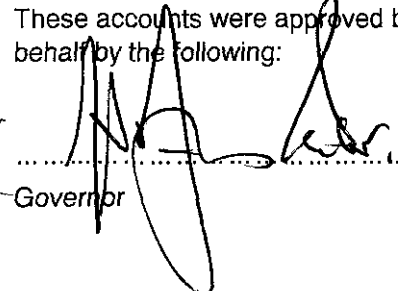
All gains and losses recognised in the year are included in the Statement of Financial Activities.

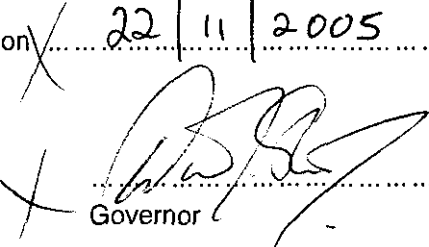
COKETHORPE EDUCATIONAL TRUST LIMITED

BALANCE SHEET AS AT 31 JULY 2005

	Notes	2005 £	2004 £
FIXED ASSETS			
Tangible assets	5	4,910,645	4,799,496
CURRENT ASSETS			
Stocks	6	13,850	19,067
Debtors	7	85,835	193,354
Cash at bank and in hand		229,610	48,655
		<u>329,295</u>	<u>261,076</u>
CREDITORS: Amounts falling due within one year	8	<u>650,317</u>	<u>673,719</u>
NET CURRENT (LIABILITIES)		<u>(321,022)</u>	<u>(412,643)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,589,623</u>	<u>4,386,853</u>
CREDITORS: Amounts falling due after more than one year	9	<u>1,616,263</u>	<u>1,666,722</u>
TOTAL NET ASSETS		<u><u>2,973,360</u></u>	<u><u>2,720,131</u></u>
FUNDS			
Restricted		1,565	1,458
Unrestricted - general		<u>2,971,795</u>	<u>2,718,673</u>
TOTAL FUNDS	14	<u><u>2,973,360</u></u>	<u><u>2,720,131</u></u>

These accounts were approved by the board of governors on 22/11/2005 and signed on its behalf by the following:


Governor


Governor

COKETHORPE EDUCATIONAL TRUST LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2005**

RECONCILIATION OF CHANGES IN RESOURCES TO NET CASH INFLOW FROM OPERATIONS

	Notes	2005 £	2004 £
Net incoming resources		253,229	69,078
Depreciation		252,142	278,282
(Profit) / loss on sale of fixed assets		(3,618)	3,030
Stocks movement		5,217	(1,844)
Debtors movement		107,519	(18,653)
Creditors movement		217,806	41,405
Net cash inflow from operations		<u>832,295</u>	<u>371,298</u>

CASH FLOW STATEMENT

Net cash inflow from operations		832,295	371,298
Capital expenditure	16	<u>(359,673)</u>	<u>(197,491)</u>
		472,622	173,807
Financing	17	<u>(129,150)</u>	<u>(141,207)</u>
Increase in cash in the year		<u>343,472</u>	<u>32,600</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

Increase in cash in the year		343,472	32,600
Movement in repayment of loan and other borrowings		147,667	149,584
Movement in repayment of hire purchase contracts		<u>(18,517)</u>	<u>(8,377)</u>
		472,622	173,807
Net debt at beginning of year		<u>(1,661,779)</u>	<u>(1,835,586)</u>
Net debt at end of year	18	<u>(1,189,157)</u>	<u>(1,661,779)</u>

COKETHORPE EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2005

1 STATEMENT OF ACCOUNTING POLICIES

Accounting convention

These accounts have been prepared under the historical cost convention (except for the revaluation of freehold land and buildings in August 1994), and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 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

School fees and charges for services and the use of premises are accounted for on a receivable basis. The school also offers parents the opportunity to pay tuition fees in advance. This is treated as deferred income until the fees for each school term are charged against the remaining balance and taken to income.

Interest, donations and gifts are included when received by the company.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Operating leases

Payments made under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Pension costs

The company contributes to defined contribution pension schemes covering some members of non-teaching staff. The schemes' funds are administered by Pensioner Trustees who are independent of the company's finances. Contributions are charged to the Statement of Financial Activities in the year in which they are made.

Teachers' pensions are operated by the D.F.E., under a defined benefits scheme.

Depreciation

Depreciation has been provided on the following classes of fixed assets at rates calculated so as to write off the cost less residual value over their estimated useful lives. A full year's charge has been provided where an asset has been purchased during the year, and no depreciation is provided in the year of disposal.

Freehold land	Nil
Freehold buildings	Straight line basis at 2% per annum
Sports hall	Straight line basis at 4% per annum
Furniture and equipment	Straight line basis at 10% per annum
Computer equipment	Straight line basis at 25% per annum
Motor vehicles	Straight line basis at 20% per annum

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2005**

1 STATEMENT OF ACCOUNTING POLICIES - continued

Stocks

Stocks have been valued at the lower of cost and net realisable value.

Lease and hire purchase commitments

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet at their fair value and depreciated over their useful lives.

The interest element is charged to the Statement of Financial Activities over the period of the agreement using the straight line basis. The commitment to future rental payments is recorded within the balance sheet liabilities, net of the interest element.

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 trustees.

Designated funds - these are funds that are set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when the funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2 LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding up is limited to £1.

COKETHORPE EDUCATIONAL TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2005**

3 STAFF COSTS AND TRUSTEES' REMUNERATION

The average weekly number of employees during the year was 125 (2004 - 123).

Staff costs during the year amounted to:

	2005	2004
	£	£
Wages and salaries	2,667,232	2,363,611
Social security costs	224,187	192,479
Pension costs	267,947	243,699
	<u>3,159,366</u>	<u>2,799,789</u>

Two employees earned between £50,000 and £60,000 (2004 - 1) per annum and one employee earned between £60,000 and £70,000 (2004 - 0) per annum in the year ended 31 July 2005.

The trustees were not paid during the year.

4 TAXATION ON ORDINARY ACTIVITIES

The company, being a registered charity, is not liable to taxation on its income.

COKETHORPE EDUCATIONAL TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2005**

5 TANGIBLE ASSETS

	Freehold property £	Furniture and equipment £	Motor vehicles £	Total £
Costs				
At 1 August 2004	4,722,587	991,546	227,059	5,941,192
Additions	117,920	194,712	50,659	363,291
Disposals	-	(144,742)	(29,963)	(174,705)
At 31 July 2005	<u>4,840,507</u>	<u>1,041,516</u>	<u>247,755</u>	<u>6,129,778</u>
Accumulated depreciation				
At 1 August 2004	306,886	672,221	162,589	1,141,696
Charge for year	89,578	130,955	31,609	252,142
Disposals	-	(144,742)	(29,963)	(174,705)
At 31 July 2005	<u>396,464</u>	<u>658,434</u>	<u>164,235</u>	<u>1,219,133</u>
Net book value				
At 1 August 2004	<u>4,415,701</u>	<u>319,325</u>	<u>64,470</u>	<u>4,799,496</u>
At 31 July 2005	<u>4,444,043</u>	<u>383,082</u>	<u>83,520</u>	<u>4,910,645</u>

In the year ended 31 July 2000, the Governors opted to retain the 1994 valuation in accordance with the transitional provisions of the accounting standard, FRS 15, and it is company policy not to revalue fixed assets. The 1994 valuation was carried out on 23 August 1994 with the land and buildings being valued at £1,300,000, by Messrs Savills, Chartered Surveyors. The surplus of the revaluation over cost of £12,797 has been credited to revaluation reserve (Note 13). The historic cost is £4,827,710.

The net book value of motor vehicles includes £70,876 at 31 July 2005 (2004 - £49,818) in respect of assets held under finance leases and hire purchase contracts. Depreciation charged in respect of those assets amounted to £23,950 for the year ended 31 July 2005 (2004 - £14,948).

6 STOCKS

	2005 £	2004 £
Consumables	13,850	17,591
Goods for resale	-	1,476
	<u>13,850</u>	<u>19,067</u>

COKETHORPE EDUCATIONAL TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2005**

7 DEBTORS

	2005	2004
	£	£
Trade debtors	74,608	177,349
Other debtors	1,283	3,402
Prepayments and accrued income	9,944	12,603
	<u>85,835</u>	<u>193,354</u>

8 CREDITORS: amounts falling due within one year

	2005	2004
	£	£
Bank loans and overdrafts (Note 12)	180,000	309,183
Trade creditors	93,547	75,979
Other loans - SFIA (Note 9)	21,000	1,000
Obligations under finance leases and hire purchase contracts (Note 10)	20,049	12,277
Deferred income (Note 11)	141,308	77,073
Other creditors	33,281	30,553
Accruals	85,713	105,037
Other taxes and social security	75,419	62,617
	<u>650,317</u>	<u>673,719</u>

Included within other creditors are outstanding pension contributions of £31,165 (2004 - £28,026).

9 CREDITORS: amounts falling due after more than one year

	2005	2004
	£	£
Bank loans and overdrafts (Note 12)	1,153,333	1,333,334
Other loans - SFIA	-	21,000
Trade creditors	232,400	187,200
Obligations under finance leases and hire purchase contracts (Note 10)	44,385	33,640
Deferred income (Note 11)	186,145	91,548
	<u>1,616,263</u>	<u>1,666,722</u>

Trade creditors represents parents' refundable deposits.

COKETHORPE EDUCATIONAL TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2005**

9 CREDITORS: amounts falling due after more than one year - **continued**

The SFIA loan is secured by a first charge on the freehold property, and is being repaid as follows:-

	2005	2004
	£	£
Due after five years	-	17,000
Due between two and five years	-	3,000
Due between one and two years	-	1,000
	-	21,000
Due within one year	21,000	1,000
	21,000	22,000

10 OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

The company's net obligations under finance leases and hire purchase contracts are repayable as follows:

	2005	2004
	£	£
Within one year or on demand	24,976	15,129
Between one and two years	56,068	41,325
	81,044	56,454
Interest allocated to future accounting periods	16,610	10,537
	64,434	45,917
Included in current liabilities	20,049	12,277
	44,385	33,640

11 DEFERRED INCOME

	2005	2004
	£	£
Balance at 1 August 2004	168,621	149,147
Amount deferred in year - net of amounts released to incoming resources	158,832	19,474
Balance at 31 July 2005	327,453	168,621

Deferred income comprises tuition fees received in advance which relate to future accounting periods.

COKETHORPE EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2005

12 BANK LOANS AND OVERDRAFTS

The aggregate amount of bank loans and overdrafts were as follows:

	2005 £	2004 £
Due after five years	433,333	613,334
Due between two and five years	540,000	540,000
Due between one and two years	180,000	180,000
	<hr/>	<hr/>
	1,153,333	1,333,334
Due within one year or less, or on demand	180,000	309,183
	<hr/>	<hr/>
	1,333,333	1,642,517
	<hr/>	<hr/>

The bank loans of £500,000 (2004 - £580,000) and £833,333 (2004 - £900,000) bear interest at a fixed rate of 1.75% above base rate over the loan term and are repayable in quarterly instalments of £20,000 excluding interest and termly instalments of £33,333 excluding interest respectively.

The bank loans and overdrafts are secured by a legal mortgage dated 16 June 1995 over the freehold property and a floating charge over the other assets of the company.

13 REVALUATION RESERVE

	2005 £	2004 £
Balance at 1 August 2004	11,776	12,797
Transfer in year	(256)	(1,021)
	<hr/>	<hr/>
Balance at 31 July 2005	11,520	11,776
	<hr/>	<hr/>

COKETHORPE EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2005

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted general funds	Restricted funds	Total 2005
	£	£	£
Tangible fixed assets	4,910,645	-	4,910,645
Cash at bank and in hand	228,045	1,565	229,610
Other net current liabilities	(550,632)	-	(550,632)
Long term liabilities	(1,616,263)	-	(1,616,263)
	<u>2,971,795</u>	<u>1,565</u>	<u>2,973,360</u>

Restricted funds totalling £1,565 comprise the Steve Cookson Drama Award and Lucy Boggis Prize Fund of £1,313 and £250 respectively. The Steve Cookson Drama Award is a fund established in memory of a former pupil and is awarded on an annual basis to the most improved drama student. The Lucy Boggis Prize Fund is a fund established for the reward of sporting excellence.

15 LEASING COMMITMENTS

At 31 July 2005, the company had the following annual commitments under non-cancellable operating leases:-

	2005 £	2004 £
Amounts falling due next year under operating leases for other assets:		
In less than one year	5,965	-
Expiring in one to two years	1,139	5,965
Expiring in two to five years	16,216	7,626
	<u>23,320</u>	<u>13,591</u>
	2005 £	2004 £
Amounts falling due next year under operating leases for land and buildings:		
Expiring in more than five years	20,000	20,000
	<u>20,000</u>	<u>20,000</u>

16 CASHFLOWS RELATING TO CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2005 £	2004 £
Payments to acquire tangible fixed assets	(363,291)	(200,491)
Sale of tangible fixed assets	3,618	3,000
	<u>(359,673)</u>	<u>(197,491)</u>
Net cash outflow		

COKETHORPE EDUCATIONAL TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2005**

17 FINANCING

	2005	2004
	£	£
Hire purchase advances	38,365	20,800
Capital repayments on hire purchase contracts	(19,848)	(12,423)
New funds advanced, net of amounts repaid	(147,667)	(149,584)
	<u>(129,150)</u>	<u>(141,207)</u>

18 ANALYSIS OF CHANGES IN NET DEBT

	At 01/08/04	Cashflows	Other changes	At 31/07/05
	£	£	£	£
Cash at bank and in hand	48,655	180,955	-	229,610
Overdrafts	(162,517)	162,517	-	-
	<u>(113,862)</u>	<u>343,472</u>	<u>-</u>	<u>229,610</u>
Bank loans < one year	(147,666)	147,667	(201,001)	(201,000)
Bank loans > one year	(1,354,334)	-	201,001	(1,153,333)
	<u>(1,502,000)</u>	<u>147,667</u>	<u>(201,001)</u>	<u>(1,555,334)</u>
Hire purchase due < one year	(12,277)	(18,517)	10,745	(20,049)
Hire purchase due > one year	(33,640)	-	(10,745)	(44,385)
	<u>(45,917)</u>	<u>(18,517)</u>	<u>(10,745)</u>	<u>(75,179)</u>
	<u><u>(1,661,779)</u></u>	<u><u>472,622</u></u>	<u><u>-</u></u>	<u><u>(1,189,157)</u></u>

19 INSURANCE

Insurance cover for Governors is included within total public liability insurance paid. The professional indemnity insurance in existence covers £2,000,000 for all aggregate claims notified in any one period of insurance.