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**MONKTON HOUSE KINGS COLLEGE
(CARDIFF) EDUCATIONAL TRUST LIMITED**

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

31 AUGUST 2006

COMPANY NO: 894179

CHARITY NO: 525759

**WATTS
GREGORY**

CHARTERED ACCOUNTANTS
BUSINESS ADVISERS TAX SPECIALISTS

 UK200Group

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MONKTON HOUSE KINGS COLLEGE (CARDIFF) EDUCATIONAL TRUST LIMITED

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FOR THE YEAR ENDED 31 AUGUST 2006

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MONKTON HOUSE KINGS COLLEGE (CARDIFF) EDUCATIONAL TRUST LIMITED

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISORS

FOR THE YEAR ENDED 31 AUGUST 2006

The Board of Trustees

R N Griffin
R W Ley
W Warlow
R J Pearce
K Heselton
T J Luke
D P Warren
H J Griffith

Company Secretary

P Cox

Senior Staff

R N Griffin – Principal
P Cox – Vice Principal
J Griffin – School Bursar
G J Evans – Head Teacher
G D Lloyd – Deputy Head Teacher

Registered Office

6 West Grove
CARDIFF
CF24 3XL

Auditors

Watts Gregory
Chartered Accountants
& Registered Auditors
Elfed House
Oak Tree Court
Mulberry Drive
Cardiff Gate Business Park
CARDIFF CF23 8RS

Bankers

Lloyds TSB Bank Plc
45 Newport Road
CARDIFF

MONKTON HOUSE KINGS COLLEGE (CARDIFF) EDUCATIONAL TRUST LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages four to ten, together with the financial statements of Monkton House Kings College (Cardiff) Educational Trust Limited for the year ended 31 August 2006 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the charity's members, as a body, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in a special 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 charity and the charity's members as a body, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

The Trustees' (who also act as Directors for the purposes of Company Law) are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the charity is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the charity is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

Watts Gregory

Watts Gregory
Chartered Accountants & Registered Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

Date: *24/11/07*

MONKTON HOUSE KINGS COLLEGE (CARDIFF) EDUCATIONAL TRUST LIMITED

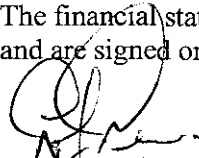
ABBREVIATED BALANCE SHEET

YEAR ENDED 31 AUGUST 2006

	Note	2006 £	2005 £
FIXED ASSETS			
Tangible assets	2	1,416,976	1,430,406
CURRENT ASSETS			
Stocks		44,596	47,282
Debtors		43,126	55,367
Cash at bank and in hand		664	226
		<u>88,386</u>	<u>102,875</u>
CREDITORS: Amounts falling due within one year		(198,721)	(235,850)
NET CURRENT ASSETS/(LIABILITIES)		<u>(110,335)</u>	<u>(132,975)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,306,641	1,297,431
CREDITORS: Amounts falling due after more than one year	4	(71,902)	(44,677)
		<u>1,234,739</u>	<u>1,252,754</u>
RESERVES	5		
Unrestricted funds:			
General		18,947	39,482
Designated:			
Building fund		1,215,792	1,213,272
		<u>1,234,739</u>	<u>1,252,754</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the trustees on the 24.8.07
and are signed on their behalf by:


.....
R J PEARCE
Trustee

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2006

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard For Small Entities (effective January 2005), Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the Companies Act 1985. The Companies Act 1985 formats have been adapted in order to reflect a true and fair view.

Cash flow statement

The Trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Voluntary income

Voluntary income, including donations and gifts or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

This includes capital grants.

Investment income

Investment income is recognised on a receivable basis.

Incoming resources from charitable activities

Incoming resources from charitable activities includes fee income received and other similar income. This income is recognised as the related services are provided and there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

It is not the policy of the charity to show incoming resources net of expenditure.

Fixed assets and depreciation

Fixed assets are initially recorded at cost. Only assets in excess of £500 are capitalised.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold property	2% straight line
Fixtures & fittings	20% reducing balance
Computer equipment	20% reducing balance
Motor vehicles	25% reducing balance

NOTES TO THE ABBREVIATED ACCOUNTS (cont'd)

YEAR ENDED 31 AUGUST 2006

1. ACCOUNTING POLICIES (cont'd)

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT as the charity is not registered.

"Charitable expenditure" comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

"Support costs" are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charity.

"Governance costs" include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis. Allocation of expenses has occurred between direct expenditure and support costs for some wages and salaries and related costs based on an estimate of time spent in those areas. A similar allocation has occurred for the premises and related costs based on an estimate of the areas used.

Hire purchase/finance lease agreements

Assets held under hire purchase/finance lease agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the statement of financial activities on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the statement of financial activities.

NOTES TO THE ABBREVIATED ACCOUNTS (continued)

YEAR ENDED 31 AUGUST 2006

1. ACCOUNTING POLICIES (Cont'd)

Funds Structure

General unrestricted funds represent resources available to be applied by the trustees for the general purposes of the charity.

Designated funds are unrestricted funds which are allocated for specific purposes at the trustees' discretion.

MONKTON HOUSE KINGS COLLEGE (CARDIFF) EDUCATIONAL TRUST LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (cont'd)

YEAR ENDED 31 AUGUST 2006

2. TANGIBLE FIXED ASSETS

COST	Freehold Property £	Fixtures & Fittings £	Motor Vehicles £	Computer Equipment £	Total £
At 1 September 2005	1,401,502	202,229	65,437	145,333	1,814,501
Additions	-	36,565	19,084	1,892	57,541
Disposals	-	-	-	-	-
At 31 AUGUST 2006	<u>1,401,502</u>	<u>238,794</u>	<u>84,521</u>	<u>147,225</u>	<u>1,872,042</u>
DEPRECIATION					
At 1 September 2005	138,915	124,021	41,970	79,189	384,095
Charge for the year	28,030	18,896	10,638	13,407	70,971
Disposals	-	-	-	-	-
At 31 AUGUST 2006	<u>166,945</u>	<u>142,917</u>	<u>52,608</u>	<u>92,596</u>	<u>455,066</u>
NET BOOK VALUE					
At 31 AUGUST 2006	<u>1,234,557</u>	<u>95,877</u>	<u>31,913</u>	<u>54,629</u>	<u>1,416,976</u>
At 31 August 2005	<u>1,262,587</u>	<u>78,208</u>	<u>23,467</u>	<u>66,144</u>	<u>1,430,406</u>

All tangible fixed assets are used for direct charitable purposes.

Included in fixtures and fittings/computer equipment is an amount of £35,049 (2005 - £26,834) held on finance lease. There is depreciation charged in the year of £8,083 (2005 - £11,070).

NOTES TO THE ABBREVIATED ACCOUNTS (cont'd)

YEAR ENDED 31 AUGUST 2006

3. SECURED CREDITORS

The following liabilities disclosed under creditors falling due within one year are secured by the charity:-

	2006	2005
	£	£
Bank loans and overdrafts	42,338	72,452
Finance lease agreements	13,815	8,386
	<u>56,153</u>	<u>80,838</u>
	<u>=====</u>	<u>=====</u>

4. CREDITORS: Amounts falling due after one year

	2006	2005
	£	£
Bank loans and overdrafts	58,310	27,914
Finance lease agreements	13,592	16,763
	<u>71,902</u>	<u>44,677</u>
	<u>=====</u>	<u>=====</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the charity:

	2006	2005
	£	£
Bank loans and overdrafts	58,310	27,914
Finance lease agreements	13,592	16,763
	<u>71,902</u>	<u>44,677</u>
	<u>=====</u>	<u>=====</u>
Bank loans and overdrafts		
Repayable within		
More than 5 years by instalments	34,952	-
	<u>=====</u>	<u>=====</u>

MONKTON HOUSE KINGS COLLEGE (CARDIFF) EDUCATIONAL TRUST LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (continued)

YEAR ENDED 31 AUGUST 2006

5. RESERVES

	2006	2005
	£	£
General		
Balance brought forward	39,482	48,570
Net (outgoing)/incoming resources for the year	(18,015)	10,129
	<u>21,467</u>	<u>58,699</u>
Transfer to building fund	(2,520)	(19,217)
	<u>18,947</u>	<u>39,482</u>
	<u>=====</u>	<u>=====</u>
Building fund:		
Balance brought forward	1,213,272	1,194,055
Transfer from general fund	2,520	19,217
	<u>1,215,792</u>	<u>1,213,272</u>
	<u>=====</u>	<u>=====</u>

The Building Fund has been designated by the trustees and represents the net book value of freehold property less the related bank loan.

6. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee. In the event of a deficiency arising on liquidation, each member has undertaken to contribute to the assets of the company a sum not exceeding £1.

7. ULTIMATE CONTROLLING PARTY

The charity is under the control of the trustees. No party has ultimate control.