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1269111

31ST AUGUST 1996
LORD WANDSWORTH COLLEGE TRUST
(Limited by Guarantee)



LORD WANDSWORTH COLLEGE TRUST

(Limited by Guarantee)

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LORD WANDSWORTH COLLEGE TRUST

(Limited by Guarantee)

Registered in England

on 10th September 1976

Number 1269111

COMPANY INFORMATION

CHARITY REGISTERED NUMBER	272050
REGISTERED OFFICE	Lord Wandsworth College Long Sutton Hook Hampshire, RG29 1TB
GOVERNORS	T S Juckes (Chairman) C R T Edwards (deceased 30.8.96) A J B fforde (retired 26.5.96) Mrs A Hardy F H C Podger P D C Points J R Steel K P Benham (appointed 26.5.96)
COMPANY SECRETARY	Lt Col M J Reggler
AUDITORS	Brooking Knowles & Lawrence Staple House Staple Gardens Winchester Hampshire, S023 9EJ
BANKERS	Lloyds Bank Plc Black Horse House Jacobs Yard, London Street Basingstoke Hampshire, RG21 7NT
SOLICITORS	Lamb Brooks Church Street Odiham Hampshire, RG29 1LX

LORD WANDSWORTH COLLEGE TRUST

(Limited by Guarantee)

THE GOVERNORS' REPORT FOR THE YEAR ENDED 31ST AUGUST 1996

Governors' responsibilities

Company law requires the governors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the surplus or deficit for that financial year. In so doing the governors are required to:

- Select suitable accounting policies and 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.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

The governors are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Activities

The principal activity of the company is the provision of boarding and day education for boys and sixth form girls, of whom a proportion have been deprived of one or both parents and are supported by the Lord Wandsworth Foundation and other Trusts.

Results

During the year a total of 470 pupils (1995: 457) were educated at the College; 42 girls and 428 boys, of whom 60 were full boarders, 269 weekly boarders and 141 day pupils.

Financial Results

The financial out-turn was a deficit of £159,571 (1995: deficit of £30,926)

LORD WANDSWORTH COLLEGE TRUST**(Limited by Guarantee)****THE GOVERNORS' REPORT FOR THE YEAR ENDED 31ST AUGUST 1996****Fixed assets**

All movements of fixed assets are shown in the notes to the accounts.

The governors in office at the end of the year, who have served throughout the year under review, except where stated, were:

T S Jukes (Chairman)
C R T Edwards (Deceased 30th August 1996)
A J B fforde (Retired 26th May 1996)
Mrs A Hardy
F H C Podger
P D C Points
J R Steel
K P Benham (Appointed 26th May 1996)

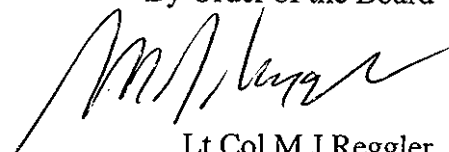
Auditors

The auditors, Messrs Brooking Knowles & Lawrence, have indicated that they are willing to be reappointed at the forthcoming annual general meeting.

Dated: 11. 6.97

Lord Wandsworth College
Long Sutton
Hook
Hampshire, RG29 1TB

By Order of the Board



Lt Col M J Reggler
Secretary

AUDITORS' REPORT TO THE MEMBERS OF
LORD WANDSWORTH COLLEGE TRUST
(Limited by Guarantee)
ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 1996

We have audited the Financial Statements on pages 5 to 17 which have been prepared under the historical cost convention and under the accounting policies set out on pages 9 and 10.

Respective responsibilities of the governors and auditors

As described in the governors' report, the governors 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 governors 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 a reasonable assurance that the Financial Statements are free from material misstatements, 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 the company's affairs as at 31st August 1996 and of its income and expenditure, cashflows and statement of total recognised gains and losses for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Dated 20th June 1997

Brooking Knowles & Lawrence

CHARTERED ACCOUNTANTS
 REGISTERED AUDITOR

Staple House
 Staple Gardens
 Winchester
 Hampshire, SO23 9EJ

LORD WANDSWORTH COLLEGE TRUST

(Limited by Guarantee)

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 1996

	Notes	<u>1996</u> £	<u>1995</u> £
Fees	1	4,215,867	3,914,293
Awards and remissions		(246,813)	(187,396)
NET FEES		3,969,054	3,726,897
Expenses	2	(4,218,619)	(3,716,699)
		(249,565)	10,198
Other operating income		3,359	9,338
OPERATING (DEFICIT)/SURPLUS BEFORE INTEREST	3	(246,206)	19,536
Income from subsidiary company		112,000	83,526
Interest receivable	4	30,580	29,703
Interest payable	5	(55,945)	(73,691)
(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES		(159,571)	59,074
Exceptional item	7	-	(90,000)
DEFICIT FOR THE YEAR		(159,571)	(30,926)

LORD WANDSWORTH COLLEGE TRUST

(Limited by Guarantee)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31ST AUGUST 1996

	<u>1996</u>	<u>1995</u>
	£	£
Deficit for the year	(159,571)	(30,926)
Dividends and interest credited directly to reserves	2,174	2,593
Released to profit and loss account	(1,876)	-
Prizes distributed from reserves	-	(56)
	<u>(159,273)</u>	<u>(28,389)</u>

LORD WANDSWORTH COLLEGE TRUST

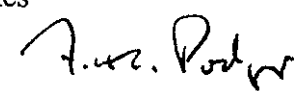
(Limited by Guarantee)

BALANCE SHEET AS AT 31ST AUGUST 1996

	Notes	<u>1996</u>		<u>1995</u>	
		£	£	£	£
Fixed Assets					
Tangible assets	8		298,963		281,568
Investments	9		23,634		23,634
			322,597		305,202
Current Assets					
Stocks		27,488		33,015	
Debtors	10	991,738		1,055,266	
Cash at bank and in hand		8,295		48,349	
		1,027,521		1,136,630	
Creditors: Amounts falling due within one year	11	(744,432)		(566,689)	
NET CURRENT ASSETS			283,089		569,941
TOTAL ASSETS LESS CURRENT LIABILITIES			605,686		875,143
Creditors: Amounts falling due after more than one year	11		(501,416)		(611,600)
NET ASSETS			104,270		263,543
Income and expenditure account	12		74,857		234,428
Building reserve	12		8,486		7,770
Sundry funds	12		20,927		21,345
ACCUMULATED FUNDS	12		104,270		263,543

The financial statements on pages 5 to 17 were approved by the Board of Governors and signed on its behalf by:


T S Jukes


F H C Podger

Dated 11.6.97

LORD WANDSWORTH COLLEGE TRUST

(Limited by Guarantee)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST AUGUST 1996

	£	<u>1996</u>	£	<u>1995</u>	£
Net cash inflow from operating activities (Note 13)			24,802		353,293
Net cash inflow from returns on investments and servicing of finance					
Interest received	30,580			29,703	
Income from investments (Note 14)	114,174			86,063	
Interest paid	(55,945)			(73,691)	
			88,809		42,075
Net cash outflow from investing activities					
Payments to acquire:					
Tangible fixed assets	(144,945)			(116,047)	
Investments	-			(2,136)	
Swimming pool contribution	-			(90,000)	
			(144,945)		(208,183)
Proceeds from sale of fixed assets			13,483		5,000
Net cash (outflow)/inflow before financing			(17,851)		192,185
Net cash outflow from financing					
Loan repayments	(154,388)			(142,823)	
			(154,388)		(142,823)
Increase in cash and cash equivalents			(172,239)		49,362
Cash and cash equivalents at 1st September 1995			34,665		(14,697)
at 31st August 1996					
Cash at bank and in hand	8,295			48,349	
Bank overdrafts	(145,869)			(13,684)	
			(137,574)		34,665

LORD WANDSWORTH COLLEGE TRUST

(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1996

ACCOUNTING POLICIES

The accounting policies adopted by the company are as follows:

Basis of accounting

The financial statements have been prepared in accordance with applicable Accounting Standards and on the basis of historical costs and incorporate the results of the principal activity which is described in the governors' report and which is continuing.

Scope of financial statements

These financial statements present the financial information about the company as an individual undertaking and not about the Group as a whole.

Group accounts have not been prepared as the Group falls within the exemption for medium size Groups under Section 248 of the Companies Act 1985.

Turnover

Turnover represents the fees invoiced by the company for education provided in the normal course of business.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is calculated to write off the cost of fixed assets to their estimated residual value over their expected useful lives to the business. The annual depreciation rates and methods of calculation are as follows:

Boarding house equipment	-	Straight line over ten years
Equipment, fixtures and fittings	-	Straight line over three to ten years
Motor vehicles	-	Straight line over four years
Cricket pavilion	-	Straight line over twenty years

Operating leases

Operating lease costs are charged in the financial statements for the period to which they relate.

Stock

Stock is stated at the lower of cost and net realisable value. The main components are stationery, household and maintenance items, and catering supplies. Where necessary, provision is made for obsolete and defective stock.

LORD WANDSWORTH COLLEGE TRUST

(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1996

Pension Schemes

The Lord Wandsworth College 1989 Pension and Life Assurance Scheme provides retirement benefits to qualifying employees, including Administrative and Support staff and Housemasters. Academic staff pensions are administered by the Teachers' Pension Agency. These are defined benefit schemes which are externally funded and contracted out of the State Earnings Related Pension Scheme.

Contributions to the schemes are charged to the Income and Expenditure Account so as to spread the cost of pensions over employees' working lives with the College in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. Contributions to the schemes are determined by qualified actuaries. In the case of the Lord Wandsworth College 1989 Pension and Life Assurance Scheme, audited accounts are prepared annually to 5th April.

Pension costs are disclosed within the financial statements.

Registered Charity

The Company is a registered charity and as such has been granted exemption under Section 505 of the Income and Corporation Taxes Act 1988, so that no Corporation tax is due on the result for the year.

1 FEES	<u>1996</u>	<u>1995</u>
	£	£
Fees	4,168,815	3,824,173
Foundationers' supplement	47,052	90,120
	<hr/>	<hr/>
	4,215,867	3,914,293
	<hr/>	<hr/>

LORD WANDSWORTH COLLEGE TRUST

(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1996

2. EXPENSES	1996		1995	
	£	£	£	£
<u>Educational</u>				
Academic salaries and superannuation	1,418,611		1,336,901	
Other expenditure	142,296		129,573	
		1,560,907		1,466,474
<u>Catering</u>				
Staff and operating expenses	252,018		201,733	
Food	233,139		252,430	
		485,157		454,163
<u>Household</u>				
Salaries, wages and superannuation	277,950		244,806	
Other expenditure	74,411		61,484	
		352,361		306,290
<u>Medical</u>		46,274		41,271
<u>Administration</u>				
Salaries, wages and superannuation	219,745		185,959	
Other expenditure	134,384		92,704	
		354,129		278,663
<u>Grounds</u>				
Salaries, wages and superannuation	86,606		81,584	
Other expenditure	35,432		34,552	
		122,038		116,136
<u>Overheads</u>				
Light and heat	137,505		123,350	
Rent	416,503		364,100	
Depreciation	115,831		88,118	
Release of capital grant	(1,150)		(1,150)	
Profit on disposal of fixed assets	(1,764)		(1,334)	
Other expenditure	128,139		88,862	
		795,064		661,946
<u>Maintenance and improvements</u>				
Salaries, wages and superannuation	118,506		117,364	
Contractors and materials	319,737		219,941	
		438,243		337,305
<u>Other expenses</u>		64,446		54,451
<u>Total expenditure</u>		4,218,619		3,716,699

LORD WANDSWORTH COLLEGE TRUST

(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1996

3	OPERATING (DEFICIT)	<u>1996</u>	<u>1995</u>
		£	£
	a) Operating (deficit) is stated after charging:		
	Depreciation	115,831	88,118
	(Profit) on sale of fixed assets	(1,764)	(1,334)
	Bad debts expense/(recovered)	10,515	(2,524)
	Operating lease charges:		
	Land and buildings	416,503	364,100
	Auditors remuneration (including expenses) - audit	5,550	6,169
	- other services	7,763	3,577
	Staff costs		
	Wages and salaries	2,209,652	2,041,951
	Pension contributions	159,599	126,396
		<hr/>	<hr/>
		<u>1996</u>	<u>1995</u>
	b) Particulars of staff	<u>Number</u>	<u>Number</u>
	The average number of persons employed by the company during the year was:		
		159	150
		<hr/>	<hr/>
	c) Governors' expenses		
	The governors received no remuneration for their services during the year. Expenses incurred by the governors to be reimbursed were paid by the Lord Wandsworth Foundation.		
4	INTEREST RECEIVABLE	<u>1996</u>	<u>1995</u>
		£	£
	Bank deposit interest	30,580	29,703
		<hr/>	<hr/>
5	INTEREST PAYABLE	<u>1996</u>	<u>1995</u>
			£
	On loan from LWC Enterprises Limited	55,945	73,691
		<hr/>	<hr/>
6	TAXATION		
	As a registered charity the company is not liable to Corporation Tax.		

LORD WANDSWORTH COLLEGE TRUST

(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1996

7 EXCEPTIONAL ITEM

	<u>1996</u>	<u>1995</u>
	£	£
Contribution towards swimming pool renovations	-	90,000

The swimming pool is an asset of The Lord Wandsworth Foundation. However, in 1995 the Board of Governors authorised the College to contribute £90,000 towards the repairs and refurbishment required.

8 TANGIBLE FIXED ASSETS

	Boarding house equipment	Equipment, fixtures and fittings	Motor vehicles	Cricket Pavilion	Total
Cost	£	£	£	£	£
At 1st September 1995	94,238	520,310	112,618	-	727,166
Additions	-	135,518	-	9,427	144,945
Disposals	-	(16,053)	-	-	(16,053)
At 31st August 1996	94,238	639,775	112,618	9,427	856,058
Depreciation					
At 1st September 1995	40,504	323,710	81,384	-	445,598
Charge for the year	9,424	92,598	13,338	471	115,831
Released on disposals	-	(4,334)	-	-	(4,334)
At 31st August 1996	49,928	411,974	94,722	471	557,095
Net Book Value					
At 31st August 1996	44,310	227,801	17,896	8,956	298,963
At 31st August 1995	53,734	196,600	31,234	-	281,568

LORD WANDSWORTH COLLEGE TRUST

(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1996

9 INVESTMENTS HELD AS FIXED ASSETS

	<u>1996</u>	<u>1995</u>
	£	£
Listed investments	23,632	23,632
Group undertaking shares	2	2
	<hr/>	<hr/>
	23,634	23,634
	<hr/>	<hr/>
 Listed investments		
- Aggregate market value	29,328	29,216
	<hr/>	<hr/>

Details of subsidiary undertakings at the balance sheet date are as follows:

Name of company and business	Class of shares	Holding %	Capital and Reserves	Profit/(Loss) for year
LWC Enterprises Limited				
Hire of residential and sports facilities	Ords	100.00	110	84
1995			26	1,198

The subsidiary undertaking is incorporated in England and Wales.
The year end of the subsidiary company is 31st March 1996.

LORD WANDSWORTH COLLEGE TRUST

(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1996

10 DEBTORS	<u>1996</u>	<u>1995</u>
	£	£
Due after more than one year:		
Prepayments and accrued income	501,416	611,600
Due within one year:		
Fees receivable	83,593	125,603
Provision for bad and doubtful debts	(16,000)	(16,000)
Amounts owed by group undertakings	49,796	3,089
Other debtors	168,948	61,906
Prepayments and accrued income	203,985	269,068
	<u>991,738</u>	<u>1,055,266</u>

Prepayments as at 31st August 1996 include a balance of £655,416 (1995: £809,804) in respect of an advance payment to LWC Enterprises Limited for the provision of gas, electricity and heat, for the period to 30th April 1999.

Bad debts written off in the year, net of amounts recovered which had previously been provided against, totalled £10,515. The accounts debit/(credit) in respect of bad debts can therefore be broken down.

	<u>1996</u>	<u>1995</u>
	£	£
Movement in bad debt provision	-	(9,000)
Debts written off in the year, net of recoveries	10,515	6,476
	<u>10,515</u>	<u>(2,524)</u>

LORD WANDSWORTH COLLEGE TRUST

(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1996

11 CREDITORS

	Due within one year		Due after more than one year	
	<u>1996</u>	<u>1995</u>	<u>1996</u>	<u>1995</u>
	£	£	£	£
Bank overdrafts	145,869	13,684	-	-
Loans	154,000	198,204	501,416	611,600
Deposits by parents	55,353	53,263	-	-
Trade creditors	49,400	48,858	-	-
PAYE	52,972	48,780	-	-
Deferred capital grant	3,451	4,601	-	-
Council tax reserve	11,006	10,271	-	-
Other creditors and deferred income	117,925	102,981	-	-
Fees received in advance	154,456	86,047	-	-
	<u>744,432</u>	<u>566,689</u>	<u>501,416</u>	<u>611,600</u>

Loans refer to amounts owed to LWC Enterprises Limited. The loan is repayable by variable instalments based on actual usage of fuel over five years with interest being charged at 2% above base rate.

12 RECONCILIATION OF ACCUMULATED FUNDS

	At 31.8.95	Surplus/ (Deficit)	At 31.8.96
	£	£	£
Income and expenditure account	234,428	(159,571)	74,857
Building reserve	7,770	716	8,486
Sundry funds:			
Stopford Scholarship Fund	3,909	353	4,262
Julyan Fund	3,068	167	3,235
Benefactors' Fund	14,368	(938)	13,430
	<u>263,543</u>	<u>(159,273)</u>	<u>104,270</u>

The surplus/(deficit) shown on all three "sundry funds" has arisen from investment income earned in the year less amounts released to the Income and Expenditure Account.

LORD WANDSWORTH COLLEGE TRUST

(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1996

13 NET CASH INFLOW FROM OPERATING ACTIVITIES

	<u>1996</u>	<u>1995</u>
	£	£
Operating (deficit)/surplus	(246,206)	19,536
Depreciation of tangible fixed assets	115,831	86,784
Profit on disposal of fixed assets	(1,764)	-
Release of reserve	(1,876)	-
Decrease in stocks	5,527	3,736
Decrease in debtors	63,528	167,632
Increase in creditors	89,762	75,605
	<u>24,802</u>	<u>353,293</u>

14 INCOME FROM INVESTMENTS

	<u>1996</u>	<u>1995</u>
	£	£
Income from subsidiary company		
LWC Enterprises Limited (per I & E)	112,000	83,526
Dividends credited directly to reserves:		
Stopford	353	353
Julyan	167	166
Benefactors (net of prizes)	938	882
Building	716	1,136
	<u>114,174</u>	<u>86,063</u>

15 LEASE COMMITMENTS

The minimum commitments due under non-cancellable operating leases in the the next year are:

Operating leases expiring:

After one year - rent to Lord Wandsworth Foundation
 - rent to LWC Enterprises Limited

	<u>1996</u>	<u>1995</u>
	Land and Buildings	Land and Buildings
	£	£
	415,000	374,000
	32,500	32,500
	<u>447,500</u>	<u>406,500</u>

The lease with the Lord Wandsworth Foundation is due for review in 2001 and the rent payable will be reviewed at that time.

16 MEMBERS' LIABILITY

Lord Wandsworth College Trust is a Company limited by guarantee and has no share capital. In the event of a winding up, each member has undertaken to contribute up to £1 toward any deficit.