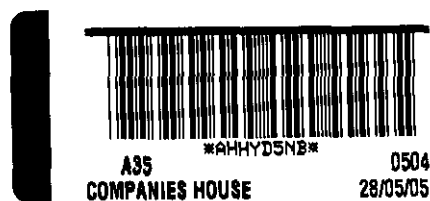


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**Report of the Directors and  
Financial Statements  
for the Year Ended 31 July 2004  
for  
POLACK'S HOUSE EDUCATIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**



**POLACK'S HOUSE EDUCATIONAL TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**Contents of the Financial Statements**  
**for the Year Ended 31 July 2004**

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**POLACK'S HOUSE EDUCATIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**Company Information  
for the Year Ended 31 July 2004**

<b>DIRECTORS:</b>	D N Tarsh E F Polack J E A Mocatta A R Thornhill M A Ziff S A Zimmerman R J Freeman J E Bennett
<b>SECRETARY:</b>	J E A Mocatta
<b>REGISTERED OFFICE:</b>	1/3 Percival Road Clifton Bristol BS8 3LF
<b>REGISTERED NUMBER:</b>	02852355
<b>CHARITY NUMBER:</b>	1040218
<b>ACCOUNTANTS:</b>	David Cottrell & Company Chartered Accountants 11a Canford Lane Westbury on Trym Bristol BS9 3DP
<b>BANKERS:</b>	National Westminster Bank Plc 44 Caledonia Place Clifton Bristol BS8 4DW  Coutts & Co 440 The Strand London WC2R 0QS
<b>SOLICITORS:</b>	Sheppards The Courtyard 120 High Street Nailsea BS19 1AH

**POLACK'S HOUSE EDUCATIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**Report of the Directors  
for the Year Ended 31 July 2004**

The directors present their report with the financial statements of the company for the year ended 31 July 2004.

**PRINCIPAL ACTIVITY**

The company was incorporated on 10 September 1993 and was formed to provide accommodation and education at Polack's House as part of Clifton College. The company is registered as a charity with the Charity Commissioners. Its registration number is 1040218.

**REVIEW OF BUSINESS**

The results for the year showed a surplus on general funds of £31,938 compared with a surplus of £27,428 last year. There are no significant variances on a year by year basis either in income or expenditure other than the Gas charge. The Trustees are currently in negotiations and it is anticipated that a significant credit will be received. No provision has been made for this in these financial statements.

Our expenditure on scholarships and bursaries amounted to £57,245 (£30,046 last year). The increase resulted from the additional funds received last year. We anticipate this level of support continuing next year.

No depreciation has been charged on the value of our property as the Trustees consider it to be of a value substantially greater than that shown in the balance sheet.

During the year a repayment of £15,000 was made to Coutts in accordance with the agreement that we have with them for repayment of our mortgage. A similar amount has been repaid in 2004/5 and is due to be repaid in 2005/6.

Regrettably the expenditure on marketing incurred last year has not produced an increase in new pupil registrations and the number of boys due to start the 2004/5 academic year is the lowest since the Trust was established. The Trustees agreed to review the potential number of pupils for 2005/6 during the Michaelmas term of 2004 as the forecast showed a continuing decline.

We would like to thank Jo and Julia Greenbury for their continued dedication to the affairs of the Trust and particularly to the welfare and education of the pupils in the House.

It was decided at the Trustees meeting in November 2004 that the House regrettably must close at the end of the summer term in 2005. Negotiations are being carried on with the School to ensure that the education of Jewish pupils at Clifton will continue but on the basis that the boys will be part of the other School boarding houses as the girls at Clifton currently are.

After closure of the House it is the intention of the Trustees to sell the property. Following which a decision will be made as to the best way to use the proceeds

**FIXED ASSETS**

Details of fixed assets are shown in the notes to the financial statements. The directors have had a valuation carried out on the freehold land and buildings and this value is significantly in excess of the book value. For this reason no depreciation has been provided in the accounts. For insurance purposes the buildings were valued at £2.9 million (2002 - £2.3 million).

**DIRECTORS**

The directors during the year under review were:

D N Tarsh  
E F Polack  
J E A Mocatta  
A R Thornhill  
M A Ziff  
S A Zimmerman  
R J Freeman  
J E Bennett  
F L Rivlin

resigned 03.05.04

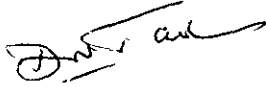
All directors being eligible offer themselves for re-election at the forthcoming Annual General Meeting.

**POLACK'S HOUSE EDUCATIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**Report of the Directors  
for the Year Ended 31 July 2004**

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**ON BEHALF OF THE BOARD:**



.....  
D N Tarsh -- DIRECTOR

Dated: 21 May 2005

**POLACK'S HOUSE EDUCATIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**Statement of financial activity  
for the Year Ended 31 July 2004**

		<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds</b>	<b>2003 Total Funds</b>
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Incoming Resources</b>					
Capitation fees		147,921	-	147,921	147,555
Donations		320	8,333	8,653	86,659
Legacies		-	-	-	150,000
Interest		1,079	4,724	5,803	4,086
Sundry Income		-	-	-	80
		<hr/>	<hr/>	<hr/>	<hr/>
		149,320	13,057	162,377	388,380
<b>Resources expended</b>	<b>3</b>	<hr/>	<hr/>	<hr/>	<hr/>
		117,382	57,245	174,627	198,004
<b>Net (outgoings)/incoming resources for the year</b>		<hr/>	<hr/>	<hr/>	<hr/>
		31,938	(44,188)	(12,250)	190,376
<b>Fund balances brought forward</b>		<hr/>	<hr/>	<hr/>	<hr/>
		421,691	245,914	667,605	477,229
<b>Fund balances carried forward</b>		<hr/>	<hr/>	<hr/>	<hr/>
		453,629	201,726	655,355	667,605

All amounts relate to continuing activities.

All recognised gains and losses are included in the statement of financial activities.

The notes form part of these financial statements

**POLACK'S HOUSE EDUCATIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**Balance Sheet  
31 July 2004**

		31.7.04		31.7.03	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	5		519,599		519,599
<b>CURRENT ASSETS:</b>					
Debtors	6	11,550		6,186	
Cash at bank and in hand		<u>311,701</u>		<u>330,611</u>	
		323,251		336,797	
<b>CREDITORS:</b> Amounts falling due within one year	7	<u>42,495</u>		<u>28,791</u>	
<b>NET CURRENT ASSETS:</b>			<u>280,756</u>		<u>308,006</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			800,355		827,605
<b>CREDITORS:</b> Amounts falling due after more than one year	8		<u>145,000</u>		<u>160,000</u>
			<u>£655,355</u>		<u>£667,605</u>
<b>FUNDS:</b>					
Restricted Funds	9		201,726		245,914
Designated Funds	10		54,464		54,464
Unrestricted Funds	10		<u>399,165</u>		<u>367,227</u>
			<u>£655,355</u>		<u>£667,605</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 July 2004.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2004 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

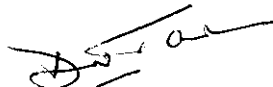
- (a) Ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) Preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

**POLACK'S HOUSE EDUCATIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**Balance Sheet  
31 July 2004**

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**ON BEHALF OF THE BOARD:**



.....  
D N Tarsh - DIRECTOR



.....  
A R Thornhill - DIRECTOR

Approved by the Board on 21 May 2005

The notes form part of these financial statements



**POLACK'S HOUSE EDUCATIONAL TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**Notes to the Financial Statements**  
**for the Year Ended 31 July 2004**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards and with the Charities Accounting Statement of Recommended Practice 2000 (SORP).

**Income**

Fee income is recognised as it falls due. Cash donations are treated as income in the year in which they are received.

**Tangible fixed assets**

Depreciation is not provided on the freehold land and buildings that the Directors consider have a market value considerably in excess of their book costs.

**Resources expended**

Expenditure is accounted for on an accruals basis. All expenditure relates to direct charitable expenditure.

**Taxation**

No provision is made for taxation as the company is a registered charity and as such is exempt from Corporation Tax.

**Pensions**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

**2. INTEREST PAYABLE AND SIMILAR CHARGES**

Interest payable and similar charges includes the following:

	31.7.04	31.7.03
	£	£
Bank interest	<u>9,905</u>	<u>10,757</u>

**3. RESOURCES EXPENDED**

	31.7.04	31.7.03
	£	£
Resources expended comprise:		
Unrestricted:		
Staff costs	35,863	33,056
Repairs, maintenance and refurbishment	21,760	26,472
Food	3,336	4,316
Professional fees	2,120	1,398
Interest payable	9,905	10,757
Fund Raising costs	-	46,945
Other	<u>44,398</u>	<u>44,725</u>
	<u>117,382</u>	<u>167,669</u>

Restricted:

Scholarships	<u>57,245</u>	<u>33,415</u>
--------------	---------------	---------------

	31.7.04	31.7.03
	£	£
Staff costs are broken down as follows:		
Wages and Salaries	30,852	30,546
Social security costs	3,554	2,510
Pension	<u>1,457</u>	<u>-</u>
	<u>35,863</u>	<u>33,056</u>

The average monthly number of employees during the year was 4 (2003 – 4).

**POLACK'S HOUSE EDUCATIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**Notes to the Financial Statements  
for the Year Ended 31 July 2004**

**4. DIRECTORS REMUNERATION**

None of the directors received any remuneration or had any expenses reimbursed during the year.

**5. TANGIBLE FIXED ASSETS**

	<u>Land and buildings</u>
	£
Cost bought forward and carried forward	<u>519,599</u>

No depreciation is charged on freehold land and buildings, the market value of which the directors consider is considerably in excess of the book value.

**6. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	31.7.04	31.7.03
	£	£
Debtors	10,193	5,768
Prepayments	<u>1,357</u>	<u>418</u>
	<u>11,550</u>	<u>6,186</u>

All amounts shown under debtors fall due for payment within one year.

**7. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	31.7.04	31.7.03
	£	£
Bank loans and overdrafts	15,000	15,000
Other creditors	12,019	10,771
Accrued expenses	<u>15,476</u>	<u>3,020</u>
	<u>42,495</u>	<u>28,791</u>

**8. CREDITORS: AMOUNTS FALLING  
DUE AFTER MORE THAN ONE YEAR**

	31.7.04	31.7.03
	Bank Loan £	Bank Loan £
In more than one year but not more than two years	15,000	15,000
In more than two years but not more than five years	45,000	45,000
In more than five years	85,000	100,000
	<u>145,000</u>	<u>160,000</u>

**POLACK'S HOUSE EDUCATIONAL TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**Notes to the Financial Statements**  
**for the Year Ended 31 July 2004**

**8. CREDITORS: AMOUNTS FALLING  
DUE AFTER MORE THAN ONE YEAR (CONTINUED)**

The bank loan is secured by a charge on 1/3 Percival Road, Clifton, Bristol and interest is payable at 2% over Courts & Co bank base rate.

**9. RESTRICTED FUND**

	Balances at start of year £	Incoming Resources £	Outgoing Resources £	Balances at end of year £
<b>Income Funds:</b>				
Polack Family Scholarship fund	27,560	521	(6,271)	21,810
General Scholarship fund	41,357	596	(25,661)	16,292
Old boys Web-site fund	1,155	25	-	1,180
Morris Scholarship fund	-	8,333	(8,333)	-
<b>Capital Fund:</b>				
Bourne Scholarship fund	25,000	533	(300)	25,233
Lipton Scholarship fund	150,842	3,049	(16,680)	137,211
<b>Total restricted fund</b>	<b><u>245,914</u></b>	<b><u>13,057</u></b>	<b><u>(57,245)</u></b>	<b><u>201,726</u></b>

The capital and income of the Polack Family Scholarship and the General Scholarship funds are to be applied to provide scholarships for pupils at Polack's House. The income only of the Bourne Scholarship fund is to be applied to provide scholarships for pupils at Polack's House and Jewish Girls at Clifton College; the capital of the Bourne Scholarship Fund has to be returned to the donor if Polack's House closes at any time. The income and capital of the Lipton Scholarship fund is to be applied to provide scholarships for Russian or Israeli pupils at Polack's house. There is a restriction on the capital element of any expenditure in that if possible the fund should last for 20 years.

The above funds have not been split between capital and income funds on the face of the statement of financial activities as the income of the capital fund is immaterial.

**10. TOTAL FUNDS**

	Designated Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances carried forward at 31 July 2004 are represented by:				
Tangible Fixed Assets	-	519,599	-	519,599
General Scholarship fund	54,464	24,566	201,726	280,756
Long-term Liabilities	-	(145,000)	-	(145,000)
	<u>54,464</u>	<u>399,165</u>	<u>201,726</u>	<u>655,355</u>

The funds raised from the Polack's house 125-year celebrations have been designated by the trustees to provide Scholarships for pupils at Polack's House and amount to £39,464. A further £15,000 has been transferred from the unrestricted funds and Designated for House Refurbishment.

**POLACK'S HOUSE EDUCATIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**Notes to the Financial Statements  
for the Year Ended 31 July 2004**

**11. SHARE CAPITAL**

The company is limited by guarantee and as such there is no share capital.

**12. CASH FLOW STATEMENT**

The company has taken advantage of the exemption allowed under Financial Reporting Standard 1 'Cash flow statements' not to produce a cash flow statement as it qualifies as a small entity.

**POLACK'S HOUSE EDUCATIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**Report on the Financial Statements to the members of  
POLACK'S HOUSE EDUCATIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

We report on the unaudited financial statements for the year ended 31 July 2004 set out on pages 2 to 8.

*Respective responsibility of directors and reporting accountants*

As described on page 4 the company's directors are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

*Basis of opinion*

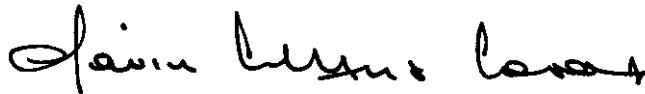
We conducted our examination in accordance with the statement of standards for Reporting Accountants and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of the report. These procedures provide only the assurance expressed by our opinion.

*Qualified opinion arising from disagreement about accounting treatment*

As explained in note 1 to the financial statements, no depreciation is charged on Freehold land and buildings. This policy is contrary to the requirements of standard accounting practice, as set out in applicable United Kingdom accounting standards. Furthermore, since the directors have made no assessment of expected useful lives of these assets, it is not possible to determine the impact of this departure from standard accounting practice on the net incoming resources for the year ended 31 July 2004 or on the carrying value of tangible fixed assets and unrestricted funds at 31 July 2004.

In our opinion:

- The financial statements are in agreement with those accounting records kept by the company under section 221 of the Companies Act 1985.
- Having regard only to, and on the basis of, the information contained in those accounting records:
  - (i) except for the absence of depreciation on freehold land and buildings as described above, the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the act; and
  - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in section 249A(4) of the act as modified by section 249A(5) and did not, at any time within the last year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).



David Cottrell & Company  
Chartered Accountants  
Registered Auditors  
11a Canford Lane  
Westbury on Trym  
Bristol  
BS9 3DP

Dated: 27 May 2005

**POLACK'S HOUSE EDUCATIONAL TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**Statement of financial activity**  
**for the Year Ended 31 July 2004**

	31.7.04		31.7.03	
	£	£	£	£
<b>Capitation fees</b>		147,921		147,555
<b>Other income:</b>				
Sundry receipts	320		80	
Deposit account interest	<u>1,079</u>		<u>517</u>	
		1,399		597
		<u>149,320</u>		<u>148,152</u>
<b>Expenditure:</b>				
Salaries	35,863		33,056	
Secretarial services	-		1,350	
Telephone	647		1,080	
Post & stationery	799		3,413	
Marketing	10,378		10,000	
Staff advertising	-		382	
Food	3,336		4,316	
Repairs, Maintenance and Refurbishment	21,760		26,472	
Library and education	473		1,021	
Cleaning	8,831		13,188	
General	655		359	
Accountancy	2,120		1,398	
Legal fees	15		15	
Council tax	2,747		2,206	
Water rates	4,186		3,225	
Electricity	3,979		4,337	
Gas	8,220		3,284	
Insurance	3,714		3,072	
Student disbursements	<u>12,714</u>		<u>12,270</u>	
		<u>120,437</u>		<u>124,444</u>
		28,883		23,708
<b>Finance costs:</b>				
Bank interest	9,815		10,757	
Bank charges	<u>90</u>		<u>90</u>	
		<u>9,905</u>		<u>10,847</u>
		18,978		12,861
<b>Add:</b>				
Student disbursements and other costs reimbursed by College		<u>12,960</u>		<u>14,567</u>
<b>SURPLUS FOR THE YEAR</b>		<u><u>£31,938</u></u>		<u><u>£27,428</u></u>

This page does not form part of the statutory financial statements