

Company No: 3245525

**ELTHAM COLLEGE**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2009**

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# ELTHAM COLLEGE

## Directors' Report

For The Year Ended 31 August 2009

The Directors present their report and the audited financial statements for the year ended 31 August 2009 in accordance with the Companies Act 1985, the Charities Act 1993 and the Company's Memorandum and Articles of Association

### Reference and Administrative Information

Eltham College is a registered charity, number 1058438 and is also a company limited by guarantee, registered company number 3245525

### Trustees and officers

The Governing Body, in whom the governance of the School is vested and which forms the Board of Directors and the Trustee body, was as follows during the year -

NAME	COMMITTEES		
	F&GP	J	S&P
N P Betts			◊
Rev R Blyth			
B C Carey	◊		
S R Charlick	♦		
Mrs P Corp			◊
Mrs A Edwards			◊
F D James	Resigned 23 09 2008	◊	
D L Mahoney			
Dr B Morgan			◊
Mrs R A Morgan		♦	
R B Morgan	◊		
C P Muttukumaru (Vice Chairman)	◊	◊	◊
W Oram			
Rev D Skitt	Appointed 24 03 2009	◊	
C Ring			◊
A Robb	Appointed 23 09 2008	◊	
D A Robins (Chairman)	◊	◊	♦
S R Smith			◊
Rev T Sparks		◊	
Mrs I Wort		◊	

### Committees

F&GP – Finance and General Purposes, J - Junior School, S&P – Strategy and Planning

♦ Denotes Chair of the committee

◊ Denotes Member of the committee

Messrs Carey, Charlick, Oram, Dr B Morgan and Mrs A Edwards retire by rotation and, being eligible, offer themselves for re-election. No director had an interest in any contract or arrangement of a material nature during the period under review except as disclosed in note 19 to these financial statements.

# **ELTHAM COLLEGE**

## **Directors' Report**

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### **Professional advisers and key personnel**

Headmaster	P J Henderson BA FRSA
Bursar	D Cooper ACCA
Address	Eltham College Grove Park Road Mottingham London, SE9 4QF
Bankers	Barclays Bank Plc 41 Woolwich New Road London, SE18 6NU
Auditors	Wilkins Kennedy Bridge House London Bridge London, SE1 9QR
Solicitors	Bircham Dyson Bell 50 Broadway Westminster London, SW1H 0BL

### **Structure, Governance and Management**

#### **Governing Document**

Eltham College was founded in 1842 as the School for the Sons of Missionaries, and incorporated in 1996. The School is a charity and is registered with the Charity Commission under Charity Number 1058438. The Charity is governed by the Memorandum and Articles of Association of Eltham College (Incorporated, registered company number 3245525), thereafter known as "The Trustee", dating from incorporation on 29<sup>th</sup> August 1996, last amended in 2005, and by Articles of Government made by the Trustee in exercise of the power conferred on them by the scheme regulating the School.

#### **Governing Body**

The Trustee is the Governing Body. All members of the Governing Body are trustees of the Charity and act as Directors of the Company. The Governing Body consists of a maximum of twelve elected Trust governors, two parent nominated Governors and one Governor nominated by each of the following bodies:

- Baptist Missionary Society
- Council for World Mission
- United Reformed Church
- London Borough of Bromley
- London Borough of Bexley
- The Eltham College Staff

#### **Recruitment and Training of Governors**

All Trust Governors are appointed at a Board Meeting on the basis of nominations from the Strategy & Planning Committee, which has as one of its Terms of Reference, the responsibility to act as Nominations Committee. This Committee reviews personal competence, specialist skills and availability before nominating for appointment. Trust Governors retire by rotation at the Annual General Meeting of the Company and are subject to re-election. All new Governing Body members are inducted into the workings of the Charity and Company by the issue of appropriate documents through "The Governor's Manual", a personal briefing from the Chairman of Governors, the Headmaster, and the Bursar, and placement on Governance Seminars if required. Governors are expected to attend refresher courses once every two years as a minimum requirement. The Governing Body has a written policy on the Recruitment, Induction and Training of Governors.

# **ELTHAM COLLEGE**

## **Directors' Report**

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### **Organisational Management**

The Directors determine the general policy of the School in accordance with a scheme promulgated by the Charity Commissioners. The day-to-day management of the School is delegated to the Headmaster and the Bursar.

### **Risk Management**

The Board has examined the principal areas of the School's operations and considered the risks faced in each of these areas.

In the opinion of the Governors, the College has established resources and review systems which, under normal conditions, should allow these risks to be mitigated to an acceptable level in its day-to-day operations.

### **Objectives and Activities**

#### **Charitable Objects and Principal Activities**

The College is established to advance the education of children and young people by (without prejudice to the generality of the foregoing) the provision of

- A preparatory and secondary day school for boys with a preference for the sons of Protestant Christian Missionaries and with facilities for girls to be admitted to the sixth form and to all or any part of the preparatory and secondary day school
- A pre-preparatory school for boys and girls between the ages of 3 and seven

The trustees confirm that they have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the charitable company's aims and objectives and in planning future activities.

### **Aims and Intended Impact**

#### **AIMS**

To educate within a Christian environment so that young people can discover the meaning of the Christian faith and spiritual values

To encourage personal integrity and consideration for others

To create good staff-pupil relationships based on co-operation, good humour and courtesy

To encourage enquiring and enthusiastic minds and to teach pupils tolerance of others' views

To foster all forms of communication in oral and written English, through drama, music and art, in at least one foreign language, and through mathematical, scientific and technological discovery

To offer a broad and balanced curriculum

To provide a safe and healthy environment

To introduce pupils to a variety of recreational pursuits, to develop physical fitness combined with health consciousness, and to foster team spirit and magnanimity

To promote Community Service, reaching out into the local community to create better mutual understanding

To develop a mutually helpful College community embracing governors, staff, parents, pupils, former pupils and friends

To ensure that all who are employed by the College find fulfilment in their work

To keep abreast of change while preserving and nurturing those features of the College which are of proven value

To promote and preserve the College's independent and charitable status

To preserve the College's foundation by the membership of its Governing Body and by the continued admission of the sons of missionaries

#### **Objectives for the Year**

Are set to reflect our educational aims and the ethos of the school. It is important that we maintain and enhance the academic success of the school, organised within a broader set of goals we establish for the College and its pupils.

## **ELTHAM COLLEGE**

### **Directors' Report**

In setting our objectives and planning our activities, our Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging

#### **Key objectives for the YEAR -2009/10**

- To ensure that all members of the Eltham College community (pupils, parents, staff, Old Elthamians, and Governors) feel a sense of belonging, achievement and joy associated with the school
- To continue to increase the level of academic success at both A level and GCSE, and consequently to enable all pupils to progress to higher education or employment at the appropriate level
- To maintain the support and pastoral care of pupils through the Tutors and Heads of Year/Section
- To continue to promote an all-round education, developing the pupils' talents outside the classroom through a wide range of extra-curricular activities and opportunities
- To promote the concept of Community Scholarships within the immediate neighbourhood, thus creating the idea of Eltham as the Direct Grant Grammar School in the local community
- To develop a five year Development Plan fit to take the whole school forward over that period
- To ensure that the quality and expertise of staff is maintained
- To promote the positive image of the school within the wider community
- To continue to promote links within the local community
- To continue to develop the physical assets of the school
- To explore further strategies to tackle environmental and energy issues
- To promote closer links between the Senior and Junior Schools
- To provide remote access for staff and pupils to the school's electronic network and to develop the use of a Virtual Learning Environment

#### **Strategies to Achieve the Year's Objectives**

- Support the Development Director in the Development Office in carrying forward short term, medium-term, and long-term strategies for both friend-raising and then fund-raising
- Visit local Primary Schools within 1½ to 2 miles, to convince their Headteachers of the attractions of Eltham College and promote the principle of Community Scholarships, and then attract more local boys to apply at 11+
- Support the Pastoral Committee as it oversees whole school policies and guides the tutors and Heads of Section through issues of Child Protection, and Safeguarding
- Consider future academic developments and how best to stretch our pupils through the Academic Committee and through the appointment of a member of staff to lead a programme for the Gifted and Talented
- Support the Director of Studies as he works with Heads of Department in encouraging pupil progress through the academic route, with an increasing focus on independent learning and research
- Support the Deputy Head and the Senior Management Team in the production of a Development Plan after consultation with relevant members of both Common Rooms
- Focused advertising and the use of articles in the local and national press to attract a high calibre of candidate (both staff and pupils)
- Develop partnerships with local state schools and other groups which can help promote the concept of Eltham College as a "good neighbour"
- Promote the use of the school's facilities (Sports Centre, Astro, Chapel, Dining Hall and Marquee) beyond the immediate school use, both for revenue generation and public relations
- Support staff and pupils in their attempts to reduce waste, recycle and find alternative energy sources
- Support the Directors of Studies in both the Senior and Junior Schools as they encourage greater liaison between Heads of Department and Staff in charge of subjects to share curriculum developments and good practice
- Support the Director of IT Services in his work to provide remote access and the creation of a VLE on the school's network

#### **The Eltham Ethos**

Eltham College is a charitable Trust which seeks to benefit the public through the pursuit of its stated aims. Our fees are set at a level to ensure the financial viability of the College and at a level that is consistent with our aim of a first class education to boys (7 – 18 years old) and girls (16 – 18 years old)

We welcome pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that we will be able to educate and develop the pupil to the best of their potential and in line with the standards achieved by their

## **ELTHAM COLLEGE**

### **Directors' Report**

peers Entrance examinations/ assessments and interviews are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, ethnicity, race, religion and in most cases disability do not form part of our assessment processes.

Eltham College is committed to safeguarding and promoting the welfare of our pupils and expects all staff and volunteers to share this commitment. In the last Independent Schools' Inspectorate report, the pastoral care provided by our Form Tutors and Heads of Section and the attention given to the welfare of the pupils was described as "Outstanding", and was seen "as a major strength in both the Junior and Senior Sections of the school". Parents are given regular information about their children's social and academic progress through parents evenings, six-week reports as well as the traditional full reports provided twice a year. We maintain regular contact with parents throughout the year through the Weekly e-Bulletin, some informal contacts (often by e-mail or text messaging) and through our Newsletter produced four times a year.

We are an equal opportunity organization and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

#### **Bursary and scholarship policies**

The Governors view bursary and scholarship awards as important in helping to ensure children from families who would not otherwise be able to afford the fees to access the education we offer. Our College does not have any endowment, and although we have recently established a fund through appeals to former pupils and existing parents to help finance such awards (the Bursary Fund), we have to be mindful that we must ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefitting from the awards.

Our bursary awards are available to those who meet our general academic entry requirements and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk, for example, in the case of redundancy. The awards range from 10% to 100% remission of fees. The creation of a Community Scholarship is in effect a Bursary linked to proximity to the school and aims to promote greater access to local pupils from less affluent backgrounds. We have a Travel Club fund that supplements bursary awards to pay for curricular school trips. We also have a discount scheme where staff members choose to educate their children at our College.

Our Scholarships are awarded on the basis of the individual's educational (Academic, Art, Drama) and extra-curricular (Music and Sport) merit or potential, subject to any conditions imposed for particular awards by the original donor (Leverhulme Trust). Scholarships are awarded with a fixed remission of fees of between 20% and 50%, which may be supplemented by a Bursary.

**Directors' Report**

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**Review of Activities and Achievements**

**Pupil Numbers and Fess**

The College numbers remain strong, with 210 in the Junior School and 620 in the Senior School. Our fees for the past year, before the deduction of any means-tested bursaries or scholarships, were

- Junior School - £10,020
- Senior School - £11,625

**Academic**

The A level results set records for the sixth year running with 93.7% of these grades being A or B (44 students achieved at least 3 A grades), and at GCSE 69.7% A\*/A grades (with 32 pupils achieving at least 9 A\*/A).

**Extra-curricular activities** The school has a particular interest in, and focus on, extra-curricular activities such as music, drama and sport, and is recognized as providing tuition and opportunities in these areas which is excellent by national standards.

**Sport** Success was achieved at national level by two groups in the Middle of the school this year. The U16 Hockey side reached the last four in the country after winning both the Kent and South-East Competitions. Similarly the U15 Cricket side reached the last eight of their national competition. In both these sports the senior sides also enjoyed considerable success whereas in rugby the senior XV have again struggled to achieve at the top level. However, there should be more success to come, with many of the Junior sides, particularly the U15 and U14 age groups, beating opposition at both a and b level. Fencing and Chess have both emerged as strong "Minor" sports, with some boys being selected for national training in the former, while the Junior School have won the U9 Chess Primary Schools Cup and were runners-up at U11.

**Music and Drama**

Musical activity continued to make remarkable progress despite the departure mid-year of the Director of Music to Westminster School. A fitting climax to his time here was an outstanding performance of Britten's Ceremony of Carols in St Alfege Church with 40 trebles and 20 sopranos. The reputation of the school's trebles was firmly established with four professional concerts in the Barbican (two with Gergiev and the Mariinsky Theatre, and two with Sir Colin Davis and the LSO). On a more mundane level during the inter-regnum period there were as usual a tremendous number of Informal and Formal Concerts at school and a Choral Society performance of Durufle's Requiem and Poulenc's Gloria. The main Summer event was an outdoors ECCO Pops Concert which climaxed with an amazing fireworks display. The Senior Production was this year the intriguing "Insect Play", the group of present and past pupils who had taken an adapted version of the musical Kiss of the Spider Woman to the Edinburgh Fringe Festival performed this again for all in Nottingham in September. The other memorable production was a version of Tolkien's Hobbit performed by members of the Middle School.

**Trips and Expeditions** Pupils enjoyed considerable opportunities for travel and adventure. Students of French enjoyed trips to Laval, and Paris, the Germanists went to Minden, Nuremberg and Berlin, and there were two Spanish language trips, one to Barcelona and the other to Mexico. The Physics Department led their second trip in recent years to CERN (the European Organisation for Nuclear Research) in Geneva. The Year 11 Adventure Course and the expeditions for the Duke of Edinburgh's Award Scheme took place on the Brecon Beacons and the Isle of Arran, there was a Religious Studies Trip to Corrymeela in Northern Ireland, two Art trips to Italy and one to Dorset, skiing in Valloire France, a Geology and Geography trip to Cornwall, and an expedition to the Great Wall of China for pupils, parents and staff. Finally there were two trips in the summer break, one to Kenya helping Habitat for Humanity to build houses for the poor, and another to observe and assist in the conservation of the eco-systems and reefs in Honduras.

The year concluded with Speech Day where the Guest of Honour was Commodore Sir Keith Ajebo OE, who was knighted in 2007 for his services to education after being Head of Deptford Green School, he is currently the Government's adviser on Citizenship in Secondary Schools. On the final day the Headmaster's Leavers' Ball was preceded by a Graduation Service in the Chapel attended by pupils, their parents and staff.

**Junior School** The Pupils enjoyed the second China Now! Day as part of their learning in Mandarin. The Science Week masterminded by Miss Joanna Donnegan was also a great success. Following Mrs Wrafter's sabbatical term in Australia the Project on Aboriginal Art by Junior School pupils was enjoyed by all in the School Hall. As well as residential trips to Sayers Croft, Wrotham, Swanage and Northern France, there was also a ski-ing trip to the French Alps, and a Choir Trip to Durham Cathedral. The other cultural highlight of the year was the production of Macbeth in the summer term.

## **Directors' Report**

### **Developments**

Plans to build a new Art Gallery paid for by an OE are moving forward with a view to construction starting in 2010. The Development Committee was in the fortunate position to allocate funds (£120,000) to Bursaries and other monies for individual projects around the school after a second year's successful Teleraise campaign amongst former pupils of the school.

The OEA have organized, through the good offices of the School's Development Office, a Winter Reunion (involving a Chapel Service, sports matches in hockey, netball and rugby and formal and informal lunches) two regional gatherings (South-East, and South-West) as well as a formal Dinner for younger OEs at King's College, Cambridge University.

### **Public Benefit**

In accordance with its status as a Registered Charity, the Trustees are mindful of its obligations to provide public benefit over and above its normal educational services.

- We audit on an annual basis the public benefit provided by the school
- We educate 830 children
- As a matter of policy, we provide access to our education to children from families who would not otherwise be able to afford the fees. In this year we provided financial help to 209 pupils in the school as follows

Yr 7	- 6 bursaries, 26 scholarships
Yr 8	- 8 bursaries, 11 scholarships
Yr 9	- 7 bursaries, 19 scholarships
Yr 10	- 12 bursaries, 14 scholarships
Yr 11	- 10 bursaries, 20 scholarships
L6	- 8 bursaries, 39 scholarships
U6	- 4 bursaries, 25 scholarships

The school's contribution for this year is £1,047,654

- Eltham College provides education up to A level in subjects which are seen to be in decline elsewhere in the country, particularly within the maintained sector ie Biology, Chemistry, Physics, Geology, French, German and Spanish. Many students go on to study these subjects at University, thus keeping these departments open for the future development of science and language education at the higher level.
- The school's Charities Committee raised over £9,000 in the Senior School and over £5,000 in the Junior School for charities, ranging from AZAR (building a school in Tanzania) to Cystic Fibrosis Trust, through various activities like discos, cake sales, a fenceathon and the London to Brighton Bike Ride!

### **Teacher Training, and Community Service, Links and Access**

- Four teaching staff (1 History, 1 PE and 2 Art) were trained and passed as "excellent" the QTS course run from Christ Church Canterbury University
- The school has a nationally recognized programme of Community Service and every member of the Lower Sixth is involved working within the community. This involves co-operation with Primary and Nursery Schools, Special Schools, care or nursing homes, community or day care centres, charity shops, hospital and a number of individuals in the community.
- Lower Sixth Form boys trained and conducted choirs in 5 local Primary Schools during the spring and summer terms following the Government's initiative entitled "Sing Up" – a performance of all the choirs was given at the Community Service Senior Citizens' Party in June.
- Eltham College became the sole independent school in a partnership with 5 state secondary schools in Bromley and Croydon attempting to raise standards. The Antony Barnard Hall was used for a Drama Collaboration on the subject of The Olympics for Year 10 pupils from all the partner schools. Members of the teaching staff worked on a Middle Managers Leadership programme, and Mathematics, English and Science teachers from Eltham led a GCSE revision sessions at Knight's Academy, Darrick Wood and Woodcote High Schools during the summer half-term.
- Under the auspices of the Charity Shine, the ISSP partnership has established a Science Club on Saturday mornings for children from local Primary Schools with deprived backgrounds. This Club runs for twelve weeks, with teachers from the secondary schools providing 2 one-hour stimulating science lessons. Six teachers and two technicians from Eltham worked in this programme which was based in the Eltham laboratories for six weeks. One of our minibuses was used throughout the course to help transport pupils to and from their areas, while refreshments were provided between the sessions.



## ELTHAM COLLEGE

### Directors' Report

- Over 100 pupils in Year 11 and above take part in the Duke of Edinburgh Award Scheme, which includes as one of its elements Community Service. This involves all pupils providing extra help within the community in activities that range from assisting Scouts, Guides, Cubs and Brownies, to working in Charity Shops and Drop-in Centres for the elderly. All of these are providing benefit to the wider public while at the same time they are learning more about society and the needs of others as part of their education.
- Lower Sixth Students from Eltham acted as Peer Mentors for Year 11 pupils at Darnick Wood and the Knight's Academy in preparation for their GCSE Maths examinations.
- In July the school organized and hosted a programme for Year 10 pupils from local state secondary schools, entitled "Aim Higher". Over 60 pupils attended the two day programme which focused on aiming higher and applying to Higher Education.
- Eltham College Junior School played host to a number of activities involving pupils from other state and private schools throughout the year. Two training days for the Kent Junior Chess association were held at the school which has been awarded Centre of Excellence Status for this sport. On the playing fields the Bromley Primary Schools U10 Soccer was held, and on the all-weather pitch the Bromley primary School Hockey tournament was held.
- In March the Junior School organized a China Now! Day to promote a better understanding of Chinese culture and language. This was attended by representatives from the British Council, the Confucius Institute, and a representative from the Chinese Embassy.
- Eltham College is a co-sponsor of the Haberdashers' Aske's Knights Academy. This Sports Academy, based in the Downham Estate, has hired College Meadow, part of Eltham College's playing fields for their daily use (9am – 6pm, 6 days a week) at a discounted rental. The Academy also have access to some of the facilities in the Eric Liddell Sports Centre.
- Eltham College is the home of the Eric Liddell Sports Centre, a dual use facility funded by the National Lottery and the London Borough of Bromley, cited by Sports England as the model of good practice. Since opening in 1996 the Centre has averaged some 5000 members. Concessionary membership is extended to the unemployed, to single parent families, to families in receipt of income support, to old age pensioners and to all residents referred to the Centre under the Borough's GP Referral scheme.
- The Eric Liddell Sports Centre provided the venue for the Bromley Schools Integrated Swimming Gala (for disabled and able-bodied children combined for twelve different state schools), and supported by the Mayor, in March.
- The Astro-turf all-weather pitch on College Meadow is available for hire to local hockey and football clubs for use outside normal school hours and at the weekend. During this year 3 hockey and 2 football clubs have made use of the facility.
- The school's sports facilities, grounds and minibuses have been made available free of charge to local primary schools, whilst the swimming pool is made available to the local disabled swimming association (The Sharks), some of whose members have achieved international success in competition.
- The sports grounds were made available to Blackheath Rugby Club as a venue for their Minis Section Festival in November when approximately 1000 children from across London took part in a tournament.
- Eltham College is the sponsor of the Christmas Lights within Mottingham, hosts the annual Autumn Flower Show of Mottingham Horticultural Society, and provided guided tours to visitors during this and the London Open House Event. The shared access and car-parking provision with London Marathon Playing Fields enables nearly 100 hundred cars to be parked on the site at weekends rather than on the road during football and rugby fixtures. The College has loaned a minibus for a camping trip and the Chapel for a St George's Day Service to a local Scout Group.

**Directors' Report**

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**Financial Review**

The School's operating surplus of £58,823 as shown in the Statement of Financial Activities was, considering the current economic conditions a satisfactory result. Note 14 to the accounts shows the assets and liabilities attributable to the various funds by type and also describes the various trusts of the Charity and summarises the year's movements on each fund.

After deducting amounts designated for scholarships, bursaries and the School's premises, the unrestricted reserve fund (the "free reserves") at 31 August 2009 totalled £776,839 (2008 £766,439). The Board's target for free reserves is in line with the generally accepted view in the Independent Schools sector that the ideal level for which to aim equates to a full term's expenditure of approximately £2 million. Our policy is, therefore, to continue building up our free reserves to the ideal level by means of annual operating surpluses and judicious management of our investment assets, supplemented by general-purpose appeals from time to time.

Tangible fixed assets are held for use by the School, but in the present uncertain market, the Governors are unable to estimate whether the current material value of these assets is materially different from that shown in the accounts.

**Investment Policy**

The trustees' investment powers are governed by the Memorandum and Articles of Association, which permit the Charity's funds to be invested in any security listed on the London Stock Exchange.

**Grant-Making Policy**

The Governors' policy, in line with that of other independent schools, is to make these awards on the basis of the individual's educational ability, subject to the particular conditions imposed by the donor where the award is out of restricted funds. All scholarships and other awards are subject to annual review.

**Directors' Report**

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**Plans for Future Periods**

The key objectives within the current plan are

- 1 To maintain the present low pupil/teacher ratio of around 8:1, by recruiting enthusiastic and committed professional teachers when necessary, we believe these factors are crucial for the development of both the academic and wider skills of our pupils
- 2 To maintain the school roll at a normal level of 600 (Senior School) and 200 (Junior School)
- 3 To continue to review the academic curriculum and in particular the appropriateness of the public examinations in the Sixth Form
- 4 To maintain the current high standards of academic achievement as measured by external public examinations and independent value-added criteria
- 5 To balance academic achievement through maintaining a curriculum allowing full scope for the development of cultural, sporting and social as well as academic skills
- 6 To provide effective pastoral support through the provision of the form tutor system
- 7 To widen access to the school still further through the provision of means-tested bursaries equivalent to 15 full-fee-paying places
- 8 To encourage independent learning and responsible communication
- 9 To continue to build links with the local primary and secondary schools in both the state and independent sectors
- 10 To continue to build and encourage community access to the school's facilities

**Directors' Report**

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**Trustees' responsibilities in relation to the financial statements**

The charity trustees (who are also directors for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law and the law applicable to charities in England and Wales requires charity trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements the trustees are required to

- select suitable accounting policies and then apply them consistently,
- Observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- prepare the accounts on the going concern basis unless it is inappropriate to assume that the charitable company will continue in business

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 1993 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities

**Statement as to disclosure of information to auditors**

So far as the trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information

**Auditors**

A resolution for the re-appointment of Wilkins Kennedy as auditors to the charitable company will be submitted to the Annual General Meeting

Approved by the Board at its meeting on 17 April 2010 and signed on its behalf by



**CPJ Muttukumar**

Vice Chairman

**Independent Auditors' Report To The Members**

We have audited the financial statements of Eltham College for the year ended 31 August 2009 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, the Summary Income and Expenditure Account and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with regulations issued under the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditors**

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Directors' Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting practice, if the charitable companies financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Directors' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes an 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 Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable 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.

**Opinion**

In our opinion:

- the financial statements give a true and fair view of the state of the charity's affairs at 31 August 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Directors' Annual Report is consistent with the financial statements.



**J Howard (Senior Statutory Auditor)**  
For and on behalf of **Wilkins Kennedy, Statutory Auditor**

Date 19 March 2010

Bridge House  
London Bridge  
London SE1 9QR

# ELTHAM COLLEGE

## Statement of Financial Activities

For The Year Ended 31 August 2009

	Notes	Unrestricted School £	Funds Other £	Restricted Funds £	Endowed Funds £	Total 2009 £	Total 2008 £
<b>INCOMING RESOURCES</b>							
<b>Income from charitable activities</b>							
School Fees receivable	2(a)	8,189,309	-	-	-	8,189,309	7,865,532
Other educational income	3	23,227	-	-	-	23,227	22,742
Other ancillary trading income	3	378,946	9,758	681,681	-	1,070,385	1,009,766
<b>Incoming Resources from Generated Funds</b>							
Voluntary income	3	8,678	-	-	-	8,678	28,000
Investment income		20,971	12,283	866	189	34,309	46,170
Donations and appeal receipts		-	138,296	46,339	-	184,635	173,937
Rents and Lettings		41,774	-	-	-	41,774	41,318
Fundraising proceeds		-	3,598	-	-	3,598	4,952
<b>Total incoming resources</b>		<b>8,662,905</b>	<b>163,935</b>	<b>728,886</b>	<b>189</b>	<b>9,555,915</b>	<b>9,192,417</b>
<b>RESOURCES EXPENDED</b>							
<b>Costs of generating funds</b>							
Fund-raising		122,385	41,876	250	-	164,511	132,596
Financing costs		215,101	-	-	-	215,101	210,496
		337,486	41,876	250	-	379,612	343,092
<b>Charitable Activities</b>							
Schools and grant making		8,209,466	6,721	668,750	-	8,884,937	8,558,766
<b>Governance costs</b>							
		57,130	-	-	-	57,130	64,684
<b>Total resources expended</b>	5	<b>8,604,082</b>	<b>48,597</b>	<b>669,000</b>	<b>-</b>	<b>9,321,679</b>	<b>8,966,542</b>
<b>NET INCOMING RESOURCES</b>		<b>58,823</b>	<b>115,338</b>	<b>59,886</b>	<b>(189)</b>	<b>234,236</b>	<b>225,875</b>
Transfers between funds		-	5,599	(5,410)	(189)	0	-
Investment gains	8	-	(28,306)	(10,312)	-	(38,618)	(35,493)
		58,823	92,631	44,164	0	195,618	190,382
<b>NET MOVEMENT IN FUNDS</b>		<b>151,454</b>		<b>44,164</b>	<b>0</b>	<b>195,618</b>	<b>190,382</b>
Fund Balances at 1 September 2008		5,286,108		326,793	32,559	5,645,460	5,455,079
<b>Fund Balances at 31 August 2009</b>		<b>5,437,562</b>		<b>370,957</b>	<b>32,559</b>	<b>5,841,078</b>	<b>5,645,461</b>

The notes on pages 16 to 28 form part of these financial statements


# ELTHAM COLLEGE


## Balance Sheet

As at 31 August 2009

	Notes	£	2009 £	£	2008 £
<b>Fixed assets</b>					
Tangible assets	7		11,216,327		11,457,233
Investment assets	8		237,002		275,620
			<u>11,453,329</u>		<u>11,732,853</u>
<b>Current assets</b>					
Stocks		11,700		11,675	
Debtors	9	581,849		513,636	
Cash		109,188		81,726	
		<u>702,737</u>		<u>607,037</u>	
<b>Creditors</b> Amounts falling due within one year	10	(2,205,036)		(2,517,530)	
<b>Net current liabilities</b>			(1,502,299)		(1,910,493)
<b>Total assets less current liabilities</b>			9,951,030		9,822,360
<b>Creditors</b> Amounts falling due after more than one year	11		(4,109,952)		(4,176,899)
<b>Net assets</b>			<u>5,841,078</u>		<u>5,645,461</u>
<b>Endowed funds</b>	14a		32,559		32,559
<b>Restricted funds</b>	14b		370,957		326,794
<b>Unrestricted funds</b>					
Designated and general funds	14c		5,437,562		5,286,108
<b>Total funds</b>	14		<u>5,841,078</u>		<u>5,645,461</u>

Approved by the Board of Governors on 17 03 2010 and signed on its behalf by

  
C P J MUTTUKUMARU

  
S R CHARLICK

The notes on pages 15 to 27 form part of these financial statements

# ELTHAM COLLEGE

## Cash Flow Statement

For the Year Ended 31 August 2009

	Notes	2009		2008	
		£	£	£	£
<b>Net cash inflow from operations</b>	<b>16</b>		<b>1,197,142</b>		<b>985,749</b>
<b>Returns on investments and servicing of finance</b>					
Investment income received		13,136		11,020	
Interest received		21,173		33,602	
Interest paid		(215,101)		(210,496)	
			(180,792)		(165,874)
<b>Capital expenditure and financial investment</b>					
Payment for tangible fixed assets		(396,221)		(1,242,850)	
Disposal of fixed assets		1,162		-	
			(395,059)		(1,242,850)
<b>Net cash inflow before financing</b>			<b>621,291</b>		<b>(422,975)</b>
<b>Financing</b>			<b>(192,343)</b>		<b>(206,133)</b>
<b>Increase in cash in the year</b>	<b>18</b>		<b>428,948</b>		<b>(629,108)</b>
<b>Reconciliation of net cash flow to net debt (note 16)</b>					
Increase in cash in the year			428,948		(629,108)
Cash inflow from increase in bank loans			(14,794)		-
Cash to repay bank loans			207,135		206,133
<b>Change in net debt</b>	<b>18</b>		<b>621,289</b>		<b>(422,975)</b>
<b>Net debt at 1 September 2008</b>			<b>(4,209,629)</b>		<b>(3,786,654)</b>
<b>Net debt at 31 August 2009</b>	<b>18</b>		<b>(3,588,340)</b>		<b>(4,209,629)</b>

The notes on pages 15 to 27 form part of these financial statements



## ELTHAM COLLEGE

### Summary Income And Expenditure Account

For the Year Ended 31 August 2009

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	2009 £	2008 £
Gross charitable income	9,555,915	9,192,417
Charitable expenditure	9,321,679	8,966,542
<b>Net income for the year</b>	<b>234,236</b>	<b>225,875</b>

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#### Notes

- 1 Gross charitable income consists of the Schools' income of £8,662,905 plus restricted income of £728,886, other income of £163,935 and Endowed income of £189. A detailed analysis of income by source is provided in the Statement of Financial Activities.
- 2 Charitable expenditure consists of the Schools' direct charitable expenditure and management and administration totalling £8,266,596, plus costs of generating funds of £337,486 plus restricted funds expenditure of £669,000, plus other expenditure of £48,597. A detailed analysis of the expenditure is provided in the Statement of Financial Activities and notes 4 to 6.
- 3 Net income before investment asset disposals and transfers consists of the Net Incoming Resources of the Unrestricted Funds (Schools and Other) of £174,545, Restricted Funds of £59,886 and Endowed income of £189.
- 4 The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 11 which together with notes to the financial statements on pages 15 to 26 provides the full information on the movements during the year on all the funds of the School.
- 5 Gross charitable income includes development income of £120,591 (unrestricted) and £37,004 (restricted). Gross charitable expenditure includes £48,597 of direct and apportioned unrestricted development expenditure (before transfers) and £3,636 apportioned restricted development expenditure (before transfers). In addition to this the fundraising and publicity costs in the school includes the development director's salary and also that of the development coordinator. The unrestricted development reserve at the year end stands at £246,893 (after transfers) (2008 £138,907) and the restricted £203,285 (after transfers) (2008 £174,265). It also includes appeal income of £31,060 (unrestricted) and £11,013 (restricted).

# ELTHAM COLLEGE

## Notes To The Financial Statements

For the Year Ended 31 August 2009

### 1. ACCOUNTING POLICIES

#### a) Basis of accounting

The accounts are prepared in accordance with the Companies Act 1985 on the historical cost convention as modified by the adoption of current cost for investment assets and in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (the Charities SORP 2005)

The financial statements include the results of the unincorporated charity 'Eltham College'. This unincorporated charity continues to hold certain endowed funds not transferred to the charitable company following its incorporation in 1996.

#### b) Tangible Fixed Assets

##### School Buildings and Equipment

The original School land and buildings are carried at original cost as the Directors consider it is not appropriate to apply a modern value to such property. The School is responsible for keeping these properties in fit and useful condition and these costs are written off as incurred. Items costing less than £500 are written off when the expenditure is incurred.

##### Depreciation

The freehold land and building work in progress are not depreciated. Depreciation of other assets is provided at rates to write off the excess of cost over estimated residual amount over their estimated useful lives as follows:

Leasehold Land	Over the period of the lease, to a maximum of 50 years
Buildings	20 - 50 years
Improvements and refurbishments	20 years
Computer equipment	3 years
Other equipment	5 - 10 years
Motor vehicles	4 years

#### c) Investments

Investments are valued in the balance sheet at their market value at the balance sheet date.

#### d) Stock

Stock is valued at the lower of cost and net realisable value.

#### e) Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school, but include contributions received from restricted funds for scholarships, bursaries and other grants. Fees received for education to be provided in future years are carried forward as deferred income.

#### f) Donations

Donations received for the general purposes of the School are credited to voluntary income. Donations subject to specific wishes of the donors are carried to relevant restricted funds or to endowed funds where the amount is required to be held as permanent capital.

Notes To The Financial Statements

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**1 ACCOUNTING POLICIES (continued)**

**g) Expenditure**

Expenditure is allocated to functional headings either on a direct cost basis or apportioned accordingly. The irrecoverable element of VAT is included with the item of expense to which it relates. Supplies of books, expenditure and sundry equipment are written off when the expenditure is incurred.

Governance costs include those incurred in the governance of the charitable company and are primarily associated with constitutional and statutory requirements.

**h) Operating leases**

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

**i) Pension schemes**

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with FRS 17 the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

The School also contributes to personal pension schemes for non-teaching staff. Pension contributions are charged to the Statement of Financial Activities in the year in which they fall due.

**j) Fund accounting**

Unrestricted funds comprise those funds which the Governors may use in the furtherance of the objects of the School.

Designated funds are unrestricted funds set aside by the Governors for specific future purposes or objects.

Restricted funds consist of 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 funds are raised for particular restricted purposes.

Permanent endowment funds represent assets which must be held permanently by the charity. Income arising on these funds may be used for general purposes.

**k) Hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account on a straight line basis.

# ELTHAM COLLEGE

## Notes To The Financial Statements

2	SCHOOL FEES	2009 £	2008
(a)	The school's fee income comprised.		
	Gross fees	9,324,976	8,916,690
	Less Total bursaries, grants and allowances	(1,135,667)	(1,051,158)
		<u>8,189,309</u>	<u>7,865,532</u>
		<u>8,189,309</u>	<u>7,865,532</u>
b)	Scholarships, grants, awards and prizes paid for by restricted and designated trust funds consists of		
	Scholarships, grants etc	1,072,482	973,517
	Prizes and leaving awards	-	-
		<u>1,072,482</u>	<u>973,517</u>
	Less amount deducted from fees as paid out of unrestricted funds	(1,069,755)	(971,082)
		<u>2,727</u>	<u>2,435</u>

The above educational awards were made to 201 individuals (2008 201)

3.	OTHER INCOME	2009 £	2008 £
	Other educational charitable activities		
	Entrance and registration fees	23,227	22,742
		<u>23,227</u>	<u>22,742</u>
	Other ancillary activities		
	School meals	353,384	320,181
	Other	25,562	11,187
	Total School	<u>378,946</u>	<u>331,368</u>
	Restricted funds trips, projects and productions	691,439	678,398
		<u>1,070,385</u>	<u>1,009,766</u>
	Voluntary income		
	PTA donations	<u>8,678</u>	<u>28,000</u>

# ELTHAM COLLEGE

## Notes To The Financial Statements

<b>4</b>	<b>EXPENDITURE</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	<b>Governance expenditure includes</b>		
	Auditors' remuneration		
	For audit services	9,775	9,771
	For other services	878	-
		<u>          </u>	<u>          </u>
	<b>Total staff costs comprised.</b>	<b>£</b>	<b>£</b>
	Wages and salaries	4,704,103	4,412,721
	Social security costs	393,735	384,007
	Pension contributions	527,825	499,932
		<u>5,625,663</u>	<u>5,296,660</u>
	The average number of employees in the year was	<u>Number</u>	<u>Number</u>
	Academic	90	86
	Administration	14	14
	Other	48	44
		<u>152</u>	<u>144</u>
	Neither the Governors nor persons connected with them received any remuneration or reimbursement of expenses from the School during the year		
	The number of employees whose emoluments exceeded £60,000 were		
	£60,001 - £70,000	1	1
	£70,001 - £80,000	1	1
	£90,000 - £100,000	1	1
		<u>          </u>	<u>          </u>

Pension contributions totalling £6,914 were made to money purchase schemes in respect of one of the above higher paid employees. Pension contributions totalling £23,813 were made to the Teachers Pensions in respect of the other higher paid employee.

# ELTHAM COLLEGE

## Notes To The Financial Statements

### 5. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £	Other £	Depreciation £	Total £	2008 £
<b>Costs of generating funds:</b>					
Fund-raising	107,052	57,459	-	164,511	132,596
Finance costs		215,101	-	215,101	210,496
	<u>107,052</u>	<u>272,560</u>	<u>-</u>	<u>379,612</u>	<u>343,092</u>
<b>Charitable activities</b>					
Teaching costs	4,601,333	490,402	185,047	5,276,782	4,886,988
Welfare		366,788		366,788	375,843
Premises	502,393	725,364	443,220	1,670,977	1,734,602
Support costs	398,423	1,160,379	8,861	1,567,663	1,558,898
School's operating costs	5,502,149	2,742,933	637,128	8,882,210	8,556,331
Grants Awards and prizes	-	2,727	-	2,727	2,435
<b>Total</b>	<u>5,502,149</u>	<u>2,745,660</u>	<u>637,128</u>	<u>8,884,937</u>	<u>8,558,766</u>
<b>Governance costs</b>	<u>16,462</u>	<u>40,668</u>	<u>-</u>	<u>57,130</u>	<u>64,684</u>
<b>Total resources expended</b>	<u><b>5,625,663</b></u>	<u><b>3,058,888</b></u>	<u><b>637,128</b></u>	<u><b>9,321,679</b></u>	<u><b>8,966,542</b></u>

Other expenditure in respect of support costs includes £665,364 paid out of restricted funds which relates mainly to amounts in respect of school excursions, outings and similar activities

### 6. TRANSFERS

Within unrestricted funds, a total of £48,423 (2008 £57,027) was transferred to the designated General Scholarship Fund. Such transfers were within the terms of the original gifts. The income received on our endowed funds was transferred to our restricted funds as per our accounting policies.

# ELTHAM COLLEGE

## Notes To The Financial Statements

### 7 TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Leasehold Land £	Furniture and Equipment £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 September 2008	12,503,044	825,000	2,327,129	82,584	15,737,757
Additions	219,466	-	168,965	7,790	396,221
Disposals	-	-	(25,663)	-	(25,663)
At 31 August 2009	12,722,510	825,000	2,470,431	90,374	16,108,315
<b>Depreciation</b>					
At 1 September 2008	2,548,805	89,375	1,572,695	69,648	4,280,523
Charge for year	426,720	16,500	185,047	8,861	637,128
Disposals	-	-	(25,663)	-	(25,663)
At 31 August 2009	2,975,525	105,875	1,732,079	78,509	4,891,988
<b>Net book values</b>					
At 31 August 2009	9,746,985	719,125	738,352	11,865	11,216,327
At 31 August 2008	9,954,239	735,625	754,433	12,936	11,457,233

### 8 INVESTMENTS

	Unrestricted Designated £	Restricted £	Total £
Balance at 1 September 2008	210,553	65,067	275,620
decrease in market value	(28,306)	(10,312)	(38,618)
Balance at 31 August 2009	182,247	54,755	237,002
Income shares in COIF			234,499

### 9 DEBTORS

	2009 £	2008 £
School fees	217,916	183,142
Sundry debtors	103,991	108,392
Prepayments	126,607	95,723
	448,514	387,257
<b>Due after one year</b>		
Staff loans (note 20)	106,335	99,379
Other debtors	27,000	27,000
	581,849	513,636

Notes To The Financial Statements

<b>10. CREDITORS</b> Amounts falling due within one year	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Bank loans and overdraft (note 12)	914,613	1,313,442
Fees received in advance	525,528	499,720
Advance fee payments under contract (note 13)	261,300	180,683
Other creditors	170,570	172,489
Accruals	241,525	273,796
Fee deposits	91,500	77,400
	<b><u>2,205,036</u></b>	<b><u>2,517,530</u></b>
<b>11 CREDITORS</b> Amounts falling due after more than one year	<b>£</b>	<b>£</b>
Bank loans (note 12)	2,782,915	2,977,913
Fee deposits	893,276	874,528
Advance fee payments under contract (note 13)	433,761	324,458
	<b><u>4,109,952</u></b>	<b><u>4,176,899</u></b>
<b>12 BORROWINGS</b>	<b>£</b>	<b>£</b>
<b>The bank loans and overdraft are repayable by instalments:</b>		
<b>Between one and two years</b>		
Bank loan	415,965	415,965
Hire purchase	2,656	-
<b>Between two and five years</b>		
Bank loan	1,247,895	1,247,895
Hire purchase	6,640	-
<b>Due after more than five years</b>		
Bank loan	1,109,759	1,314,080
Hire purchase	-	-
	<b><u>2,782,915</u></b>	<b><u>2,977,913</u></b>
<b>Due within one year</b>		
Bank loan	911,957	1,313,442
Hire purchase	2,656	-
	<b><u>914,613</u></b>	<b><u>1,313,442</u></b>
<b>Total borrowings</b>	<b><u>3,697,528</u></b>	<b><u>4,291,355</u></b>

The School's bank loan is repayable in monthly instalments over fifteen years from 1 March 2005. Interest is payable at a fixed rate of 6.41%. The borrowings are secured by way of a fixed charge over the School's land and buildings. Obligations under hire purchase contracts are secured on the assets acquired.



# ELTHAM COLLEGE

## Notes To The Financial Statements

### 13. ADVANCE FEE PAYMENTS UNDER CONTRACT

Parents may enter into a contract to pay to the school up to the equivalent of eleven years tuition in advance set at the current year fee level. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the school, advance fees will be applied as follows:

	2009 £	2008 £
After 5 years	35,565	36,043
Within 2 to 5 years	234,191	146,053
Within 1 to 2 years	164,005	142,362
	<u>433,761</u>	<u>324,458</u>
Within 1 year	261,300	180,684
	<u>695,061</u>	<u>505,142</u>

The balance represents the accrued liability under the contract.  
The movements during the year were:

	£
Balance at 1 September 2008	505,142
New contracts	242,343
	<u>747,485</u>
Amounts utilised in payment of fees	(52,424)
Balance at 31 August 2009	<u>695,061</u>

### 14. ALLOCATION OF THE CHARITY NET ASSETS

The net assets are held for the various funds as follows:

	Fixed Assets £	Investments £	Net Current Assets £	Long Term Liabilities £	Total £
Endowed funds			32,559	-	32,559
Restricted funds	-	54,755	316,202		370,957
Unrestricted funds	1,121,327	182,247	(1,851,060)	(4,109,952)	5,437,562
	<u>11,216,327</u>	<u>237,002</u>	<u>(1,502,299)</u>	<u>(4,109,952)</u>	<u>5,841,078</u>

# ELTHAM COLLEGE

## Notes To The Financial Statements

14a ENDOWED FUNDS	Balance 1 September 2008 £	Incoming Resources £	Resources Expended £	Transfers £	Balance 31 August 2009 £
Scholarship and bursary funds	23,208	135	-	(135)	23,208
Prize funds	7,203	42	-	(42)	7,203
ECPA (Neville Wood) Leaving Trust	2,148	12	-	(12)	2,148
	<u>32,559</u>	<u>189</u>	<u>-</u>	<u>(189)</u>	<u>32,559</u>

The above endowed funds represent amounts invested in the original Eltham College Chanty (Charity number 1058438 -1) and included within the School accounts

Scholarship and bursary funds include the capital element of the Morton Paton Memorial, Edwin Unwin bursary and the Eltham College Endowment Fund

Prize funds include the WAT Green Memorial Fund, JE Salmon Fund, GP Janes Fund and the Antony Callard Memorial Trust Fund

The ECPA (Neville Wood) Leaving Trust provides leaving awards to the sons of missionaries

14b RESTRICTED FUNDS	Balance 1 September 2008 £	Incoming Resources £	Resources Expended £	Transfers Investment Gains (losses) £	Balance 31 August 2009 £
School projects and productions	74,781	680,002	(665,364)	9,758	99,177
Scholarships and bursaries	73,512	866	-	(10,312)	64,066
Foundation fund	3,764	-	-	-	3,764
Development fund	174,265	37,004	(3,636)	(4,348)	203,285
Appeal fund	472	11,013	-	(10,820)	665
	<u>326,794</u>	<u>728,885</u>	<u>(669,000)</u>	<u>(15,722)</u>	<u>370,957</u>

School projects and productions incorporate all school activities including ECCO and the Travel Club

The Foundation Fund is held to assist children of missionaries

Scholarship and bursary funds incorporate the Horace Pearson bursary, Tudor Trust bursary, Wolfson bursary and Edwin Walker Memorial bursary funds

The Development Fund consists of six separate funds, which are as follows

- 1 College Meadow £5,650 The school acquired College Meadow in 2003 and has since this date built an all weather pitch on the site and in the future hopes to develop the pavilion This fund will help to meet some of the costs associated with the development of this site
- 2 Bursary Fund £169,275 The school as a matter of policy provides access to education to children from less affluent backgrounds, this fund will help to finance future places
- 3 Arts Centre £6,415, the school has planning permission to build an Arts/Music Centre, this fund will help to finance costs associated with this project
- 4 Junior School £15,955, this fund is for any costs associated with the future development of the Junior School
- 5 Sports & Outdoor Pursuits £5,990
- 6 Culture & Arts £nil

# ELTHAM COLLEGE

## Notes To The Financial Statements

### 14c UNRESTRICTED FUNDS

	Balance 1 September 2008	Incoming Resources	Resources Expended	Transfers Investment Gains (losses)	Balance 31 August 2009
	£	£	£	£	£
<b>Designated:</b>					
Scholarship and bursary fund	1,080,001	12,283		20,117	1,112,401
Development & appeal fund	139,668	151,651	(48,597)	5,599	248,321
Property reserve	3,050,001	-	-	-	3,050,001
College Meadow development	250,000	-	-	-	250,000
<b>Not designated.</b>					
General reserve	766,438	8,662,905	(8,604,081)	(48,423)	776,839
	<u>5,286,108</u>	<u>8,826,839</u>	<u>(8,652,678)</u>	<u>(22,707)</u>	<u>5,437,562</u>

- a) The Scholarship and bursary fund comprises of 100% of the budgeted cost of providing scholarships and bursaries over the next academic year
- b) The Development fund is made up of the following individual funds: unrestricted donations £285,107, development lettings and fundraising events (£38,214). The appeal account of £1,428, is made up of unrestricted donations. It is anticipated that these unrestricted donations will go towards establishing a bursary foundation fund.
- c) The Property reserve approximates to the cost of the School's freehold land and buildings, including major expenditure previously financed out of working capital, less loans outstanding at the balance sheet date.
- d) The College Meadow Development represents a fund for the development of the pavilion.
- e) The general reserve represents the 'free reserves' of the School. The policy is to increase this reserve to equate to approximately the expenditure of one academic term as and when operating surpluses allow, as further explained in the Directors Report.

### 15. CONTRACTS, COMMITMENTS AND CONTINGENCIES

#### Capital commitments

As at 31 August 2009 the capital commitments of Eltham College were £nil (2008 £nil)

#### Contingent liability

Amounts totalling £721,000 were received in 1996 from external sources for the purpose of developing and equipping the School's Sports Centre. Of this, retention of £274,667 remained contingent at the year-end on the Sports Centre remaining available for dual use by the School and the general public.

# ELTHAM COLLEGE

## Notes To The Financial Statements

### 16. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATIONS

	2009	2008
	£	£
Net Incoming Resources	234,236	225,875
Depreciation charge	637,128	606,634
Profit on disposal	(1,162)	-
Investment income received	(13,136)	(11,020)
Bank interest received	(21,173)	(33,602)
Interest paid	215,101	210,496
(Increase) in stock	(25)	(4,304)
(increase) in debtors	(68,214)	(72,930)
Increase in creditors	214,387	64,600
	<u>962,906</u>	<u>759,874</u>
Net cash inflow from operations	<u>1,197,142</u>	<u>985,749</u>

### 17 ANALYSIS OF CHANGES IN FINANCING

	2009	2008
	£	£
Loans		
Balance 1 September 2008	3,393,878	3,600,011
New loans advanced	14,794	-
Loan repayments	(207,135)	(206,133)
Balance at 31 August 2009	<u>3,201,537</u>	<u>3,393,878</u>

### 18 ANALYSIS OF NET DEBT

	Balance 1 September 2008	Cashflow	Other changes	Balance 31 August 2009
	£	£	£	£
Cash at bank and in hand	81,726	27,462	-	109,188
Bank overdraft	(897,477)	401,486	-	(495,991)
	<u>(815,751)</u>	<u>428,948</u>	<u>-</u>	<u>(386,803)</u>
Debt due within one year	(415,965)	(2657)	-	(418,622)
Debt due after one year	(2,977,913)	194,998	-	(2,782,915)
Total	<u>(4,209,629)</u>	<u>621,289</u>	<u>-</u>	<u>(3,588,340)</u>

**Notes To The Financial Statements**

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**19 RELATED PARTY TRANSACTIONS**

- a) Fees payable by trustee directors, as parents of children at the School, totalled £46,500 (2008 £33,264) for the year. £Nil (2008 £Nil) remained outstanding from these directors at 31 August 2008. None of the trustee directors paid reduced fees as a result of their office.

**20 STAFF LOANS**

Loans of £75,000 (2008 £75,000) have been made to key members of staff. The loans are fully secured and subject to repayment on termination of employment. The payment of interest is deferred but charged on an annual basis. The current balance including interest is £106,335.

**21 PENSION COSTS**

The School participates in the Teachers' Pension Scheme (TPS), which provides benefits based on the final pensionable salary. The total pension cost for the year was £473,574 (2008 £449,513). At the time of the last actuarial valuation performed by the Government actuary, the assets of the Scheme and the level of contributions were considered adequate to meet the Scheme's expected liabilities. For the period from 1 January 2007 the employer contribution rate was 14.10%.

The School also participates in the Pensions Trust's Growth Plan for key members of the non-academic staff. The total pension cost for the year was £12,017 (2008 £11,669). The Employer contribution rate for this scheme is 9.65%.

Under the definitions set out in Financial Reporting Standard 17 (FRS17), Retirement Benefits, the TPS and the Pensions Trust's Growth Plan are both multi-employer pension schemes. The School is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the School has taken advantage of the exemption in FRS 17 and has accounted for its contribution to the scheme as if it were a defined contribution scheme. At the end of the year there were no outstanding contributions payable (2008 £nil).

The School also makes contributions to personal pension schemes for non-teaching staff. The pension cost charged in the financial statements in the year was £40,922 (2008 £38,750). At the end of the year there were no outstanding contributions payable (2008 £nil).

**22. FINANCIAL COMMITMENTS**

At 31 August 2009 the School had annual commitments under operating leases as set out below.

Office equipment	2009 £	2008 £
Operating leases which expire Between two and five years	-	3,760