

3245525 .

ELTHAM COLLEGE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2001



WILKINS KENNEDY
Chartered Accountants
Bridge House
London Bridge
LONDON
SE1 9QR

ELTHAM COLLEGE

(A Company Limited by Guarantee)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2001

STATUS AND ADMINISTRATION

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

TRUSTEES AND OFFICERS

The Trustee of the Charity is the body corporate of Eltham College. The Governing Body, in whom the governance of the School is vested and which forms the Board of Directors of the Trustee, was as follows during the period: -

NAME	COMMITTEES			
	F	J	L	P
N P Betts				
Mrs S J Bigg (Vice-Chairman)	◆	◇	◇	◇
Rev R Blyth				
B C Carey			◇	◆
Rev Clifford Charlton				
Carol Clark				
J R Davis – French		◆	◇	
MJ Higginson		◇		
J L Ivinson			◇	
F D James				◇
M Long		◇		
D Mahoney	◇			
C Muttukumaru	◇			
R A Morgan		◇		
R B Morgan	◇		◇	
D J Norris (Chairman)	◇	◇	◆	◇
D A Robins	◇			
S R Smith			◇	
J E Willis			◇	

Committees

F - Finance, J - Junior School, L - Long Term Planning and P - Premises

◆ Denotes Chairman of the committee

◇ Denotes Member of the committee

Messrs Davis-French and Willis 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 (Continued)

FOR THE YEAR ENDED 31 AUGUST 2001

PROFESSIONAL ADVISERS AND KEY PERSONNEL

Headmaster:	PJ 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 1 Dean Farrar Street Westminster London, SW1H 0DY

OBJECTS

The principal object set out in the Memorandum of Association is the provision of education of boys and girls up to age 18.

ORGANISATION

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.

POLICY

The school's policy is to encourage all pupils to grow into mature, enquiring, rounded and sensitive human beings able to relate to others and to their environment. As stated in our aims, the School is committed to all round educational excellence, supported by a strong sense of moral and spiritual values.

REVIEW OF ACTIVITIES AND DEVELOPMENTS

The College numbers remain strong, with 187 in the Junior School, and 591 in the Senior School: there are 10 boarders.

Academically, the results set records with a 99% pass rate at A level, and 98% A*-C at GCSE. The new AS levels placed considerable demands on the Lower 6th who responded to the challenge by achieving over 80% A-C. Twelve pupils secured places at Oxford and Cambridge, maintaining our record of success at these Universities.

The amount of extra-curricular activities continues at an impressive level: cricket was more successful at senior level than rugby, in the major sports, but teams in basketball and water polo achieved much this year. Music, drama and art involve large numbers of pupils of all age groups in events throughout the year. A Charities Committee helped raise in excess of £ 13,500, with the most successful event being "Stars in their Eyes" which brought staff and pupils together to raise £ 7,000.

The College experienced an Independent Schools' Inspectorate Inspection, which identified the particular strengths of the school in academic performance, good relationships between staff and pupils, good pastoral care, wide-ranging extra-curricular activities, and excellent resources and links with the community. The Report has been well received by parents, staff and governors.

ELTHAM COLLEGE

DIRECTORS' REPORT (Continued)

FOR THE YEAR ENDED 31 AUGUST 2001

THE FINANCIAL RESULTS

The School's activities generated a surplus after appropriations of £8,605. No dividends are proposed.

INVESTMENT POWERS

The Memorandum and Articles, which permit funds to be invested in any security listed on the London Stock Exchange, govern these.

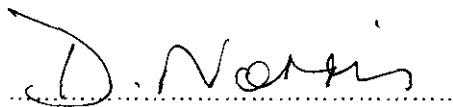
RESOURCES

As stated in the notes to the accounts the unrestricted funds are split between those designated for specific purposes and those available for day-to-day requirements of the School. Details of designated funds are contained under note 14(b). The School's assets are sufficient to meet its obligations.

AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution to confirm the appointment of Wilkins Kennedy as auditors to the company will be put to the annual general meeting.

Approved by the Board at its meeting on 29 November 2001 and signed on its behalf by:


D. NORRIS

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The purpose of this statement is to distinguish the directors' responsibilities, from those of the auditors as stated in their reports.

Company law requires the directors to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to assume that the company will continue in business.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

REPORT OF THE AUDITORS

TO THE MEMBERS OF ELTHAM COLLEGE (THE COMPANY)

We have audited the financial statements of Eltham College for the year ended 31 August 2001, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments and the accounting policies set out therein.

Respective responsibilities of directors and auditors

The responsibilities of the charitable Company's Directors for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 August 2001 and of its incoming resources and application of resources, including its income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Bridge House
London Bridge
LONDON
SE1 9QR

Wilkins Kennedy
WILKINS KENNEDY
Registered Auditors and
Chartered Accountants

Date: *30 November 2001*

ELTHAM COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2001

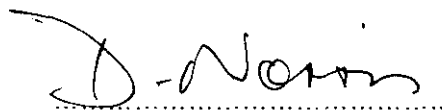
	Notes	Unrestricted Funds School £	Other Funds £	Restricted £	Total 2001 £	Total 2000 £
INCOMING RESOURCES						
Fees receivable	2(a)	4,887,838	-	-	4,887,838	4,511,256
School meals		245,638	-	-	245,638	235,569
Investment income		-	9,237	1,353	10,590	11,533
Bank and other interest		11,147	-	-	11,147	14,584
Sundry other income	3	99,198	1,000	497,834	598,032	764,883
Fee deposits		-	-	-	-	9,432
Donations and appeal receipts		-	19,485	5,205	24,690	55,683
Total Incoming Resources		£5,243,821	£29,722	£504,392	£5,777,935	£5,602,940
RESOURCES EXPENDED						
Direct Charitable Expenditure						
Teaching costs		3,310,389	-	12,000	3,322,389	3,058,839
Welfare		266,428	-	-	266,428	301,025
Premises		874,545	-	-	874,545	860,940
Support costs		583,376	-	496,009	1,079,385	1,146,721
Grants, awards and prizes	2(b)	1,373	-	155	1,528	3,997
		5,036,111	-	508,164	5,544,275	5,371,522
Other Expenditure						
Management and administration	6	31,669	-	-	31,669	26,621
Finance and other costs		27,436	-	-	27,436	39,692
		59,105	-	-	59,105	66,313
Total resources expended	6	£5,095,216	-	£508,164	£5,603,380	£5,437,835
Net incoming resources before transfers		148,605	29,722	(3,772)	174,555	165,105
Transfers between funds		5,205	(5,062)	(143)	-	-
		153,810	24,660	(3,915)	174,555	165,105
NET INCOMING RESOURCES		178,470		(3,915)	174,555	165,105
(Loss)/gain on investment assets:						
Realised		-	-	-	-	-
Unrealised		(45,215)		(7,737)	(52,952)	26,474
NET MOVEMENT IN FUNDS		133,255		(11,652)	121,603	191,579
Balances brought forward at 1 September 2000		3,572,463		163,686	3,736,149	3,544,570
BALANCES CARRIED FORWARD at 31 August 2001		£3,705,718		£152,034	£3,857,752	3,736,149


The notes on pages 9 to 16 form part of these accounts.

ELTHAM COLLEGE**BALANCE SHEET****AS AT 31 AUGUST 2001**

	Notes	2001 £	2000 £
FIXED ASSETS			
School buildings and equipment	8	4,315,676	4,271,480
Investments	9	292,371	345,323
		<u>4,608,047</u>	<u>4,616,803</u>
CURRENT ASSETS			
Stocks		5,024	5,024
Debtors	10	530,332	506,918
Cash		114,838	99,239
		<u>650,194</u>	<u>611,181</u>
CREDITORS: Amounts falling due within one year	11	<u>(1,170,138)</u>	<u>(1,348,939)</u>
NET CURRENT LIABILITIES		<u>(519,943)</u>	<u>(737,758)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,088,104	3,879,045
CREDITORS: Amounts falling due after more than one year	12	<u>(230,352)</u>	<u>(142,896)</u>
NET ASSETS		<u>£3,857,752</u>	<u>£3,736,149</u>
RESTRICTED FUNDS	14a	152,034	163,686
UNRESTRICTED FUNDS			
Designated and general funds	14b	3,705,718	3,572,463
TOTAL FUNDS		<u>£3,857,752</u>	<u>£3,736,149</u>

Approved by the Board on 29 November 2001
and signed on its behalf by


D. NORRIS


SJ BIGG

The notes on pages 9 to 16 form part of these accounts.

ELTHAM COLLEGE
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2001

	Notes	2001		2000	
		£	£	£	£
NET CASH INFLOW FROM OPERATIONS	16		416,847		298,670
INVESTING ACTIVITIES					
Payment for tangible fixed assets		319,059		333,137	
Proceeds from sale of investments	18	-		-	
			<u>319,059</u>		<u>333,137</u>
NET CASH INFLOW BEFORE FINANCING			97,788		(34,467)
FINANCING	18		111,872		(110,981)
INCREASE (DECREASE) IN CASH IN THE YEAR	17		<u>£ 209,660</u>		<u>£(145,448)</u>

ELTHAM COLLEGE

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2001

	2001 £	2000 £
Gross charitable income	5,777,935	5,602,940
Charitable expenditure	<u>5,603,380</u>	<u>5,437,835</u>
NET INCOME FOR THE YEAR	<u>£174,555</u>	<u>£165,105</u>

Notes

1. Gross charitable income consists of the Schools' income of £5,243,821 plus restricted income of £504,932 and other income of £29,722. 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 £5,095,216 plus restricted funds expenditure of £508,164. 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 £178,327 and the Restricted Funds of £(3,772).
4. The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 5 which together with notes to the accounts on pages 9 to 16 provides the full information on the movements during the year on all the funds of the School.

ELTHAM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2001

1. ACCOUNTING POLICIES

a) Basis of Preparation

The accounts are prepared under the historical cost convention, except that investments held as fixed assets are carried at market value and, in accordance with applicable accounting standards and the Statement of Recommended Practice, Accounting by Charities.

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 as an expense as acquired.

Depreciation

The original School buildings, 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:

Buildings	20 - 50 years
Improvements and refurbishments	20 years
Computer equipment	3 years
Other equipment	10 years
Motor vehicles	4 years

c) 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.

d) Donations

Donations received for the general purposes of the School are credited to "other unrestricted funds", to distinguish them from direct school 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.

e) Expenditure

Expenditure is allocated to expense 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.

ELTHAM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
(continued)

f) Operating leases

Rentals payable are charged on a time basis over the lease term.

g) Pension schemes

The School contributes to the Teachers' Superannuation Scheme at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The college also contributes to personal pension schemes for non-teaching staff.

h) Finance and other costs

Other costs includes amounts accrued in respect of Advance Fees.

i) Current assets

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

2. FEES

	2001	2000
	£	£
(a) Fees receivable consist of:		
Gross fees	5,672,292	5,226,174
Less: Total bursaries, grants and allowances	(784,609)	(717,018)
	<u>4,887,683</u>	<u>4,509,156</u>
Add back Scholarships, Grants etc. paid for by Restricted Funds	155	2,100
	<u>£4,887,838</u>	<u>£4,511,256</u>

Allowances include a contribution of £114,606 (2000: £130,557) by the School to cover the shortfall in the Assisted Places Scheme for pupils.

b) The total scholarship grants, awards and prizes paid for by restricted and designated Trust funds consists of:

Scholarships, grants etc.	594,096	514,857
Prizes and leaving awards	1,528	3,997
	<u>595,624</u>	<u>518,854</u>
Total	595,624	518,854
Less: amount deducted from fees as paid out of unrestricted funds	(594,096)	(514,857)
	<u>£1,528</u>	<u>£3,997</u>

ELTHAM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
(continued)

3. OTHER INCOME	2001 £	2000 £
Entrance and registration fees	19,215	19,450
Courses and sub-lettings	79,983	82,279
Other	1,000	36,000
	<hr/>	<hr/>
Other income – School	100,198	137,729
Restricted funds: School projects and productions	497,834	627,154
	<hr/>	<hr/>
	£598,032	£764,883

4. **EXPENDITURE**

Other expenditure includes:

Auditors' remuneration:

For audit	7,638	8,519
For other services	3,056	2,793

5. **STAFF COSTS**

Wages and salaries	2,962,820	2,796,918
Social security costs	245,173	233,465
Pension contributions	191,392	175,163
	<hr/>	<hr/>
	£3,399,385	£3,205,546

The average number of employees in the year was:

	<u>Number</u>	<u>Number</u>
Academic	73	70
Administration	13	12
Other	42	43
	<hr/>	<hr/>
	128	125

The Directors received no remuneration or reimbursement of expenses during the year.

The number of employees whose emoluments exceeded £40,000 were:

£40,001 - £50,000	5	2
£50,001 - £60,000	1	0
£60,001 - £70,000	0	0
£70,001 - £80,000	0	1
	<hr/>	<hr/>

ELTHAM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
(continued)

6. ANALYSIS OF TOTAL RESOURCES EXPENDED

	School £	Other £	Depreciation £	Total £	2000 £
Direct Charitable Expenditure					
Teaching costs	3,322,389	-	-	3,322,389	3,058,839
Welfare	266,428	-	-	266,428	301,025
Premises	599,684	-	274,861	874,545	860,940
Support costs	583,376	496,009	-	1,079,385	1,146,721
Grants, awards and prizes	1,373	155	-	1,528	3,997
	<u>4,773,250</u>	<u>496,164</u>	<u>274,861</u>	<u>5,544,275</u>	<u>5,371,522</u>
Other Expenditure:					
Management and administration of the charity	31,669	-	-	31,669	26,621
Finance and other costs	27,436	-	-	27,436	39,692
	<u>58,105</u>	<u>-</u>	<u>-</u>	<u>58,105</u>	<u>66,313</u>
Total resources expended	<u>£4,832,355</u>	<u>£496,164</u>	<u>£274,861</u>	<u>£5603,380</u>	<u>£5,437,835</u>

7. TRANSFERS

Within restricted funds, a total of £19,485 (2000:£13,383) was transferred to the General Scholarship Fund. Such transfers were within the terms of the original gifts.

8. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Furniture and Equipment £	Motor Vehicles £	Total £
COST				
1 September 2000	4,680,626	1,031,428	55,050	5,767,104
Additions	49,019	270,040	-	319,059
	<u>4,729,645</u>	<u>1,301,468</u>	<u>55,050</u>	<u>6,086,163</u>
DEPRECIATION				
1 September 2000	841,307	604,490	49,827	1,495,624
Charge for year	98,003	173,726	3,132	274,861
	<u>939,310</u>	<u>778,216</u>	<u>52,959</u>	<u>1,770,485</u>
Net book values				
At 31 August 2001	<u>£3,790,335</u>	<u>£523,252</u>	<u>£2,091</u>	<u>£4,315,678</u>
Net book values				
At 31 August 2000	<u>£3,839,319</u>	<u>£426,938</u>	<u>£5,223</u>	<u>£4,271,480</u>

ELTHAM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
(continued)

9. INVESTMENTS

	Unrestricted Designated £	Restricted £	Total £
Balance at 1 September 2000	260,059	85,264	345,323
Increase/(Decrease) in market value	(45,215)	(7,737)	(52,952)
Balance at 31 August 2001	<u>£214,844</u>	<u>£77,527</u>	<u>£292,371</u>
Listed	<u>£214,844</u>	<u>£77,527</u>	<u>£292,371</u>

Individual investments constituting 5% or greater of total market value are as follows:-

Income shares in COIF	<u>£261,815</u>
-----------------------	-----------------

10. DEBTORS

	2001 £	2000 £
Due within one year:		
Fees	241,959	248,693
Sundry debtors	119,583	156,776
Prepayments	97,769	630
	<u>459,311</u>	<u>406,099</u>
Due after one year:		
COLPOSA	21,000	50,795
Staff loans	50,021	50,021
	<u>£530,332</u>	<u>£506,915</u>

11. CREDITORS: Amounts falling due within one year

	£	£
Bank loans and overdraft (note 13)	376,371	470,718
Fees received in advance	419,088	388,210
PAYE and National Insurance	76,219	73,065
Pension contributions	-	31,196
Other creditors	112,019	72,071
Accruals	186,441	313,679
	<u>£1,170,138</u>	<u>£1,348,939</u>

12. CREDITORS: Amounts falling due after more than one year

	£	£
Fee deposits	75,300	-
Bank loans (note 13)	155,052	142,896
	<u>£230,352</u>	<u>£142,896</u>

ELTHAM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
(continued)

13. BORROWINGS	2001 £	2000 £
The bank loans and overdraft are repayable as follows:-		
Due within two to five years	155,052	142,896
Due after more than one year	155,052	142,896
Due within one year	376,371	470,718
Total borrowings	<u>£531,423</u>	<u>£613,614</u>

The borrowings are secured by way of a fixed charge over the School's land and buildings.

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 £
Restricted funds	-	77,527	74,507	-	152,034
Unrestricted funds	4,315,676	214,844	(669,750)	(155,052)	3,705,718
	<u>£4,315,676</u>	<u>£292,371</u>	<u>£(519,943)</u>	<u>£(155,052)</u>	<u>£3,857,752</u>

14a. RESTRICTED FUNDS	Balance 1 September 2000 £	Incoming Resources £	Resources Expended £	Transfers Investment Gains/(losses) £	Balance 31 August 2001 £
School projects and productions	27,885	497,394	(491,293)	-	33,986
Scholarships and bursaries	93,049	1,793	(155)	(2,675)	92,012
Foundation fund	33,320	-	(12,000)	-	21,320
Fee deposits	9,432	-	(4,716)	-	4,716
Appeal fund	-	5,205	-	(5,205)	-
	<u>£163,686</u>	<u>£504,392</u>	<u>£(508,164)</u>	<u>£(7,880)</u>	<u>£152,034</u>

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

The foundation funds are held to assist children of missionaries.

Fee deposits are held as a caution in respect of overseas borders.

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

ELTHAM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

14b UNRESTRICTED FUNDS

	Balance 1 September 2000 £	Incoming Resources £	Resources Expended £	Transfers Investment Gains/(losses) £	Balance 31 August 2001 £
Designated:					
Scholarship and bursary funds	631,940	29,722	-	19,734	681,396
Property replacement fund	2,299,814	-	-	-	2,299,814
Development fund	572,120	-	-	75,205	647,325
Revenue reserve	68,589	5,243,821	(5,095,216)	(140,011)	77,183
	£3,572,463	£5,273,543	£(5,095,216)	£(45,072)	£3,705,718

The revenue reserve fund is retained to cover the fixed assets and provide working capital.

15. CONTRACTS, COMMITMENTS AND CONTINGENCIES

As at 31 August 2001 there were no capital commitments (2000: £25,724).

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 £549,333 remained contingent at the year-end on the Sports Centre remaining available for dual use by the School and the general public.

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

	2001 £	2000 £
Net Incoming Resources	£174,555	£165,105
Depreciation charges	274,861	235,801
Decrease/(Increase) in stocks	-	-
Decrease/(Increase) in debtors	(23,414)	(157,950)
(Decrease)/Increase in creditors	(9,155)	55,714
	<u>242,292</u>	<u>133,565</u>
Net cash inflow from operations	£416,847	£298,670

ELTHAM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

17. ANALYSIS OF CHANGES IN CASH

	Cash at bank and in hand £	Bank Overdraft £	Total £
Balance as at 1 September 2000	99,239	(379,118)	(279,879)
Net cash inflow	15,599	194,063	209,662
Balance 31 August 2001	<u>£114,838</u>	<u>£(185,055)</u>	<u>£(70,217)</u>

18. ANALYSIS OF CHANGES IN FINANCING

	Loans £
Balance 1 September 2000	234,496
New loans advanced	250,000
Loan repayments	(138,128)
Balance at 31 August 2001	<u>£346,368</u>

19. RELATED PARTY TRANSACTIONS

- a) Fees payable by directors, as parents of children at the School, totalled £ 28,359 (2000: £26,299) for the year. £Nil (2000: £Nil) remained outstanding from these directors at 31 August 2001. None of the directors paid reduced fees as a result of their office.
- b) Mr Carey, a director of the company, is a partner in Malcolm Judd & Partners to which the company paid £3,289 (2000: £4,893) for surveying and planning fees.
- c) Mrs Bigg and Mr Norris, directors of the company, are also directors of FSSM Limited, to which the company paid £17,625 (2000: £17,625) for licence fees and from which the company received £50,500 (2000: £50,500) for lease income. Amounts totalling £5,000 (2000: £5,031) were outstanding from that company at 31 August 2001.

20. STAFF LOANS

Loans of £50,021(2000: £50,021) have been made to key members of staff. The loans are fully secured and subject to repayment on termination of employment.