

THE UNICORN SCHOOL FOR THE DYSLEXIC CHILD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2004



THE UNICORN SCHOOL FOR THE DYSLEXIC CHILD

COMPANY INFORMATION

Governors	Lady J Reid – Governor and Director A P Watkinson – Governor and Director D Cannon B Shrier C Hallett
Secretary	J Vaux
Company Number	3588494
Registered Office and Place of Business	Whitefield 18 Park Crescent Abingdon Oxon OX14 1DD
Auditors	Baxter Payne and Haigh Claremont House Deans Court Bicester Oxon OX26 6BW

THE UNICORN SCHOOL FOR THE DYSLEXIC CHILD

CONTENTS

	Page
Governors' Report	1-2
Auditors' Report	3
Statement of Financial Activities	4
Balance Sheet	5
Notes to the Financial Statements	6-8

The following pages do not form part of the statutory financial statements

Detailed Profit and Loss Statement	9-11
------------------------------------	------

THE UNICORN SCHOOL FOR THE DYSLEXIC CHILD

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2004

The Governors present their report and the financial statements of the charity for the period from 1 September 2003 to 31 August 2004.

Legal Status

The charity was incorporated as a Company limited by guarantee on 13 June 1998 and the registered Charity number is 1070807. The Charity did not begin to operate until 1 September 1998.

Objectives

The objective of the Charity is to advance education and in particular but not exclusively by establishing a school and by providing full time education in line with the National Curriculum for children with specific learning difficulties who require specialist tuition, small classes and intensive daily individual assistance to enable them to return as soon as appropriate to mainstream education.

The principal activity carried out during the period was to run a school for dyslexic children.

Review of Activities

This was the third year of renting premises at Abingdon School. The School was full with 40 pupils enrolled at the beginning of September. There were 38 on roll in January and 40 in April. Fees for two pupils remained unpaid as at 31 August 2004, totalling £9,427. We have taken steps to recover this amount monthly from the parents and have made provision in the accounts for £6,400 in anticipation that we may not recover the total outstanding amounts. Procedures have now been tightened to ensure all fees are paid.

The School has now purchased its own mini-bus with money donated for this purpose. This will cover the area South towards Henley, thus expanding the catchment area of the School. It is the School's intention to employ a part-time driver who will operate the mini-bus service both mornings and afternoons starting in September 2004. Costs will be met by parents of children travelling.

On 1 January 2004, Mrs Elsa Christie retired as Principal. Mrs Jackie Vaux has been appointed from this date.

Financial Information

So far school fees and donations have been the School's main source of income. In the financial year ended 31 August 2004 donations received amounted to £43,000. £35,200 will form the basis of the bursary fund. This amount will be invested until funds total £100,000. This should earn sufficient interest to provide a bursary. The balance of donations received, £7,800, was given as a contribution towards the purchase of the School's own mini-bus. A tax reclaim has been submitted for £10,622 of which £2,184 will be a further contribution towards the cost of the mini-bus. Fees received amounted to £402,882. Total receipts amounted to £477,323. Costs of all the School's activities, including salaries, staff pension and medical scheme, equipment and general running costs amounted to £330,649 leaving a surplus of £146,674. Of this amount £37,659 was spent on training and welfare costs and administrative expenses, leaving a net surplus of £109,015. This is now enough to constitute a comfortable reserve fund.

Future Development

The governors raised the fees by 6% to ensure a further surplus in the financial year commencing 1 September 2004. They have also amended the staff salary structure to achieve greater fairness in the current pay scales. The Unicorn Pay Scales will run in parallel with the National Pay Scales for teachers from September 2004.

THE UNICORN SCHOOL FOR THE DYSLEXIC CHILD
GOVERNORS' REPORT CONT/.....
FOR THE YEAR ENDED 31 AUGUST 2004

The lease with Abingdon School will expire in August 2006. It has been suggested that Abingdon will seek to acquire the building for their own purposes and will not renew the lease. They have however pledged to wait until alternative accommodation has been found. A major priority for the year to 2005 is to find alternative, larger accommodation for the School to allow for expansion.

Reserves Policy

The governors and school management were striving to arrive at a point where unrestricted funds provided a reserve fund equivalent to at least two month's operating costs (£57,000). It has now been achieved.

Risk Management

The governors have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to mitigate exposure to major risks.

Governor's And Their Interests

The following Governors have held office since 1 September 2003:-

Lady J Reid	- Governor and Director
A P Watkinson	- Governor and Director
D Cannon	- Governor
B Shrier	- Governor
C Hallett	- Governor

Governors' Responsibilities

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The governors 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 financial statements 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 and other irregularities.

Close Company

The company is a close company, as defined by the Income and Corporation Taxes Act 1988.

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

By order of the board

.....
J Vaux
Secretary

.....06/05/05.....
Date

THE UNICORN SCHOOL FOR THE DYSLEXIC CHILD

INDEPENDENT AUDITORS' REPORT

TO THE GOVERNORS OF THE UNICORN SCHOOL FOR THE DYSLEXIC CHILD

We have audited the financial statements of The Unicorn School For The Dyslexic Child on pages 4 and 8 for the year ended 31 August 2004. These financial statements have been prepared in accordance with the Statement of Recommended Practice 2000 and the Financial Reporting Standard for Smaller Entities (effective June 2000), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Governors and Auditors

As described in the statement of governors' responsibilities on page 1 the company's governors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

We report to you 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 governors' 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, if information specified by law regarding directors' remuneration and transactions with the company is not disclosed, if the company does not have adequate internal controls, if investment and grant making policies are not disclosed or if the company has not got effective fundraising activities.

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

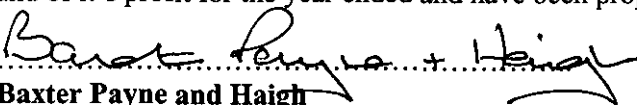
Basis of Audit Opinion

We conducted our audit in accordance with United Kingdom Accounting Standards issued by the Accounting Practices Board. An audit includes examination, on test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment if the significant estimates and judgements made by the 6 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.

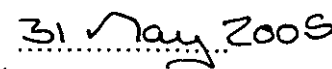
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming 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 2004 and of its profit for the year ended and have been properly prepared in accordance with the Companies Act 1985.


Baxter Payne and Haigh

Chartered Certified Accountants
Registered Auditors
Claremont House
Deans Court
Bicester
Oxon
OX26 6BW


31 May 2005

Date

THE UNICORN SCHOOL FOR THE DYSLEXIC CHILD**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2004**

	Unrestricted Funds £	Restricted Funds £	2004 Total Funds £	2003 Total Funds £
Incoming Resources				
Donations, legacies and similar income resources	-	43,000	43,000	5,230
Incoming resources from operating activities	423,648	13	423,661	335,401
Other incoming resources	-	10,662	10,662	-
Total incoming resources	<u>423,648</u>	<u>53,675</u>	<u>477,323</u>	<u>340,631</u>
Resources Expended				
Charitable expenditure costs of activities	330,649		330,649	282,310
Support costs of activities	3,261		3,261	3,006
Management and administration of the charity	34,398		34,398	30,443
Total reserves expended	<u>368,308</u>	<u>-</u>	<u>368,308</u>	<u>315,759</u>
Net Movement in Funds	<u>£55,340</u>	<u>£ 53,675</u>	<u>£109,015</u>	<u>£ 24,872</u>


THE UNICORN SCHOOL FOR THE DYSLEXIC CHILD

BALANCE SHEET AS AT 31 AUGUST 2004

	Notes	2004 £	£	2003 £	£
Fixed Assets					
Tangible Assets	2		23,875		23,178
Current Assets					
Stocks		4,000		1,000	
Debtors	3	19,595		3,636	
Cash at bank and in hand		108,092		28,417	
		<u>131,687</u>		<u>33,053</u>	
Creditors: amounts falling due within one year	4	(13,673)		(23,357)	
Net Current Assets			118,014		9,696
Total Assets less Current Liabilities			<u>£141,889</u>		<u>£ 32,874</u>
Funds					
Restricted Funds	6	46,906		1,031	
Unrestricted Funds	6	94,983		31,843	
Total Funds			<u>£141,889</u>		<u>£ 32,874</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies with the Statement of Recommended Practice 2000 and the Financial Reporting Standard for Smaller Entities (effective June 2002)

The financial statements were approved by the Board on06/05/05.....

.....
A P Watkinson – Governor and Director

THE UNICORN SCHOOL FOR THE DYSLEXIC CHILD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2004

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 2000 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents the total invoice value, (the school is not registered for value added tax), of fees charged and services rendered during the year.

Depreciation of Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over it's useful life:

Land and Buildings Leasehold	over 5 years
Computer Equipment	33% on cost
Office Furniture and Fittings	15% on cost

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Pension Costs

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS17.

Charity Status

The charity was incorporated as a Company limited by guarantee on 13 June 1998. The liability of the members is limited to £1 each. The registered Charity number is 1070807.

Taxation Status

The company is a Charity within the provision of the Income and Corporation Taxes Act 1988 and hence no Corporation Tax is payable.

THE UNICORN SCHOOL FOR THE DYSLEXIC CHILD

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2004**

2. Tangible Fixed Assets

	Land and Buildings	Other Tangible Fixed Assets	Total
	£	£	£
Cost			
At 1 September 2003	27,297	15,533	42,830
Additions	-	8,400	8,400
At 31 August 2004	<u>27,297</u>	<u>23,933</u>	<u>51,230</u>
Depreciation			
At 1 September 2003	10,918	8,734	19,652
Charge for the year	5,459	2,244	7,703
At 31 August 2004	<u>16,377</u>	<u>10,978</u>	<u>27,355</u>
Net Book Value			
At 31 August 2004	<u>£ 10,920</u>	<u>£ 12,955</u>	<u>£ 23,875</u>
At 31 August 2003	<u>£ 16,379</u>	<u>£ 6,799</u>	<u>£ 23,178</u>

3. Debtors

	2004 £	2003 £
Trade debtors	4,697	3,636
Other debtors	14,898	-
	<u>£19,595</u>	<u>£ 3,636</u>

4. Creditors: amounts falling due within one year

	2004 £	2003 £
Trade creditors	4,501	757
Taxation and social security	6,237	10,000
Other creditors	2,935	12,600
	<u>£ 13,673</u>	<u>£ 23,357</u>

THE UNICORN SCHOOL FOR THE DYSLEXIC CHILD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2004

5. Pension Costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

6. Statement of Movements in Funds

	At 1 September 2004 £	Income £	Expenditure £	At 31 August 2004 £
Unrestricted Funds	31,843	423,648	(360,508)	94,983
Restricted Funds:				
Bursary fund	1,031	13	-	1,044
Donations for bursaries	-	45,862	-	45,862
Mini-bus donation	-	7,800	(7,800)	-
Total Restricted Funds	<u>1,031</u>	<u>53,675</u>	<u>(7,800)</u>	<u>46,906</u>
Total Funds	<u>£32,874</u>	<u>£477,323</u>	<u>£(368,308)</u>	<u>£141,889</u>

The bursary donations received are to be used only for future bursaries as stated by the donors. Investment income was received in the year of £13 from the bursary fund.

7. Included in teaching salaries in an amount of £10,000 paid to E Christie as a post termination gratuity.