

Abbreviated Accounts for the Year Ended 30 April 2008

for

RSO Limited

THURSDAY



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for the Year Ended 30 April 2008

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RSO Limited

Company Information  
for the Year Ended 30 April 2008

**DIRECTORS:**

L A Hunt  
M E Carter

**SECRETARY:**

M E Carter

**REGISTERED OFFICE:**

Central Offices  
Hadleigh Enterprise Park  
Crockatt Road  
Hadleigh  
Suffolk  
IP7 6RD

**REGISTERED NUMBER:**

4516845 (England and Wales)

**AUDITORS:**

Passmore Weeks and Richardson  
Chartered Accountants and Registered Auditors  
2 Beacon End Courtyard  
London Road  
Stanway  
Colchester  
Essex  
CO7 8BH

## RSO Limited

### Report of the Directors for the Year Ended 30 April 2008

The directors present their report with the accounts of the company for the year ended 30 April 2008.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of group holding company.

The group operates a residential school.

#### **REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed accounts.

On the 5th October 2007, Kesgrave Hall was sold with the proceeds used to repay bank debt.

#### **DIVIDENDS**

No dividends will be distributed for the year ended 30 April 2008.

#### **FUTURE DEVELOPMENTS**

These are outlined above within the review of the business.

#### **DIRECTORS**

L A Hunt has held office during the whole of the period from 1 May 2007 to the date of this report.

Other changes in directors holding office are as follows:

T T Friedag - deceased 7 October 2007

M E Carter - appointed 9 October 2007

#### **EUROPEAN MONETARY UNION**

The directors continue to review the situation regarding the potential introduction of the Euro.

#### **GROUP ACCOUNTS**

Under the Companies Act 1985 the group is defined as medium and as such is not required to prepare group accounts. An analysis of the investment in subsidiary companies is included in the notes to the accounts.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these financial statements, the directors are required to

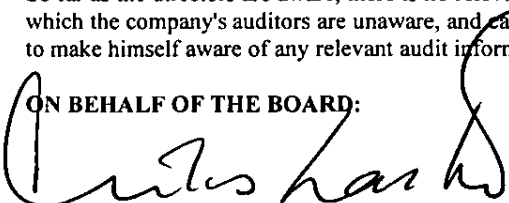
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The 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 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.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:



M E Carter - Secretary

27 January 2009

Report of the Independent Auditors to  
RSO Limited  
Under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages four to twelve, together with the financial statements of RSO Limited for the year ended 30 April 2008 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

Passmore Weeks and Richardson  
Chartered Accountants and Registered Auditors  
2 Beacon End Courtyard  
London Road  
Stanway  
Colchester  
Essex  
CO7 8BH



Date: 30 January 2009

RSO Limited

Abbreviated Profit and Loss Account  
for the Year Ended 30 April 2008

	Notes	30.4.08 £	£	30.4.07 £	£
<b>GROSS PROFIT</b>			527,232		13
Administrative expenses			681,791		60,782
<b>OPERATING LOSS</b>	3		(154,559)		(60,769)
Income from shares in group undertakings	4	700,000		580,000	
Interest receivable and similar income		12,938		13,826	
			712,938		593,826
			558,379		533,057
Interest payable and similar charges	5		430,805		528,113
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			127,574		4,944
Tax on profit on ordinary activities	6		-		126,337
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION</b>			127,574		(121,393)

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year.

The notes form part of these abbreviated accounts

RSO Limited

Abbreviated Balance Sheet  
30 April 2008

	Notes	30.4.08 £	£	30.4.07 £	£
<b>FIXED ASSETS</b>					
Tangible assets	7		970,899		4,351,194
Investments	8		4,555,319		4,555,319
			<u>5,526,218</u>		<u>8,906,513</u>
<b>CURRENT ASSETS</b>					
Cash at bank		16,500		200,000	
<b>CREDITORS</b>					
Amounts falling due within one year	9	974,576		2,238,658	
<b>NET CURRENT LIABILITIES</b>			<u>(958,076)</u>		<u>(2,038,658)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			4,568,142		6,867,855
<b>CREDITORS</b>					
Amounts falling due after more than one year	10		4,460,526		6,887,813
<b>NET ASSETS/(LIABILITIES)</b>			<u>107,616</u>		<u>(19,958)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	13		250,000		250,000
Profit and loss account	14		(142,384)		(269,958)
<b>SHAREHOLDERS' FUNDS</b>	15		<u>107,616</u>		<u>(19,958)</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board of Directors on 27 January 2009 and were signed on its behalf by:



Director

**RSO Limited**

**Cash Flow Statement**  
**for the Year Ended 30 April 2008**

	Notes	30.4.08 £	£	30.4.07 £	£
<b>Net cash inflow/(outflow) from operating activities</b>	1		505,483		(85,234)
<b>Returns on investments and servicing of finance</b>	2		282,133		65,713
<b>Taxation</b>			-		(126,337)
<b>Capital expenditure</b>	2		2,934,866		(379)
			3,722,482		(146,237)
<b>Financing</b>	2		(3,129,841)		(338,532)
<b>Increase/(Decrease) in cash in the period</b>			<u>592,641</u>		<u>(484,769)</u>

**Reconciliation of net cash flow  
to movement in net debt**

	3		
Increase/(Decrease) in cash in the period		592,641	(484,769)
Cash outflow from decrease in debt		<u>2,387,813</u>	<u>442,187</u>
Change in net debt resulting from cash flows		<u>2,980,454</u>	<u>(42,582)</u>
<b>Movement in net debt in the period</b>		<u>2,980,454</u>	<u>(42,582)</u>
<b>Net debt at 1 May</b>		<u>(7,463,973)</u>	<u>(7,421,391)</u>
<b>Net debt at 30 April</b>		<u><u>(4,483,519)</u></u>	<u><u>(7,463,973)</u></u>

The notes form part of these abbreviated accounts



Notes to the Cash Flow Statement  
for the Year Ended 30 April 2008

1. **RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES**

	30.4.08 £	30.4.07 £
Operating loss	(154,559)	(60,769)
Depreciation charges	10,193	44,843
Loss on disposal of fixed assets	435,236	-
Increase/(Decrease) in creditors	214,613	(69,308)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>505,483</b>	<b>(85,234)</b>

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	30.4.08 £	30.4.07 £
<b>Returns on investments and servicing of finance</b>		
Interest received	12,938	13,826
Interest paid	(430,805)	(528,113)
Dividends received	700,000	580,000
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b>282,133</b>	<b>65,713</b>

<b>Capital expenditure</b>		
Purchase of tangible fixed assets	-	(379)
Sale of tangible fixed assets	2,934,866	-
<b>Net cash inflow/(outflow) for capital expenditure</b>	<b>2,934,866</b>	<b>(379)</b>

<b>Financing</b>		
Loan repayments in year	(2,387,813)	(442,187)
Movement on group balances	(742,028)	103,655
<b>Net cash outflow from financing</b>	<b>(3,129,841)</b>	<b>(338,532)</b>

3. **ANALYSIS OF CHANGES IN NET DEBT**

	At 1.5.07 £	Cash flow £	At 30.4.08 £
<b>Net cash:</b>			
Cash at bank	200,000	(183,500)	16,500
Bank overdraft	(776,160)	776,141	(19)
	<u>(576,160)</u>	<u>592,641</u>	<u>16,481</u>
<b>Debt:</b>			
Debts falling due within one year	-	(39,474)	(39,474)
Debts falling due after one year	(6,887,813)	2,427,287	(4,460,526)
	<u>(6,887,813)</u>	<u>2,387,813</u>	<u>(4,500,000)</u>
<b>Total</b>	<b>(7,463,973)</b>	<b>2,980,454</b>	<b>(4,483,519)</b>

The notes form part of these abbreviated accounts

**Notes to the Abbreviated Accounts**  
**for the Year Ended 30 April 2008**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property                      - 1% on cost

Fixed assets are depreciated from the month that they are brought into use.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Pensions**

The directors of the company are members of The Ryes School Limited pension scheme.

This scheme is a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account of the Ryes School Limited.

**2. STAFF COSTS**

	30.4.08	30.4.07
	£	£
Social security costs	-	363
	<u>          </u>	<u>          </u>

The average monthly number of employees during the year was as follows:

	30.4.08	30.4.07
Directors	2	2
	<u>          </u>	<u>          </u>

**3. OPERATING LOSS**

The operating loss is stated after charging:

	30.4.08	30.4.07
	£	£
Depreciation - owned assets	10,193	44,843
Loss on disposal of fixed assets	435,236	-
Auditors' remuneration	-	2,400
	<u>          </u>	<u>          </u>
Directors' emoluments	-	2,421
	<u>          </u>	<u>          </u>

The number of directors to whom retirement benefits were accruing was as follows:

	30.4.08	30.4.07
Money purchase schemes	2	2
	<u>          </u>	<u>          </u>

Directors emoluments represents benefits in kind.

**4. INCOME FROM INVESTMENTS**

	30.4.08	30.4.07
	£	£
Inter-group dividends	700,000	580,000
	<u>          </u>	<u>          </u>

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	30.4.08	30.4.07
	£	£
Bank loan interest	430,805	528,113
	<u>          </u>	<u>          </u>

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 30 April 2008**

**6. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	30.4.08 £	30.4.07 £
Current tax:		
Purchase of losses	-	126,337
Tax on profit on ordinary activities	-	126,337

**7. TANGIBLE FIXED ASSETS**

	Freehold property £
<b>COST</b>	
At 1 May 2007	4,484,252
Disposals	(3,464,922)
At 30 April 2008	1,019,330
<b>DEPRECIATION</b>	
At 1 May 2007	133,058
Charge for year	10,193
Eliminated on disposal	(94,820)
At 30 April 2008	48,431
<b>NET BOOK VALUE</b>	
At 30 April 2008	970,899
At 30 April 2007	4,351,194

**8. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 May 2007 and 30 April 2008	4,555,319
<b>NET BOOK VALUE</b>	
At 30 April 2008	4,555,319
At 30 April 2007	4,555,319

The company's investments at the balance sheet date in the share capital of companies include the following:

**The Ryes School Limited**

Nature of business: School

	% holding	30.4.08 £	30.4.07 £
Class of shares:			
£1 Ordinary	100.00		
Aggregate capital and reserves		-	2,451,587
Profit for the year		-	516,897

**RSO Limited****Notes to the Abbreviated Accounts - continued  
for the Year Ended 30 April 2008****8. FIXED ASSET INVESTMENTS - continued****RSO Training Limited**

Nature of business: Training company

	% holding		
Class of shares:	100.00		
£1 Ordinary		30.4.08	30.4.07
		£	£
Aggregate capital and reserves		2,494	2,494
Profit for the year		-	12,699
		<u>          </u>	<u>          </u>

**Pump Farm Limited**

Nature of business: Not yet commenced trading

	% holding		
Class of shares:	100.00		
£1 Ordinary		30.4.08	30.4.07
		£	£
Aggregate capital and reserves		1	1
		<u>          </u>	<u>          </u>

**Kesgrave Enterprises Limited**

Nature of business: Christmas Tree Farm

	% holding		
Class of shares:	100.00		
Ordinary		30.4.08	30.4.07
		£	£
Aggregate capital and reserves		68	68
Profit for the year		-	8,304
		<u>          </u>	<u>          </u>

**RSO Properties Limited**

Nature of business: Dormant

	% holding		
Class of shares:	100.00		
Ordinary		30.4.08	30.4.07
		£	£
Aggregate capital and reserves		100	100
		<u>          </u>	<u>          </u>

**Kesgrave Hall School Ltd.**

Nature of business: Dormant

	% holding		
Class of shares:	100.00		
Ordinary		30.4.08	30.4.07
		£	£
Aggregate capital and reserves		100	100
		<u>          </u>	<u>          </u>

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

	30.4.08	30.4.07
	£	£
Bank loans and overdrafts (see note 11)	39,493	776,160
Amounts owed to group undertakings	667,828	1,409,856
Accruals and deferred income	267,255	52,642
	<u>          </u>	<u>          </u>
	974,5762,238,658	
	<u>          </u>	<u>          </u>

Notes to the Abbreviated Accounts - continued  
for the Year Ended 30 April 2008

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

	30.4.08	30.4.07
	£	£
Bank loans (see note 11)	<u>4,460,526</u>	<u>6,887,813</u>

11. **LOANS**

An analysis of the maturity of loans is given below:

	30.4.08	30.4.07
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	19	776,160
Bank loan	<u>39,474</u>	<u>-</u>
	<u>39,493</u>	<u>776,160</u>

Amounts falling due between one and two years:  
Bank loans - 1-2 years

	<u>236,842</u>	<u>444,375</u>
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Amounts falling due between two and five years:  
Bank Mortgages

	<u>710,526</u>	<u>1,777,500</u>
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Amounts falling due in more than five years:

Repayable by instalments  
Bank loans due in more than 5  
years repayable by instalments

	<u>3,513,158</u>	<u>4,665,938</u>
	<u>3,513,158</u>	<u>4,665,938</u>

12. **SECURED DEBTS**

The following secured debts are included within creditors:

	30.4.08	30.4.07
	£	£
Bank loans	<u>4,500,000</u>	<u>6,887,813</u>

The company's loans are secured by a full debenture on its assets and those of all group companies.

13. **CALLED UP SHARE CAPITAL**

Authorised:			30.4.08	30.4.07
Number:	Class:	Nominal value:	£	£
500,000	Ordinary "A"	£1	500,000	500,000
200,000	Ordinary "B"	£1	<u>200,000</u>	<u>200,000</u>
			<u>700,000</u>	<u>700,000</u>
Allotted, issued and fully paid:			30.4.08	30.4.07
Number:	Class:	Nominal value:	£	£
250,000	Ordinary "A"	£1	<u>250,000</u>	<u>250,000</u>

RSO Limited

Notes to the Abbreviated Accounts - continued  
for the Year Ended 30 April 2008

14. **RESERVES**

	Profit and loss account £
At 1 May 2007	(269,958)
Profit for the year	127,574
	<hr/>
At 30 April 2008	(142,384)
	<hr/> <hr/>

15. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	30.4.08 £	30.4.07 £
Profit/(Loss) for the financial year	127,574	(121,393)
Issue of shares		
	<hr/>	<hr/>
<b>Net addition/(reduction) to shareholders' funds</b>	127,574	(121,393)
Opening shareholders' funds	(19,958)	101,435
	<hr/>	<hr/>
<b>Closing shareholders' funds</b>	107,616	(19,958)
	<hr/> <hr/>	<hr/> <hr/>