

Company Registration No.1221853 (England and Wales)
Charity Registration No. 270158

GRANGE ROSE HILL SCHOOL LIMITED

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 AUGUST 2006**

GRANGE ROSE HILL SCHOOL LIMITED

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GRANGE ROSE HILL SCHOOL LIMITED

LEGAL & ADMINISTRATIVE INFORMATION

Members of the council of management	A.F. Baker J.G. Langdale G.C. Allen C.R. Broadie P. Carpenter J. Davies M. Dennison Mrs J.D. Evans Mrs S.M. Gates J. Lunn Captain P.W.R. Smith OBE J. Thompson Rev. G.R. Walter	Chairman Vice Chairman
Company secretary	D.S. MacMurchy	
Headmaster	D. Westcombe	
Bursar	D.S. MacMurchy	
Registered office	Rose Hill School Coniston Avenue Tunbridge Wells Kent TN4 9SY	
Auditors	Creaseys LLP 12 Lonsdale Gardens Tunbridge Wells Kent TN1 1PA	
Bankers	Lloyds TSB Bank plc 82 Mount Pleasant Tunbridge Wells Kent TN1 1RP	
Solicitors	Cripps Harries Hall LLP 12 Mount Ephraim Road Tunbridge Wells Kent TN1 1EG	
Company number	1221853	
Charity number	270158	

GRANGE ROSE HILL SCHOOL LIMITED

REPORT OF THE MEMBERS OF THE COUNCIL OF MANAGEMENT FOR THE YEAR ENDED 31 AUGUST 2006

The Members of the Council submit their twenty seventh annual report and the audited accounts for the year ended 31 August 2006, and confirm that they comply with statutory requirements, the Memorandum and Articles of Association and the Charities SORP 2005.

Reference and administrative information

Rose Hill School was founded in 1832 and continues to operate under this name. It was incorporated as a company under company registration number 1221853 on 17th July 1975 as Grange Rose Hill School Limited and registered with the Charity Commission under charity number 270158 dated 10th October 1975.

The members of the Council of Management are the directors as well as the charity trustees of the company. Members of the Council during the year under review are listed on page one together with the executive officers and professional advisers to the company:

In accordance with the Articles of Association the following members retired by rotation and, being eligible, offered themselves and were re-elected:

Mrs. S Gates, Mr J Langdale, Mr. C. Allen.

Structure, governance and management

Governing document

Grange Rose Hill School Limited is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 17th July 1975 and last amended in June 2004.

Recruitment and training of governors

Potential governors are identified by current governors or the executive officers on the basis of particular skills, personal reputation and competence and, where possible, an existing commitment and supportive attitude towards the school. Governors are elected to the Council of Management at Council meetings following interviews, combined with meetings to discuss and instruct potential candidates of the responsibilities and duties involved. Governors are inducted into the working of the Council on the basis of a comprehensive Governors' Handbook and attendance at organised workshops and seminars.

Organisational management

Members of the Council of Management meet at least three times a year and are responsible for the determination of general policy and overall management of the school. Day to day management is delegated to the Headmaster for academic management and to the Bursar for administrative management. The Council is supported by three sub-committees, Finance and General Purposes, Staffing and Curriculum and Public Relations. Formulation and review of policies is delegated by the Council to the sub-committees who report back to the Council for ratification.

Risk management

The Council Members are responsible for the management of the risks faced by the School. Risks are identified and assessed, and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on an annual basis.

The key controls used by the charity include:

- Formal agendas for all committee meetings.
- Detailed terms of reference for all committees.
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisational structure and lines of reporting.
- Formal written policies.
- Clear authorisation and approval levels.
- Vetting procedures as required by law for the protection of the vulnerable.

GRANGE ROSE HILL SCHOOL LIMITED

REPORT OF THE MEMBERS OF THE COUNCIL OF MANAGEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

The council members are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised however that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Objects, aims, objectives and activities

Charitable objects

The Objects of the charity set out in the Memorandum and Articles of Association are to promote and provide for the advancement of education, in particular for the education of children of either sex or both sexes and to supply to the pupils general instruction of the highest class together with physical, moral and religious training.

Aims

In the spirit of these Objects the school aims to provide the best possible all round education for each pupil in the school by:

- a. **enabling** every child to achieve his/her full academic potential in small classes;
- b. **helping** all pupils to develop their individual personalities within the framework of a stimulating environment;
- c. **providing** a strong pastoral system which responds to the needs of the individual;
- d. developing a partnership, between home and school, by **communicating** the social and academic progress of each child to parents at regular intervals, through an all embracing system of parents' evenings, mid-term assessments, detailed end of term reports and personal contact;
- e. **fostering** many possible talents of the individual, e.g. musical, artistic, sporting, dramatic or other, by providing an environment which motivates the child to explore the wide range of activities available at Rose Hill;
- f. **encouraging** positive relationships, good manners, social awareness, and a sense of responsibility and discipline in a supportive Christian community.

Objectives for the year

While continuing to fulfil the aims defined above the main focus of our objectives for the year are defined in our Development Plan. They were:

- to increase the diversity in Main School assemblies
- to continue the planning and preparation for Phase 2 of the Millennium Project
- to improve the grounds and site maintenance and safety
- to complete the improvements and alterations to the Admin block following completion of Phase 1 of the Millennium Project
- ensuring the continuation of staff development by the increase in INSET for all staff
- continuation of the enhancement of computer facilities for the benefit of the teaching process.

Strategies to achieve the year's objectives

By ongoing monitoring of performance by reports to the Council combined with governors and school working to improve and update all aspects of the functions of the school. This is facilitated by our Development Plan which, while identifying, also monitors the enhancements in curriculum, pastoral care, buildings and grounds, human resources, governance, management, marketing, policies and financial resources. In the process it addresses time-scales, costs and implementation.

GRANGE ROSE HILL SCHOOL LIMITED

REPORT OF THE MEMBERS OF THE COUNCIL OF MANAGEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

Achievements and performance

The charity principally provides education for boys and girls between the ages of 3 and 13 in Tunbridge Wells. This year pupil numbers averaged 300 all of whom were day pupils. Waiting lists are healthy from Kindergarten through to year six and the Council is confident that pupil numbers will be maintained at the current level.

During the year we refurbished some of our older buildings to provide additional staff areas. Our programme for the installation of state of the art technology continued during the year, with the installation of six electronic whiteboards in classrooms.

The year also saw planning work start on the second phase of our Millennium Project, which will provide for a new theatre, art and music complex.

On the academic side, a total of seven scholarships were awarded, and 100% of our year eight leavers obtained places at their first choice schools. Despite being non-selective 88% of Kent Selection candidates were successful. In key stage two tests results were well above average, and 88% of grades achieved were at the above average Level 5.

The equivalent of eight full fees was budgeted and made available for Scholarships and Bursaries with the emphasis on the provision of means tested Bursaries.

Financial review

The schools' Net Income for the year was £275,829. This was after deductions for depreciation from the Operational Surplus of £378,026, which, being within £1,000 for our budget target for the year we consider a highly satisfactory achievement.

Total income for the year of £2,328,827 was £144,961 or 6.6% up on last year. This figure was after allowing for Scholarships, Bursaries and Allowances of £163,000, which figure represents 6.8% of net fee income. Costs for the year at £2,052,998 were up by 8% compared to a 5.75% increase in fees.

Reserves policy

Capital Expenditure of £58,678 was low, reflecting our policy of retaining capital for the next phase of our Millennium Project. This is combined with our policy of maintaining the level of Operational Surpluses set in our Five-Year Plan as the basis for maintaining our financial stability.

Future plans

These are primarily defined in the 2006/07 Development Plan that identifies and monitors the requirements and improvements to be made to the school. As well as concentrating on each forthcoming year it includes a Five-Year Outline to identify long-term requirements. The Plan is updated annually in a process that encompasses input from all area of the school. It is reviewed regularly by the Council, updated annually and approved at its meeting in November. Current key objectives are:

- to maintain the school roll at its current level of 300
- to maintain the current low pupil/teacher ratio
- to continue to review the academic syllabus as identified in the curriculum section of the Development Plan
- to maintain the current high standards of academic achievement as measured by the various external public examinations undertaken
- to balance academic achievements through maintaining a curriculum allowing full scope for the development of sporting, creative and social as well as academic skills
- to complete the planning stage for Phase 2 of the Millennium Project ready for commencement of work in July 2007

GRANGE ROSE HILL SCHOOL LIMITED

REPORT OF THE MEMBERS OF THE COUNCIL OF MANAGEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

- to celebrate the 175th year of the founding of Rose Hill and the centenary of the founding of the cub scout movement, Baden-Powell being an Old Rose Hillian
- to increase pastoral care systems as identified in the Development Plan
- to continue to increase and enhance our technology support in the teaching environment
- to further widen access to the school through the provision of means tested bursaries
- to maintain and expand our links with other junior schools in both the state and independent sectors.

Fixed assets

The members of the Council are of the opinion that the freehold land and buildings, shown in Note 5 to the accounts at £2,702,471 are worth considerably more than that figure but the exact value cannot be determined without professional valuations.

Statement of Council members' responsibilities

The Council members are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Council members 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 surplus or deficit of the company for that period. In preparing these accounts, the council members are required to:

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

The Council members 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 and the Charities Act 1993. 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.

Statements of disclosure to auditor

(a) so far as the Council members are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as Council members in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

On 1 June 2006, Creaseys transferred their business to Creaseys LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The company has given its consent to treating the appointment of Creaseys as extending to Creaseys LLP with effect from 1 June 2006. Accordingly a resolution for the re-appointment of Creaseys LLP as auditors will be put to the Annual General Meeting.

Signed on behalf of the Council

Date:

GRANGE ROSE HILL SCHOOL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COUNCIL MEMBERS OF GRANGE ROSE HILL SCHOOL LIMITED

We have audited the financial statements of Grange Rose Hill School Limited on pages 8 to 15 for the year ended 31 August 2006. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Council 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 Council members 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 company and the company's Council members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the members of the Council and auditors

The Council members' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Council members' 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 and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Members of the Council of Management is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 Council members' remuneration and other transactions is not disclosed.

We read the Report of the Members of the Council of Management 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 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 members of the Council in the preparation of the financial statements, and whether the accounting policies are appropriate to the circumstances of the charitable company, 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.

GRANGE ROSE HILL SCHOOL LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE COUNCIL MEMBERS OF GRANGE ROSE HILL SCHOOL LIMITED

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 August 2006 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 the Companies Act 1985; and
- the information given in the Report of the Members of the Council of Management is consistent with the financial statements.

Chartered Accountants
Registered Auditor

12 Lonsdale Gardens
Tunbridge Wells
Kent TN1 1PA

GRANGE ROSE HILL SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2006

		Unrestricted funds	
	Notes	2006 £	2005 £
Incoming resources			
<i>Income from charitable activities</i>			
School fees		2,292,113	2,158,408
<i>Incoming resources from generated funds</i>			
Bank and other interest		29,321	14,467
Other income		7,393	10,991
Total incoming resources		<u>2,328,827</u>	<u>2,183,866</u>
Resources expended			
<i>Charitable activities</i>			
School expenditure		2,046,632	1,893,483
<i>Governance costs</i>		6,366	6,619
Total resources expended	4	<u>2,052,998</u>	<u>1,900,102</u>
Net income for the year	2	275,829	283,764
Unrestricted fund brought forward		3,016,614	2,732,850
Unrestricted fund carried forward		<u><u>3,292,443</u></u>	<u><u>3,016,614</u></u>

The statement of financial activities includes all gains and losses recognised in the year

All incoming resources and resources expended derive from continuing activities

GRANGE ROSE HILL SCHOOL LIMITED

BALANCE SHEET AS AT 31 AUGUST 2006

	Notes	2006 £	£	2005 £	£
Fixed assets					
Tangible assets	5		2,875,017		2,918,536
Current assets					
Debtors	6	55,433		22,065	
Cash at bank and in hand		622,053		248,875	
		<u>677,486</u>		<u>270,940</u>	
Creditors : amounts falling due within one year	7	<u>(212,360)</u>		<u>(117,146)</u>	
Net current assets			<u>465,126</u>		<u>153,794</u>
Total assets less current liabilities			<u>3,340,143</u>		<u>3,072,330</u>
Creditors : amounts falling due in more than one year	8		<u>(47,700)</u>		<u>(55,716)</u>
Net assets			<u><u>3,292,443</u></u>		<u><u>3,016,614</u></u>
Reserves					
Unrestricted income fund			<u><u>3,292,443</u></u>		<u><u>3,016,614</u></u>

Approved by the Council of Management on

and signed on its behalf by

Council member

GRANGE ROSE HILL SCHOOL LIMITED

CASHFLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2006

	2006 £	2005 £		
Reconciliation of net incoming resources to net cash inflow from operating activities				
Net incoming resources	275,829	283,764		
Depreciation and loss on disposal	102,197	112,745		
Investment income	(29,321)	(14,467)		
Interest paid	2,553	4,329		
(Increase)/decrease in debtors	(33,368)	15,571		
Increase/(decrease) in creditors	86,335	(27,554)		
Net cash inflow from operating activities	404,225	374,388		
Returns on investments and servicing of finance				
Bank interest received	29,321	14,467		
Bank interest paid	(1,683)	(2,231)		
Interest element of finance lease rental payments	(870)	(2,098)		
	26,768	10,138		
Capital expenditure				
Payments to acquire tangible fixed assets	(31,242)	(12,529)		
Financing				
Capital element of finance lease payments	(26,573)	(8,493)		
Net cash inflow for the year	373,178	363,504		
Reconciliation of net cashflow to movement in net funds (see note below)				
Increase in cash for the period	373,178	363,504		
Cash outflow from decrease in hire purchase contracts	26,573	8,493		
Change in net funds resulting from cashflows	399,751	371,997		
New hire purchase contracts	(27,436)	-		
Movement in net funds in the period	372,315	371,997		
Net cash/(debt) at 1 September 2005	228,587	(143,410)		
Net funds at 31 August 2006	600,902	228,587		
Note:				
Analysis of changes in net funds/(debt)				
	At 01/09/05 £	Cash flow £	Non cash changes £	At 31/08/06 £
Cash held at bank and in hand	248,875	373,178	-	622,053
Hire purchase contracts	(20,288)	26,573	(27,436)	(21,151)
	228,587	399,751	(27,436)	600,902

GRANGE ROSE HILL SCHOOL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2006

1 Accounting policies

1.1 Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005) and the Companies Act 1985.

1.2 Status

The company is a charitable trust, does not have a share capital and is limited by guarantee. The Inland Revenue has agreed that the company is considered to be established for charitable purposes only and that it is entitled to relief from tax under Section 505, Income and Corporation Taxes Act 1988.

1.3 Incoming resources

Fees receivable are accounted for in the period in which the service is provided and are stated after deducting allowances.

1.4 Resources expended

All costs are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT, which cannot be recovered.

Charitable expenditure

Teaching costs include the costs of teaching salaries, supplies of books and stationery, games equipment and sundry materials and staff training costs.

Welfare costs include the costs of catering, housekeeping and cleaning (including staff wages) and motor expenses.

Premises expenses include rates and water, light and heat, property repairs and insurance

Administration of the school includes other costs necessary to run the school, including telephone, stationery and legal fees.

Governance costs

Governance costs include those costs associated with constitutional and statutory requirements including the preparation, and external audit, of the statutory accounts.

1.5 Pension costs

The charity contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary. 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 therefore, the scheme is accounted for as a defined contribution scheme.

The charity also contributes to individual personal pension schemes for non - teaching staff.

1.6 Fixed assets

Fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets in use at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Freehold buildings	- 2% to 10% straight line
Other fixed assets	- 5% to 50% straight line

GRANGE ROSE HILL SCHOOL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2006

1.7 Leasing and hire purchase commitments

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 Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in the period.

2 Net income	2006	2005
	£	£
Charitable expenditure includes:		
Depreciation and loss on disposals	102,197	112,745
Hire purchase interest	870	2,098
Auditors' remuneration - Audit fees	4,000	4,000
- Accountancy fees	2,366	2,619
	<u> </u>	<u> </u>
Other income includes:		
Hiring fees	6,182	6,392
	<u> </u>	<u> </u>

3 Staff costs	2006	2005
	£	£
The cost of employing staff was:		
Wages and salaries	1,287,122	1,164,677
Social security costs	98,985	91,586
Pension costs	118,779	112,088
	<u> </u>	<u> </u>
	<u>1,504,886</u>	<u>1,368,351</u>

The average number of full time equivalent employees during the year was:

	No.	No.
Teaching	34	32
Non-teaching	15	13
	<u> </u>	<u> </u>
	<u>49</u>	<u>45</u>

Number of employees whose emoluments exceeded £60,000:

	No.	No.
£60,000 - £70,000	1	1
	<u> </u>	<u> </u>

Pension contributions of £7,036 (2005: £6,474) were paid to the Teachers Pension Scheme for this employee.

The management of the company is vested in the Council of Management whose members do not receive any remuneration, other benefits or reimbursement of expenses from the school.

GRANGE ROSE HILL SCHOOL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2006

4 Analysis of total resources expended

	Staff costs	Other costs	Depreciation	Total 2006	Total 2005
	£	£	£	£	£
<i>Charitable activities:</i>					
Teaching costs	1,461,186	71,775	-	1,532,961	1,387,301
Welfare	43,700	111,102	-	154,802	148,583
Premises	-	157,539	102,197	259,736	268,772
Administration of the school	-	99,133	-	99,133	88,827
	1,504,886	439,549	102,197	2,046,632	1,893,483
<i>Governance costs:</i>					
Audit and accountancy fees	-	6,366	-	6,366	6,619
	1,504,886	445,915	102,197	2,052,998	1,900,102

5 Tangible fixed assets

	Freehold land and buildings	Furniture, fittings & equipment	Groundsman's equipment & minibus	Total
	£	£	£	£
Cost				
At 1 September 2005	3,202,281	353,978	64,160	3,620,419
Additions	-	30,763	27,915	58,678
Disposals	-	-	(31,968)	(31,968)
At 31 August 2006	3,202,281	384,741	60,107	3,647,129
Depreciation				
At 1 September 2005	435,680	209,050	57,153	701,883
Charge for the year	64,130	33,069	4,998	102,197
Released on disposals	-	-	(31,968)	(31,968)
At 31 August 2006	499,810	242,119	30,183	772,112
Net book value				
At 31 August 2006	2,702,471	142,622	29,924	2,875,017
At 31 August 2005	2,766,601	144,928	7,007	2,918,536

Freehold land and buildings include assets revalued at £72,500 in 1976; details of the original cost of these assets are not ascertainable.

The net book value of tangible fixed assets includes £42,162 (2005: £26,641) in respect of assets held under finance leases. Depreciation of £11,915 (2005: £9,172) has been charged to those assets in the year.

GRANGE ROSE HILL SCHOOL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2006

6 Debtors	2006 £	2005 £
Fee debtors	1,302	-
Prepayments	54,131	22,065
	<u>55,433</u>	<u>22,065</u>

7 Creditors : amounts falling due within one year	2006 £	2005 £
Fees received in advance	148,414	67,836
Returnable deposits	28,850	20,850
Net obligations under finance leases and hire purchase agreements (see note 8)	21,151	9,722
Sundry creditors	3,208	8,924
Accruals and deferred income	10,737	9,814
	<u>212,360</u>	<u>117,146</u>

8 Creditors : amounts falling due after more than one year	2006 £	2005 £
Net obligations under finance leases and hire purchase agreements	-	10,566
Returnable deposits	47,700	45,150
	<u>47,700</u>	<u>55,716</u>

Obligations under finance leases and hire purchase contracts, which are secured on the assets concerned, are repayable as follows:

	2006 £	2005 £
Repayable within one year	21,177	10,592
Repayable between two and five years	-	10,592
	<u>21,177</u>	<u>21,184</u>
Finance charges and interest allocated to future accounting periods	(26)	(896)
	<u>21,151</u>	<u>20,288</u>
Included in liabilities falling due within one year	(21,151)	(9,722)
	<u>-</u>	<u>10,566</u>

GRANGE ROSE HILL SCHOOL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2006

9 Pension schemes

The School participates in The Teachers' Pension Scheme for its teaching staff. This is a statutory, contributory, defined benefit, multi-employer scheme operated by the government, and is unfunded. Currently, teachers contribute 6% of salary, while the employer pays 13.5% of salary. Employer contributions for the year ended 31 August 2006 were £106,565 (2005: £98,485).

The last valuation by the government actuary covered the period 1 April 2001 to 31 March 2004; the liabilities of the scheme at 31 March 2004 exceeded the value of the assets by £3,260 million, meaning that from 1 January 2007 a supplementary contribution of 0.75% will be required. Because this is a multi-employer scheme, it is not possible to identify the school's share of the underlying assets and liabilities.

The school also runs a pension scheme for its non-teaching staff, which is a defined contribution scheme. The cost for the year represents the school's contributions to the scheme of £12,214 (2005: £13,603).

GRANGE ROSE HILL SCHOOL LIMITED
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2006

	2006 £	2005 £
Turnover		
Fees	2,417,441	2,263,586
Less: Allowances	(163,585)	(123,118)
Disbursements	31,757	12,600
Registration fees	6,500	5,340
	<hr/>	<hr/>
Total incoming resources	2,292,113	2,158,408
	<hr/>	<hr/>
Charitable Expenditure		
Teaching costs		
Salaries and wages	1,461,186	1,321,143
Tutorial	64,168	58,764
Staff development	7,607	7,394
	<hr/>	<hr/>
	1,532,961	1,387,301
Welfare		
Catering	108,413	104,730
Housekeeping and cleaning	38,417	34,505
Motor expenses	7,972	9,348
	<hr/>	<hr/>
	154,802	148,583
Premises		
General premises expenses	135,661	135,049
Depreciation and loss on disposal	102,197	112,745
Equipment lease and hire	21,878	20,978
	<hr/>	<hr/>
	259,736	268,772
Administration		
Telephone	5,608	5,560
Printing	11,765	10,523
Postage	21,451	19,602
Advertising	22,114	19,776
Recruitment	10,793	9,460
Professional fees	17,131	10,436
Subscriptions and donations	7,199	6,541
Bad debts	-	1,775
Sundry	519	825
Bank charges and interest	1,683	2,231
Hire purchase interest	870	2,098
	<hr/>	<hr/>
	99,133	88,827
Management & administration of the Charity		
Audit and accountancy	6,366	6,619
	<hr/>	<hr/>
Total resources used	2,052,998	1,900,102
	<hr/>	<hr/>
Other income		
Other income	7,393	10,991
Bank and other interest	29,321	14,467
	<hr/>	<hr/>
	36,714	25,458
	<hr/>	<hr/>
Net income for year	<u>275,829</u>	<u>283,764</u>