

Company Number: 678565
Charity Number: 312069

MICKLEFIELD SCHOOL (REIGATE) LIMITED

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED

31ST AUGUST 2009

MICKLEFIELD SCHOOL (REIGATE) LIMITED

GOVERNORS' REPORT

FOR THE YEAR ENDED 31ST AUGUST 2009

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The Council of Governors presents its annual report for the year ended 31st August 2009 under the Companies Act 2006 and the Charities Act 1993, together with the audited financial statements for the year, and confirms that the latter comply with the requirements of the Companies Act 2006, the School's Memorandum & Articles of Association and the Charities SORP 2005. The School is a charitable company and therefore this report is also the Trustees' Report and the Directors' Report.

REFERENCE & ADMINISTRATIVE INFORMATION

Established in 1910, Micklefield School (Reigate) Ltd (the School) was incorporated under the Companies Act 1948 on 21st December 1960 (company no. 678565). In 1966 the School became a Charitable Trust (charity no. 312069) controlled by a voluntary Council of Management. The School does not have a share capital and the liability of the members is limited by guarantee.

Governors

The present Governors of the School, who are also the charity trustees and the directors of the company, who served during the year are:

*Mr A. B. de M. Hunter FCA (Chairman)
Mr S. Armitage FRICS
*Mrs C. Cartmell LLB
Mrs B.M.A. Dean
†Mr M. Eagers MA
*Mr R.A.G. Escott ACIB
*Mrs F. Gent ACA (with effect from 21st October 2008)
†Mr P. Harvey LLB
*Dr B.C. Hutt CEng
*Mr T.P.G. Neale FCA
†Mrs J.M. Otway
†Mrs R. Rokison Rose Bruford Dip LCST
†Mrs M.E. Stansfield DipEd

* Members of the Finance & Estates Committee
† Members of the Education & Staffing Committee

Registered office and principal address

Micklefield School
10 Somers Road
Reigate
Surrey
RH2 9DU

MICKLEFIELD SCHOOL (REIGATE) LIMITED

Key Executives and Professional Advisers

Headmistress:	Mrs L. Rose BEd (Hons), CertEd, DipPC
Bursar/Secretary	Mr A.R. Wright ACIB
Bankers:	Barclays Bank PLC, Sussex & Gatwick Team, P.O.Box 165, Crawley, West Sussex BX3 2BB CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ
Auditors:	Horwath Clark Whitehill LLP, St. Bride's House, 10 Salisbury Square, London EC4Y 8EH

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The School is governed by its Memorandum & Articles of Association which were revised and adopted on 22nd May 2007.

Governing body

The Council requires breadth and depth of experience to carry out its duties effectively and efficiently. When recruiting new Governors the important attribute is a passion for the work of the School and many of the Council members are parents of former pupils with an understanding of the School's ethos and its aims for the education and personal development of each child. The Council maintains a balance between male and female members and possesses within it a range of skills and experience: the current membership comprises Governors with education, health, financial and accounting, legal and property and construction backgrounds.

The Governors are elected at a full Council meeting and re-elected at Annual General Meetings. One-third of the Governors retire each year, being those longest in office since their last election or appointment. They are eligible for re-election.

Governor-training

Individual Governors have attended seminars run by the Association of Governing Bodies of Independent Schools (AGBIS). All Governors have received copies of its "Guidelines for Governors: a manual of good practice for the governors of independent schools" and the Charity Commission's publication "The Essential Trustee: What you need to know".

Organisational management

Meetings of the Council of Governors are held at least three times per year to determine the general policy of the School and review its overall management and control for which the Governors are legally responsible. There are two sub committees which meet at least termly: the Finance and Estates Committee to review the financial and management accounts and budgets; and the Education and Staffing Committee. Governors are also represented on the Health & Safety Committee which meets with members of the School's senior management team. The day to day management of the School is delegated to the Headmistress.

MICKLEFIELD SCHOOL (REIGATE) LIMITED

Group structure and relationships

The School is an active member of AGBIS and through the Headmistress has membership of the Incorporated Association of Preparatory Schools and the Association of Heads of Independent Schools. It participates in peer group studies to evaluate and improve performance.

Through the Friends of Micklefield, the parents and families of pupils have continued to provide support organising social events and fundraising activities: donations were made towards specific items of expenditure. The Governors and Headmistress have expressed their appreciation for their continuing and valuable support for the School. The School works with the local community, optimising the use of the buildings and playing fields.

Risk management

The Governors are responsible for the overseeing of the risks faced by the School. Risks are identified, assessed and controls established throughout the year and the School's risk management is reviewed by the Governors at each Council meeting. Risk is managed under the headings of regulatory and external factors, governance, financial, academic, operational, personnel and environmental. Detailed considerations of risk are delegated to the senior management of the School.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The School is committed to safeguarding and promoting the welfare of pupils. In the recent Independent Schools' Inspectorate report, pastoral care provided to pupils was described as outstanding and it was confirmed that child protection measures are in place and are effective. The School meets the regulatory requirements for the welfare, health and safety of pupils.

OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

The main objects of the School, in accordance with its Memorandum of Association, are to carry on and develop the school in Somers Road, Reigate under the name of Micklefield School and to advance the education of its pupils.

Strategic aim and intended effect

The School meets its objects by ensuring that boys and girls aged from 3 up to 11 years are educated to a first class standard, based on a wide curriculum taking into account today's educational requirements and the importance of the development of the whole child.

The School welcomes pupils from all backgrounds. An entrance interview is undertaken with the Headmistress to ensure that the child will benefit from the education being provided. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of the admissions process.

Pupils are encouraged to make the School a happy and fulfilling place by showing courtesy and consideration towards each other. Increasing responsibility is given to the older pupils to help them gain in confidence and poise and thus better equip them for the secondary school of their own and their parents' choice.

MICKLEFIELD SCHOOL (REIGATE) LIMITED

Objectives for the year

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

The key objectives for the year were:

- To run and develop Micklefield School, building on its successful history and reputation.
- In conjunction with the Governors, to review and implement the five year development plan.
- To hold "Parent and Toddler" sessions in place of the nursery classes for children aged up to 3 years which were ceased to allow better use of Belton House by the pupils aged 3 years plus in preparatory.
- To prepare the School for a full inspection by the Independent School's Inspectorate in the Summer term 2009.

Principal activity

The principal activity continues to be to operate as a day school at the premises in Somers Road, Reigate for pupils from age 3 up to 11 years. From September 2009, children are able to start attending from the start of the school term in which they become 3 years old.

Grant-making

Within the School's Reserves, the Governors have set aside a Designated fund with the aim of helping parents with fees where they are experiencing financial difficulties. The Governors are reviewing the size and purpose of the Fund taking into account the possible increasing demands on it as a result of current economic conditions and to consider extending its purpose to ensure that the opportunity to benefit is not unreasonably restricted by the ability to pay the fees charged.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Operational performance of the School

The School continues to enjoy academic, musical, artistic and sporting success. The majority of our thirty four Year 6 leavers in July were successful in obtaining offers of places from the secondary schools of their choice and a total of twenty one scholarships were achieved.

The inspection by the Independent Schools Inspectorate in May 2009 concluded that: "Micklefield School provides a high quality education for its pupils. It has many strong features, some of which are outstanding. The School achieves its aims and meets the needs of its pupils. Many opportunities are provided to help pupils reach their full potential. Achievement levels are considerable, and particularly high in subjects such as English and mathematics. In addition to the taught curriculum, the extra-curricular programme and highly valuable educational visits also play their part in enabling pupils to achieve the educational standards that they do. Good and often outstanding quality teaching, a broad and well-balanced curriculum, the highly effective leadership of the headteacher and the particularly good relationships that exist within the School enable considerable achievements to be made by the pupils. They are responsible members of the school community and behave very well. Pupils are outstandingly well cared for and excellent provision is made for their moral, social and cultural development. Links with parents and the community are particularly good."

In accordance with the School's development plan, improvements to the main school premises have continued including the opening of a new multi-purpose room at the start of the year primarily for use as a pupils' dining area, assembly hall and dance and drama classroom. New kitchen facilities have been installed adjacent to it and the former dining room, the Stephens Room, has become a music room.

MICKLEFIELD SCHOOL (REIGATE) LIMITED

Financial review and results

The School's surplus reduced from £117,321 in the previous year to £103,657, reflecting a growth in total incoming resources to £2,089,005 (2008: £2,024,631) compared with total resources expended rising to £1,985,348 (2008: £1,907,310).

The fees tariff increased by 3% in the lower school and 5% in the upper school from September 2008 and there was a decrease in average pupil numbers from 290 for the previous year to 273 principally as a result of withdrawing the nursery provision for the under 3 year olds from September 2008.

The Governors followed the teachers' national pay award increasing staff salaries by 2.45% from September 2008.

The School's Funds stood at £1,676,167 at the year end and are deployed to fund the school premises and equipment, supplemented by the external financing in the form of the secured loan. Included in these Funds are Restricted funds of £3,600 arising from donations received towards specific school resources and an Unrestricted designated fund of £62,826 for the aim of helping parents with fees outstanding where they are experiencing financial difficulties. During the year, bursaries totalling £3,099 were awarded in respect of two pupils.

In view of the specialised nature of the buildings it is extremely difficult to determine the market value of the School's freehold property. The Governors consider that the market value is in excess of book value. The buildings are regularly maintained to ensure there is no deterioration.

There are currently no free reserves and the Governors rely upon the careful management of short term liquid resources to meet the needs of day to day working capital. However, the Governors consider that free reserves would be desirable in order to cover the risks and uncertainties of operating as an independent educational establishment. The policy is therefore to achieve annual operating surpluses to create reserves, subject to the prior demands of further expenditure to equip the School with the up to date facilities required.

Investment policy and objectives

There are no restrictions on the School's powers of investment. Currently, short term surplus funds are placed in higher rate interest bearing bank deposits, where they are immediately available to meet planned capital expenditure and working capital requirements. Additional bank accounts have been opened with CAF Bank Ltd to reduce financing costs and improve returns.

FUTURE PLANS

Various events will be held to celebrate Micklefield School's centenary, and the Governors intend to continue their current strategies in running and developing the School, building on its successful history and reputation and maintaining its sound financial position in a competitive environment. The five year development plan will be continually reviewed and implemented.

The Headmistress and her senior management team will continue to review the delivery of the curriculum and develop the role of subject co-ordinators to ensure there is a systematic approach to the development of all aspects of school life, including the curriculum, over a three period.

MICKLEFIELD SCHOOL (REIGATE) LIMITED

PUBLIC BENEFIT

The Governors have given careful consideration to the Charity Commission's guidance on public benefit and the School will continue to fulfil its charitable objects to advance education by carrying on and developing the school in Somers Road, Reigate.

The Governors consider their primary duty is to the pupils (past, present and future) and the school does not operate in a discriminatory manner to exclude sections of the public from the benefits of that education. Pupils are not required to undertake an entrance test and through its skills unit and its developing association with the Helen Arkell Dyslexia Centre pupils receive appropriate support. Pupils with various physical disabilities have and continue to attend.

The School does not have any free reserves or endowed funds to facilitate the awarding of bursaries and scholarships. The Designated fund has been established in order that bursary awards may be granted on the basis of parental means and to relieve hardship where a pupil's education and future prospects would otherwise be at risk, for example in the case of redundancy. The Governors will continue to review how these bursaries are made available and are mindful of the need to maintain a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

Through the attendance of nearly 300 children from 200 families and the employment directly and indirectly of over 70 people, the School makes a significant contribution to the national and local economies and to the local community. The School's buildings and playing fields are used by local organisations on a regular basis.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

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 School and of the profit or loss of the School for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue to operate.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each Governor is aware, there is no relevant audit information of which the School's auditors are unaware. The Governors have each taken all the steps that we ought to have taken as Governors in order to make ourselves aware of any relevant audit information and to establish that the School's auditors are aware of that information.

MICKLEFIELD SCHOOL (REIGATE) LIMITED

AUDITORS

Horwath Clark Whitehill LLP have expressed their willingness to continue as auditors for the next financial year

Approved by the Council of Governors at its meeting on 1st December 2009 and signed on its behalf by

A. B. de M. Hunter
Chairman

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MICKLEFIELD SCHOOL (REIGATE) LIMITED CHARITABLE COMPANY

We have audited the financial statements of Micklefield School (Reigate) Limited for the year ended 31st August 2009 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes set out on pages 12 to 17. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's 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 charitable 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 auditor

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

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

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

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

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom 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 judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MICKLEFIELD SCHOOL (REIGATE) LIMITED CHARITABLE COMPANY
(CONTINUED)**

Opinion

In our opinion:

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

Andrew Pianca FCA
Senior Statutory Auditor
for and on behalf of Horwath Clark Whitehill LLP
Chartered Accountants and Statutory Auditor

St Bride's House
10 Salisbury Square
London EC4Y 8EH

Date: 1st December 2009

MICKLEFIELD SCHOOL (REIGATE) LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST AUGUST 2009**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	2008 £
INCOMING RESOURCES					
Income from Charitable Activities:					
School fees receivable	2	2,028,226	-	2,028,226	1,987,594
Registration fees		2,600	-	2,600	2,920
Ancillary trading income		39,212	-	39,212	-
Income from generated funds:					
Grants and Donations	3	2,199	5,947	8,146	7,549
Activities for generating funds:					
Rents and lettings		2,638	-	2,638	3,790
Bank and other interest		7,980	-	7,980	22,728
Other income		203	-	203	50
Total incoming resources		<u>2,083,058</u>	<u>5,947</u>	<u>2,089,005</u>	<u>2,024,631</u>
RESOURCES EXPENDED					
Charitable activities:					
School operating costs	5-6a)	1,947,522	2,347	1,949,869	1,833,507
Governance costs	6b)	9,621	-	9,621	9,713
Costs of generating funds:					
School financing costs	10	25,858	-	25,858	64,090
Total resources expended	5-6a)	<u>1,983,001</u>	<u>2,347</u>	<u>1,985,348</u>	<u>1,907,310</u>
NET INCOMING RESOURCES		100,057	3,600	103,657	117,321
Transfers	12b)	3,600	(3,600)		
Fund balances at 1 st September 2008		1,572,510	-	1,572,510	1,455,189
FUND BALANCES at 31st August 2009		<u>1,676,167</u>	<u>-</u>	<u>1,676,167</u>	<u>1,572,510</u>

There are no other recognised gains and losses other than the net incoming resources for the year. All operations and activities are continuing.

The notes on pages 12 to 17 form part of these financial statements.

MICKLEFIELD SCHOOL (REIGATE) LIMITED

BALANCE SHEET AS AT 31ST AUGUST 2009

	Notes	2009		2008	
		£	£	£	£
FIXED ASSETS					
Tangible assets	7	2,526,904		2,539,621	
CURRENT ASSETS					
Debtors	8	18,169		32,770	
Cash at bank and in hand		305,450		278,536	
		<u>323,619</u>		<u>311,306</u>	
CREDITORS: due within one year:	9	<u>348,019</u>		<u>337,116</u>	
Net current liabilities		(24,400)		(25,810)	
Total assets less current liabilities		<u>2,502,504</u>		<u>2,513,811</u>	
CREDITORS: due after more than one year:					
Bank loan	10	(787,337)		(906,601)	
Deposits		(39,000)		(34,700)	
TOTAL NET ASSETS		<u>1,676,167</u>		<u>1,572,510</u>	
UNRESTRICTED FUNDS:					
Designated & general reserves	12	<u>1,676,167</u>		<u>1,572,510</u>	
TOTAL FUNDS		<u>1,676,167</u>		<u>1,572,510</u>	

Signed on behalf of the Board of Governors by

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A. B. de M. Hunter
 Chairman

Approved by the Board of Governors on 1st December 2009

MICKLEFIELD SCHOOL (REIGATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2009

• 1. ACCOUNTING POLICIES

a) Basis of Preparation

The accounts are prepared under the Companies Act 2006 on the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities: the Charities SORP 2005.

b) Tangible Fixed Assets

Depreciation is provided on all tangible fixed assets retained for use by the School at rates calculated to spread each asset's cost, less its estimated residual value at prices ruling at date of acquisition, over its expected useful economic life, which for each class of asset is initially assessed as averaging:

Freehold buildings and improvements	2% cost or valuation
Furniture and equipment	10% of cost
Computer equipment	33 $\frac{1}{3}$ % of cost
Motor vehicles	25% on reducing balance

Items costing less than £3,000 are written off as an expense as acquired.

c) Fees Receivable

School fees receivable consist of charges billed for the School Year ending 31 August, less bursaries, discounts and other allowances. Fees received for education to be provided in future years are carried forward as deferred income.

d) Direct and Overhead Expenditure

Expenditure is summarised under functional headings either on a direct cost basis or, for overhead costs, apportioned according to management estimates of time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

e) Teaching Materials

Supplies of games equipment, books, stationery and sundry materials are written off to the General Revenue account as soon as the expenditure on procuring them is incurred.

f) Pension Schemes

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with FRS17 the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

The School also contributes to a defined contribution personal pension scheme for non-teaching staff.

g) Operating Leases

Annual rentals are charged to the profit and loss account as they arise.

h) Cash Flow Statement

The School qualifies as a small company and as such is exempt from the requirement to prepare a cash flow statement under FRS1 (revised) Cash Flow Statement.

MICKLEFIELD SCHOOL (REIGATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2009 (Continued)

• **2. SCHOOL FEES RECEIVABLE**

	2009 £	2008 £
The School's fee income comprised:		
Gross fees	2,044,258	2,006,198
Less: Bursaries, discounts and other allowances	(16,032)	(18,604)
	<u>2,028,226</u>	<u>1,987,594</u>

• **3. GRANTS AND DONATIONS**

Grants and donations include restricted income of £5,947 (2008: Nil) which has been donated to cover specified items of expenditure within the School's operating costs.

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• **4. TRANSACTIONS WITH RELATED PARTIES**

The Governors did not receive any remuneration from the School or other benefits during the year in their capacity as Trustees. One Governor (2008: four) was reimbursed expenses of £100 (2008: £254) for attendance at external meetings and seminars.

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• **5. STAFF COSTS**

	2009 £	2008 £
Wages and salaries	1,092,457	1,085,693
Social security costs	81,147	81,686
Pension contributions	119,309	123,865
	<u>1,292,913</u>	<u>1,291,244</u>
	No.	No.
The average number of employees in the year (full time equivalent):		
Teaching	35	37
Administration	5	4
Maintenance	1	1
	<u>41</u>	<u>42</u>

There were no employees with emoluments exceeding £60,000 per annum (2008: Nil)

MICKLEFIELD SCHOOL (REIGATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2009 (Continued)

• **6a). EXPENDITURE - Analysis of Total Resources Expended**

	Staff costs £	Other £	Depreciation £	Total £
Charitable activities				
School operating costs:				
Teaching	1,156,215	79,767	13,140	1,249,122
Welfare	-	110,601	1,417	112,018
Premises	14,697	312,526	51,252	378,475
Support	122,001	84,952	3,301	210,254
	<u>1,292,913</u>	<u>587,846</u>	<u>69,110</u>	<u>1,949,869</u>
Governance costs	-	9,621	-	9,621
Costs of generating funds				
School financing costs	-	25,858	-	25,858
	<u>1,292,913</u>	<u>623,325</u>	<u>69,110</u>	<u>1,985,348</u>

• **6b). EXPENDITURE – Other disclosures**

	2009 £	2008 £
Governance costs include:		
Auditors' remuneration	8,866	8,829
	<u>8,866</u>	<u>8,829</u>

• **7. TANGIBLE FIXED ASSETS**

	Freehold Land £	Freehold Buildings and Improvements £	Motor Vehicles £	Furniture, Computer and Other Equipment £	Total £
Cost or Valuation					
At 1 st September 2008	359,500	2,443,609	23,600	187,976	3,014,685
Additions	-	-	-	56,393	56,393
Disposals	-	-	-	(9,425)	(9,425)
At 31 st August 2009	<u>359,500</u>	<u>2,443,609</u>	<u>23,600</u>	<u>234,944</u>	<u>3,061,653</u>
Depreciation					
At 1 st September 2008	-	325,196	14,952	134,916	475,064
Provided for in year	-	48,873	2,162	18,075	69,110
Disposals	-	-	-	(9,425)	(9,425)
At 31 st August 2009	<u>-</u>	<u>374,069</u>	<u>17,114</u>	<u>143,566</u>	<u>534,749</u>
Net Book Value					
At 31st August 2009	<u>359,500</u>	<u>2,069,540</u>	<u>6,486</u>	<u>91,378</u>	<u>2,526,904</u>
At 31 st August 2008	<u>359,500</u>	<u>2,118,413</u>	<u>8,648</u>	<u>53,060</u>	<u>2,539,621</u>

MICKLEFIELD SCHOOL (REIGATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2009 (Continued)

8. DEBTORS

	2009	2008
	£	£
Fees	6,567	14,952
Other debtors	1,071	7,154
Prepayments	10,531	10,664
	<u>18,169</u>	<u>32,770</u>

9. CREDITORS: DUE WITHIN ONE YEAR

	2009	2008
	£	£
Trade creditors	33,844	91,401
Taxes and social security	26,111	25,201
Fees in advance: Autumn term	79,178	67,268
Accruals and deferred income	108,886	80,246
Bank loan	100,000	73,000
	<u>348,019</u>	<u>337,116</u>

• 10. LOAN CREDITOR

	2009	2008
	£	£
Due within one year	100,000	73,000
Due within two to five years	394,000	330,000
Due after more than five years	393,337	576,601
	<u>887,337</u>	<u>979,601</u>

The loan is secured by a first charge dated 12th December 1995 over the freehold deeds of 10 and 12 Somers Road, Reigate, Surrey and was refinanced in August 2004 over a period of 15 years. During the first 2 years, payment was on an interest only basis and thereafter repayment is in equal monthly instalments of capital and interest, the latter being a variable rate, 1.5% as at 31st August 2009 (2008: 6.00%).

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MICKLEFIELD SCHOOL (REIGATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2009 (Continued)

11. PENSION SCHEMES

The School participates in the Teachers' Pension Scheme (England and Wales) ("the Scheme"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the School.

The latest actuarial valuation of the Scheme by the Government Actuary issued in October 2006 relating to the period 1st April 2001 to 31st March 2004 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) exceeded the value of the Scheme's assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) by 2.0%.

From 1st January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the standard contribution rate has been assessed at 19.75%, and the supplementary contribution rate has been assessed to be 0.75% (to balance the Scheme's assets and liabilities within 15 years as required by the regulations): a total contribution rate of 20.5%. This translates into an employer contribution rate of 14.1% and an employee contribution rate of 6.4%. The cost-sharing agreement has also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

The pension charge for the year includes contributions payable to the scheme of £101,007 (2008: £104,405). Contributions of £12,253 were due at the year end (2008: £12,222).

The School also runs a defined contribution personal pension scheme for those members of staff not entitled to join the Teachers' Pension Scheme. The cost for the year represents the School's contributions to the scheme of £16,372 (2008: £17,727) and there were no contributions due at the year end.

Contributions in the year to 31st August 2010 will continue at the same rates and it is expected that the amount contributed will be similar to that for the previous year.

12a) FUNDS: ANALYSIS OF NET ASSETS

	Fixed Assets £	Net Current Assets/ (Liabilities) £	Long Term Liabilities £	Fund Balances £
Unrestricted Funds:				
Designated funds	-	62,826	-	62,826
General reserves	2,526,904	(87,226)	(826,337)	1,613,341
	<u>2,526,904</u>	<u>(24,400)</u>	<u>(826,337)</u>	<u>1,676,167</u>

MICKLEFIELD SCHOOL (REIGATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2009 (Continued)

12b) FUNDS: MOVEMENTS IN THE YEAR

	Balance at 1 Sept 2008 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 August 2009 £
Restricted Funds	-	5,947	(2,347)	(3,600)	-
Unrestricted Funds:					
Designated fund	55,925	-	(3,099)	10,000	62,826
General reserves	1,516,585	2,083,058	(1,979,902)	(6,400)	1,613,341
	<u>1,572,510</u>	<u>2,089,005</u>	<u>(1,985,348)</u>	<u>-</u>	<u>1,676,167</u>

The restricted fund relates to donations received and having been fully utilised in the purchase of specific resources and equipment, the Governors do not consider there to be any continuing restrictions. Therefore a transfer of £3,600 has been made from restricted to unrestricted funds representing the net book value of these resources and equipment as at 31st August 2009.

The designated fund has been set aside to use as the Governors deem appropriate with the aim of helping parents with fees outstanding where they are experiencing financial difficulties.

• **13. LEASE AND OPERATING LEASE COMMITMENTS**

	<u>2009</u>		<u>2008</u>	
	<u>Land and Buildings</u>	<u>Other</u>	<u>Land and Buildings</u>	<u>Other</u>
	£	£	£	£
Annual commitment on leases and rental agreements due within one year	-	-	-	3,280
Annual commitment on leases and rental agreements expiring within two to five years	6,500	-	-	-
Annual commitment on leases expiring within six to ten years	-	-	6,140	-
	<u>6,500</u>	<u>-</u>	<u>6,140</u>	<u>3,280</u>

The School leases the Sports Field in St Albans Road, Reigate under a lease for a term of 10 years from July 2004. The annual rent was increased in July 2009 for the remainder of the term.

The rental agreements related to office equipment and expired in September 2008.

• **14. CONTRACTS AND COMMITMENTS**

No unaccrued capital expenditure was contracted for as at 31st August 2009 (2008: Nil).