

**WARWICKSHIRE CATHOLIC
INDEPENDENT SCHOOLS
FOUNDATION**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2007

Charity no 1087124
Company no 4177718

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

FINANCIAL STATEMENTS

For the year ended 31 August 2007

Company registration number: 4177718

Charity registered number: 1087124

Registered office: Princethorpe College
Princethorpe
Rugby
CV23 9PX

The Head Teachers: Mr J M Shinkwin - Princethorpe College
Mrs J Le Poidevin - Crackley Hall School

Foundation Bursar: Mr P E Shaw

Bankers: HSBC Bank Plc
PO Box 24
55 Corporation Street
Coventry
CV1 1QJ

Solicitors: Wright Hassall
Olympus Avenue
Leamington Spa
Warwickshire
CV34 6BF

Stone King
13 Queen Square
Bath
BA1 2HJ

Auditors: Grant Thornton UK LLP
Registered Auditors
Chartered Accountants
Enterprise House
115 Edmund Street
Birmingham
B3 2HJ

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

FINANCIAL STATEMENTS

For the year ended 31 August 2007

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WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

REPORT OF THE TRUSTEES

For the year ended 31 August 2007

CONSTITUTION

Warwickshire Catholic Independent Schools Foundation is a company limited by guarantee, registered number 4177718. It is a registered charity, number 1087124.

The governing instruments under which the charitable company operates comprise the memorandum and articles of association of the company and the instrument of government.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Directors of the charitable company ('the Foundation') are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The Trustees are also members of the company for the purpose of company law.

The Trustees who served throughout the period are as follows:

Trustees:

Prof B Ray (Chair)
Mr C A Christou (Deputy Chair)
Rev P J Courtney
Mr M S Keeler
Mrs D Long
Ms P A O'Flanagan
Rev A R Whelan

Secretary:

Mr P E Shaw

Mrs L P Whiteman resigned as a trustee on 4 December 2006.

Rev P J Courtney, Ms P A O'Flanagan and Rev A R Whelan retire by rotation and, being eligible, offer themselves for reappointment.

Appointed by the Trustees, the Board of Governors is responsible for overall management of the Foundation in accordance with the instrument of government dated 1 September 2002. Day to day management of the Foundation is delegated by the Trustees to the following executives:

Mr J M Shinkwin (Senior Head of the Foundation)
Mrs J Le Poidevin (Head of the Junior School)
Mr P E Shaw (Foundation Bursar and Company Secretary)

The Board of Governors consists of not more than sixteen and not less than twelve persons including the heads of the schools, a parent representative and a teaching representative. Governors are appointed by the Trustees for an initial term of three years and are eligible for re-appointment. Exceptions are the parent and teaching representatives who serve for a period not exceeding three years. The parent representative is nominated by the parents' associations and the teaching representative is elected by the teaching staff from amongst their number.

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

REPORT OF THE TRUSTEES

For the year ended 31 August 2007

During the year a review of the Foundation's organisational structure was undertaken, with a view to streamlining its governance and methods of operation. As a result of this review, the Trustees have decided to move to a single Board structure as soon as legal formalities can be completed, including Charity Commission agreement.

The Governors who served during the year ended 31 August 2007 were as follows:

Mr E J K Tolcher (Chair)
Maj. G Beesley (Parent Representative to 31 August 2007)
Sister J Bogie
Mr J Chaplin
Mr C A Christou (Deputy Chair)
Mr Q Cornforth
Mr C Lee
Mrs J Le Poidevin (Head of Junior School)
Miss J Norris (Teacher Representative)
Mrs M O'Farrell
Ms P A O'Flanagan
Prof B Ray
Mr J M Shinkwin (Senior Head of the Foundation)
Mr B Thorogood
Rev C R Tranter

Ms P A O'Flanagan resigned as a Governor on 31 August 2007. On the same date Miss J Norris completed her term of office as a Governor.

Selection and induction of governors

Governors are selected by the Trustees with a view to maintaining on the Board a balance of skills in a range of disciplines including education, finance, law, religious and pastoral issues and general business acumen. Individual qualities such as motivation and availability are also important for what is an unpaid and time-consuming commitment. Suitable candidates are identified by personal recommendations from existing parents, Governors and Trustees.

New Governors receive a comprehensive information pack detailing the role of a governor, the Foundation and its structure, objectives and strategy. Statutory obligations are also explained and copies of relevant Charity Commission guidance are issued. In addition, each new Governor is briefed by the Heads and the Foundation Bursar and, subject to availability, offered places on bespoke training sessions organised by national bodies such as AGBIS (Association of Governing Bodies in Independent Schools).

Management structure

The Foundation consists of two schools: Princethorpe College, which is a co-educational senior school for pupils aged 11 to 18, and Crackley Hall School, which is a co-educational junior school for pupils aged 4 to 11. The junior school incorporates Little Crackers Nursery for pupils aged 2 to 4. The Governors meet as a full board each term and undertake the management of the Foundation through a structure of sub-committees. A finance and general purposes committee meets at least termly and monitors all aspects of the Foundation's finances including capital expenditure, making annual budgetary recommendations to the governing body and considering applications for bursaries. Other committees meet regularly to oversee such activities as staffing, marketing, health and safety.

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

REPORT OF THE TRUSTEES

For the year ended 31 August 2007

Day to day management of the Foundation is delegated to the Heads and Foundation Bursar who report to the Governors and to the various sub-committees relevant to their individual responsibilities. There is a weekly meeting of the Foundation's senior executives which comprise the Heads, the Foundation Bursar, the three Deputy Heads and the Assistant Head (Marketing and Operations).

Risk Management

The Trustees are responsible for the 'management of risk' to which the charity is exposed. The major risks to the Foundation as identified by the Trustees have been reviewed and systems or procedures have been established to manage those risks. An annual re-assessment of risks is conducted as part of the strategy and business review process.

OBJECTIVES AND ACTIVITIES

Charitable Objectives

The Foundation's objectives are to establish, conduct and carry on an independent school, college and nursery or any one or more thereof, for the education of boys, girls and young adults of all or no religious denominations and of such ages as the trustees may from time to time determine, and to do all things as are or may be incidental or conducive to the attainment of the above objects.

Aims

The Foundation aims to provide a caring Christian environment to children with a broad range of ability wherein their needs can be met and their talents developed. The Foundation pursues these objectives by creating a healthy balance between freedom and structure with an emphasis on self-discipline through responsibility and trust, supported by a high level of pastoral care.

Current Year's Objectives

The main objectives for the year were:

- to continue to improve on the high levels of academic achievement, especially when assessed in terms of value-added;
- as a whole community, to follow faithfully the ethos of the school, creating an environment where each child will flourish;
- to continue to enhance the wide range of extra-curricular activities that are so enjoyed by the pupils;
- to continue the programme of refurbishment and expansion of facilities.

Current Year's Strategies To Achieve Aims

Strategies employed to achieve these objectives include:

- attracting and recruiting high calibre staff;
- optimising pupil/teacher ratios;
- improving training and staff development;
- providing scholarships and bursaries to allow talented pupils from less well-off backgrounds to enrol;
- managing finances so as to retain competitive fees whilst maximising funds available to improve quality of education and facilities for pupils.

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

REPORT OF THE TRUSTEES

For the year ended 31 August 2007

Current Year's Principal Activities

The Foundation successfully provided education to 849 pupils and a total of 293 pupils received help with fees to the total value of £417,276. The Trustees increased the scholarships and bursaries fund to a level equivalent to 7% of fee income.

The Governors are indebted to the parents' associations of both schools whose organisation of events bring together the wider school communities and whose support of school events is invaluable as well as raising significant sums of money to support the schools.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Achievements Against Objectives

- We continue to sustain high levels of achievement in both A-level and GCSE - it is students' performance relative to their ability which is particularly pleasing.
- Pupil numbers have risen by 100 over the last two years – an ambitious programme of developing the teaching accommodation has been accomplished to facilitate this including a new science laboratory, a reconfiguration of the ICT Centre, enlarged Food Technology room, new Textiles area and several new classrooms.
- A new Sixth Form Centre, at a cost of £2.7m has been built and has been in full use since 29 October 2007.
- Participation in extra-curricular sport is at an all time high, we are very successful across a range of boys' and girls' sports including several county titles and representative honours.
- The students have had great range of cultural and sporting trips abroad including a rugby and hockey tour of South Africa.
- The Chaplaincy has been very active including a very successful Sixth Form Alpha Course.
- There have been a large number of fund-raising activities for charitable causes.
- Around 100 students are working toward Gold, Silver or Bronze Duke of Edinburgh Awards.
- Music and drama are thriving - there have been nine drama productions and ten music concerts.

FINANCIAL REVIEW

Summary

The results for the year are shown on page 9. The overall results reflect an operating surplus for the year of £273,862 (2006: £231,763).

Reserves Policy

The Trustees have approved a reserves policy to help protect the Foundation against uninsurable risks and future uncertainties, and to establish a level of reserves which satisfies operating prudence, bearing in mind the impact of potential changes in the economic, political and legislative environment within which the charity functions.

The independent sector is competitive and an increase in fees requires a minimum of one term's notice. The consequence of an adverse change in the economic climate might well have a more immediate effect however, and the Foundation could be contractually obliged to carry some costs, particularly staff costs, through a period of declining income, until adjustments could be made.

The Trustees are of the view that an appropriate level of free reserves should equate to between 50% and 75% of one term's operating costs with a minimum of £1m. The Trustees have established this reserve and will review and monitor this policy annually as part of the budgetary process.

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

REPORT OF THE TRUSTEES

For the year ended 31 August 2007

FUTURE PLANS

The Foundation's strategy and business plan looks forward five years and is reviewed and revised annually. Strategic objectives for the period are:

- to attract and recruit high calibre teaching and support staff
- to maintain and improve the academic performance of the schools
- to maintain optimum staff/pupil ratios;
- to grant scholarships and bursaries thereby enabling talented pupils from less well-off backgrounds to enrol.
- to manage finances such that fees are kept at competitive levels commensurate with the maintenance and improvement of a high quality learning and working environment.

RELATED PARTIES

Two Trustees are members of the Society of The Missionaries of the Sacred Heart of Jesus, a voluntary association of men formed in Ireland for the promotion of the Catholic Faith. They are also Trustees of MSC Charity Trust, a registered charity (number: 801900). The purpose of that charity is to promote the objects of the Society of the Missionaries of the Sacred Heart of Jesus. A summary of transactions with those parties is disclosed in note 18 to the financial statements

INVESTMENT POWERS

Under the memorandum and articles of association, the Foundation has the power to invest monies not immediately required for the furtherance of its objects in such manner as the Trustees may from time to time determine.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The purpose of this statement is to distinguish the Trustees' responsibilities for the financial statements from those of the auditors as stated in their report.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Foundation and of its surplus or deficit for that period. In preparing those financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation 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 Foundation and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

REPORT OF THE TRUSTEES

For the year ended 31 August 2007

AUDITORS

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with Section 385 of the Companies Act 1985.

On behalf of the Trustees:

Prof B Ray
Chair of Trustees
3 December 2007

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

We have audited the financial statements of Warwickshire Catholic Independent Schools Foundation for the year ended 31 August 2007 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes 1 to 21. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND AUDITORS

The Trustees are also directors of Warwickshire Catholic Independent Schools Foundation for the purpose of company law. Their responsibilities for preparing the trustees' annual report and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of trustees' responsibilities on page 5.

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, whether they are properly prepared in accordance with the Companies Act 1985 and whether the information given in the trustees' annual report is consistent with the financial statements. We also report to you if, in our opinion, the charity 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 trustees' remuneration and transactions with the charity are not disclosed.

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

BASIS OF 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION**

(CONTINUED)

OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 August 2007 and of its surplus 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 trustees' annual report is consistent with the financial statements for the year ended 31 August 2007.

**GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
BIRMINGHAM**

3 December 2007

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 August 2007

	Note	Unrestricted funds £	Restricted funds £	2007 £	2006 £
Incoming resources					
Incoming resources from generated funds					
<i>Activities for generating funds:</i>					
Lettings and other income		23,596	-	23,596	42,505
Investment income	5	187,691	146	187,837	150,818
<i>Voluntary income:</i>					
Gifts and donations		5,000	3,878	8,878	11,601
Income from charitable activities					
School fees receivable and other ancillary income	2	6,486,977	-	6,486,977	5,842,101
Total incoming resources		6,703,264	4,024	6,707,288	6,047,025
Resources expended					
Costs of generating funds					
Letting costs		1,121	-	1,121	12,893
Net incoming resources available for charitable application	4	6,702,143	4,024	6,706,167	6,034,132
Charitable activities		6,381,833	21,225	6,403,058	5,762,461
Governance costs		29,247	-	29,247	39,908
Total resources expended	6	6,411,080	21,225	6,432,305	5,802,369
Net incoming resources and movement in funds		291,063	(17,201)	273,862	231,763
Fund balances at 31 August 2006		12,522,989	908,875	13,431,864	13,200,101
Fund balances at 31 August 2007		12,814,052	891,674	13,705,726	13,431,864

All of the activities of the charity are classed as continuing.

The charity has no recognised gains or losses other than the results for the year as set out above.

The accompanying accounting policies and notes form an integral part of these financial statements.

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

BALANCE SHEET

For the year ended 31 August 2007

	Note	2007 £	2006 £
Fixed assets			
Tangible assets	7	<u>12,133,738</u>	<u>10,800,247</u>
Current assets			
Stocks		59,879	55,896
Debtors	8	182,834	138,789
Cash at bank and in hand		<u>2,964,017</u>	<u>3,508,810</u>
		3,206,730	3,703,495
Creditors: amounts falling due within one year	9	<u>1,435,518</u>	<u>873,878</u>
Net current assets		<u>1,771,212</u>	<u>2,829,617</u>
Total assets less current liabilities		<u>13,904,950</u>	<u>13,629,864</u>
Creditors: amounts falling due after more than one year	10	<u>199,224</u>	<u>198,000</u>
Total net assets		<u>13,705,726</u>	<u>13,431,864</u>
Represented by			
Unrestricted funds	11	12,814,052	12,522,989
Restricted funds	12	891,674	908,875
Total funds		<u>13,705,726</u>	<u>13,431,864</u>

The financial statements were approved by the Trustees on 3 December 2007

Prof B Ray
Chair of Trustees

C A Christou
Deputy Chair of Trustees

The accompanying accounting policies and notes form an integral part of these financial statements.

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

CASH FLOW STATEMENT

For the year ended 31 August 2007

	Note	2007 £	2007 £	2006 £	2006 £
Net cash inflow from operations	14		743,282		828,282
Returns on investments and servicing of finance					
Interest received		187,837		150,818	
Interest element of finance lease payments		<u>(623)</u>		<u>-</u>	
			187,214		150,818
Capital expenditure and financial investment					
Purchase of tangible fixed assets		<u>(1,474,197)</u>		<u>(516,650)</u>	
			<u>(1,474,197)</u>		<u>(516,650)</u>
Cash (outflow)/inflow before financing			(543,701)		462,450
Financing					
Capital element of finance lease payments			(1,092)		-
(Decrease)/increase in cash in the year			<u>(544,793)</u>		<u>462,450</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2007

1 PRINCIPAL ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared in accordance with The Companies Act 1985, The Charity (Accounts and Report) Regulations 1995, the Statement of Recommended Practice Accounting by Charities (the SORP issued in October 2000, updated May 2005) and with applicable accounting standards. These accounts are drawn up on the historical cost convention basis. The principal accounting policies of the Foundation are set out below. The policies have remained unchanged from the previous year.

Incoming resources

Fees:

Fees consist of charges for the school period ending 31 August, less bursaries and allowances.

Donations and gifts:

All monetary donations and gifts are included in the statement of financial activities when received.

Investment income:

Investment income, including associated income tax recoveries, is recognised when receivable.

Resources expended

Expenditure which is charged on an accruals basis, is allocated between:

- costs of generating funds comprise the costs associated with attracting voluntary income.
- charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- all costs are allocated between expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relation to a particular activity are allocated directly, others are apportioned on an appropriate basis as set in note 6.

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2007

1 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity, without specified purpose and are available on funds to which the charity may use for its purposes at its discretion.

Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives as follows:

Freehold buildings	2% per annum on cost
Fixtures, fittings and equipment	5% to 20% per annum on cost
Motor vehicles	20% per annum on cost
Computer equipment	33 ¹ / ₃ % per annum on cost

Items costing less than £1,000 are written off as an expense as acquired.

Stocks

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

Finance and operating leases

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful economic lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2007

1 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Pension schemes

The Foundation contributes to the Teachers' Superannuation Scheme at rates set by the Scheme Actuary and advised to the Foundation by the Scheme Administrator which is currently 14.1% (2006: 13.5%). The Foundation is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis therefore the Foundation's contributions are accounted for on a defined contribution basis as allowed by Financial Reporting Standard 17 Retirement Benefits in circumstances where multi-employer schemes exist.

Contributions are also made to pension schemes for certain non-teaching staff. Contributions are charged to income and expenditure account as paid.

Taxation

The Foundation is not liable to corporation tax due to its charitable status.

2 SCHOOL INCOME

	2007 £	2006 £
Fees	5,939,937	5,350,315
Transport	357,124	330,142
Shop income	119,669	93,830
Insurance income	50,501	49,434
Registration fees	17,350	16,567
Sundry receipts	2,396	1,813
	<u>6,486,977</u>	<u>5,842,101</u>
School income comprised:		
Gross school income	6,357,213	5,712,862
Less: total bursaries, grants and allowances	(417,276)	(362,547)
	<u>5,939,937</u>	<u>5,350,315</u>

Bursaries, grants and allowances are made to individual students based on them meeting certain criteria. There were 15 bursaries, 181 allowances and 97 grants awarded during the 2006/07 academic year.

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2007

3 STAFF COSTS

	2007 £	2006 £
Wages and salaries	3,348,073	3,124,267
Social security costs	260,828	248,048
Pension contributions	354,775	322,878
	<u>3,963,676</u>	<u>3,695,193</u>

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

	2007 Number	2006 Number
Teachers and teacher support	86	83
Domestic	3	2
Maintenance	8	7
Cleaners	4	5
Administration	9	9
	<u>110</u>	<u>106</u>

The number of employees whose emoluments exceed £60,000 were:

	2007 Number	2006 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1

Governors' expenses amounted to £2,673 (2006: £2,608).

4 NET INCOMING RESOURCES

	2007 £	2006 £
This is stated after charging:		
Auditors' remuneration	9,000	8,200
Depreciation	461,851	446,506
Governors' and officers' liability insurance	756	756
Hire of plant and machinery - operating leases	<u>16,283</u>	<u>16,283</u>

5 INVESTMENT INCOME

	2007 £	2006 £
Income from bank and other deposits	<u>187,837</u>	<u>150,818</u>

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2007

6 TOTAL RESOURCES EXPENDED

	Basis of allocation	Charitable activities	Governance	Total 2007	2006
		£	£	£	£
Costs directly allocated to activities					
Staff costs	Direct	3,963,676	-	3,963,676	3,695,193
Other teaching costs	Direct or usage	429,421	-	429,421	243,390
Welfare	Direct or usage	145,260	-	145,260	163,784
Premises	Direct or usage	1,161,570	-	1,161,570	839,329
Transport	Direct	311,516	-	311,516	291,704
Shop costs	Direct	81,237	-	81,237	72,824
Management and administration	Direct or usage	310,378	-	310,378	456,237
Support costs allocated to activities					
Legal and professional	Direct	-	29,247	29,247	39,908
		6,403,058	29,247	6,432,305	5,802,369

7 TANGIBLE FIXED ASSETS

	Freehold land and buildings	Fixtures, fittings and equipment	Motor vehicles	Computer hardware	Total
	£	£	£	£	£
Cost					
At 1 September 2006	10,421,150	1,464,195	51,789	321,228	12,258,362
Additions	1,505,261	181,226	26,261	99,922	1,812,670
Disposals	-	(19,508)	-	(50,499)	(70,007)
At 31 August 2007	<u>11,926,411</u>	<u>1,625,913</u>	<u>78,050</u>	<u>370,651</u>	<u>14,001,025</u>
Depreciation					
At 1 September 2006	770,919	471,677	36,993	178,526	1,458,115
Charge	205,076	148,054	12,322	96,399	461,851
Disposals	-	(9,341)	-	(43,338)	(52,679)
At 31 August 2007	<u>975,995</u>	<u>610,390</u>	<u>49,315</u>	<u>231,587</u>	<u>1,867,287</u>
Net book amount at 31 August 2007	<u>10,950,416</u>	<u>1,015,523</u>	<u>28,735</u>	<u>139,064</u>	<u>12,133,738</u>
Net book amount at 31 August 2006	<u>9,650,231</u>	<u>992,518</u>	<u>14,796</u>	<u>142,702</u>	<u>10,800,247</u>

All tangible fixed assets were used for charitable purposes.

Freehold land of £1,000,000 (2006:£1,000,000) included above has not been depreciated. Freehold buildings of £1,10,891 (2006: £107,751) have not been depreciated as they have not yet been brought into use.

The depreciation associated with assets under finance lease was £562 (2006: £nil).

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2007

TANGIBLE FIXED ASSETS (continued)

The freehold land and buildings donated to the foundation by MSC Charity Trust with effect from 1 September 2001 were professionally valued prior to the donation by Howkins & Harrison for Princethorpe College and Innes England for Crackley Hall. The values attributed to these properties were £5,900,000 and £842,099 respectively.

Inalienable and historic assets

In addition to the capitalised fixed assets held for the Foundation's own use, the Foundation also has a substantial endowment of assets bequeathed on trust for retention in perpetuity as a permanent record of the Foundation's history. These comprise a variety of religious artefacts whose intrinsic value is also bound up with the Foundation's history. These are irreplaceable originals to which no reliable cost or value can be attributed and accordingly these assets have not been capitalised in the financial statements.

8 DEBTORS

	2007 £	2006 £
Fees receivable	25,017	14,739
Other debtors	31,075	32,996
Prepayments	126,742	91,054
	<u>182,834</u>	<u>138,789</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Trade creditors	431,240	153,554
Taxation and social security	89,949	77,739
Other creditors and accrued charges	87,189	63,942
Fees received in advance	764,085	551,943
Final term deposits	57,800	26,700
Amounts due under finance lease and hire purchase agreements	5,255	-
	<u>1,435,518</u>	<u>873,878</u>

10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2007 £	2006 £
Final term deposits	188,712	198,000
Amounts due under finance lease and hire purchase agreements	10,512	-
	<u>199,224</u>	<u>198,000</u>

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For the year ended 31 August 2007

11 UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR

	Balance at 1 September 2006 £	Income £	Expended £	Transfers £	Balance at 31 August 2007 £
Designated funds					
Tangible fixed asset fund	9,896,045	-	-	1,351,894	11,247,939
General reserve	2,626,944	6,702,143	(6,411,080)	(1,351,894)	1,566,113
Balance	<u>12,522,989</u>	<u>6,702,143</u>	<u>(6,411,080)</u>	<u>-</u>	<u>12,814,052</u>

The tangible fixed asset fund represents the net book value of tangible fixed assets excluding assets held as part of restricted funds.

12 RESTRICTED FUNDS: MOVEMENTS IN THE YEAR

	Balance at 1 September 2006 £	Income £	Expended £	Balance at 31 August 2007 £
Princethorpe Chapel fixed asset fund	900,000	-	(20,000)	880,000
Historic buildings appeal fund	4,669	1,206	-	5,875
Edwards Charity equipment fund	4,206	2,818	(1,225)	5,799
	<u>908,875</u>	<u>4,024</u>	<u>(21,225)</u>	<u>891,674</u>

Princethorpe Chapel fixed asset fund

Under the terms of the gift by the MSC Charity Trust and in accordance with the memorandum of association of the Foundation, the chapel which forms part of the premises, must be maintained as a public place of worship whilst owned by the Foundation.

Historic buildings appeal fund

This fund comprises donations made for the restoration and upkeep of the chapel and other historic buildings which form part of the premises.

Edwards Charity equipment fund

This fund was used to purchase equipment and is being reduced as the equipment is depreciated.

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 August 2007 were represented by:			
Tangible fixed assets	11,247,939	885,799	12,133,738
Net current assets	1,765,337	5,875	1,771,212
Long term liabilities	(199,224)	-	(199,224)
	<u>12,814,052</u>	<u>891,674</u>	<u>13,705,726</u>

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2007

14 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATIONS

	2007 £	2006 £
Net incoming resources	273,862	231,763
Depreciation	461,851	446,506
Investment income	(187,837)	(150,818)
Interest on finance lease agreements	623	-
Increase in stocks	(3,983)	(8,110)
Increase in debtors	(44,045)	(18,844)
Increase in creditors	225,483	311,569
Loss on sale of tangible fixed assets	17,328	16,216
Net cash inflow from operations	<u>743,282</u>	<u>828,282</u>

15 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2006	Non-cash movement £	Cash flow £	At 31 August 2007 £
Cash at bank and in hand	3,508,810	-	(544,793)	2,964,017
Finance lease agreements	-	(16,859)	1,092	(15,767)
	<u>3,508,810</u>	<u>(16,859)</u>	<u>(543,701)</u>	<u>2,048,250</u>

16 OPERATING LEASE COMMITMENTS

At 31 August 2007 the company had annual commitments under non-cancellable operating leases which expire:

	2007 £	2006 £
Between one and five years	<u>16,283</u>	<u>16,283</u>

17 COMMITMENTS UNDER FINANCE LEASES AND HIRE PURCHASE AGREEMENTS

Future commitments under finance leases and hire purchase agreements are as follows:

	2007 £	2006 £
Amounts payable within 1 year	5,255	-
Amounts payable between 2 to 5 years	10,512	-
	<u>15,767</u>	<u>-</u>

WARWICKSHIRE CATHOLIC INDEPENDENT SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

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18 RELATED PARTY TRANSACTIONS

Two Trustees, Rev. PJ Courtney and Rev. AR Whelan, are members of the Society of the Missionaries of the Sacred Heart of Jesus. During the year the Foundation made contributions of £38,659 (2006: £40,509) to that organisation.

The Foundation has no controlling interest.

19 CAPITAL COMMITMENTS

The Foundation had a capital commitment contracted at the 31 August 2007 of £1.3 million (2006: £27,000).

20 PENSION CONTRIBUTIONS

The company contributes to a defined benefit superannuation scheme for teaching staff and to defined contribution schemes for certain non-teaching staff. The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company of £354,775 (2006: £322,878).

21 CONTINGENT LIABILITIES

There is a contingent liability in respect of employer pension contributions for part time teaching staff. It is not possible to quantify the extent of this liability, if any, at the present time. It is subject to the relevant former members of staff submitting and proving their claims for contribution arrears.