

Charity Registration No. 527598

Company Registration No. 00602279 (England and Wales)

ABBERLEY HALL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016



ABBERLEY HALL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	The Hon. D.P.C. Legh	
	C.W. Brickell	(Deceased 14/10/2016)
	A. Goddard	
	C. Hope	
	A.G. Duncan	
	A.R. Manning-Cox	
	J. McManus	
	O. O'Sullivan	(Resigned 17/05/2016)
	R.M. d'A. Samuda	
	V.E.C. Taylor	
	M. Turner	
	J. Tanner	
	R. Field	(Resigned 17/06/2015)
Headmaster	W. Lockett	
Deputy Headmaster	N. Richardson	
Head of Pre-Prep and Nursery	E. Green	
Secretary	W. Lockett	
Charity number	527598	
Company number	00602279	
Registered office	Abberley Hall Abberley Worcester WR6 6DD	
Auditor	Kendall Wadley LLP Granta Lodge 71 Graham Road Malvern Worcestershire WR14 2JS	
Bankers	Lloyds Bank Plc 10 - 11 High Street Stourport-on-Severn Worcestershire DY13 8DA	

ABBERLEY HALL LIMITED

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ABBERLEY HALL LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2016

The governors present their report and accounts for the year ended 31 August 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's founding trust deed dated 8 July 1963, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)"

Objectives and activities

The objects are set out in the Memorandum so as to provide a complete and systematic education and to provide for instruction and education in any subject whatsoever and generally to promote education. In accordance with the Memorandum the Preparatory School is both a day and boarding school for boys and girls aged up to 13, educating them to a high standard so enabling them to be able to move to a senior school.

The school continues to widen the education of the pupils by taking numbers of them to a chalet owned by the school situated in France where the children can learn not only the language but also how the nationals of another country live.

The company, which is an educational charity, was engaged during the year in the provision of preparatory school education for children aged between two and a half and thirteen.

The school's policy is to achieve an informal and friendly approach to school life, and to combine this with the discipline which enables all pupils to reach their full potential. The school's commitment to the needs of each pupil as an individual encourages achievement both in and out of the classroom.

Definable Public Benefit

The governors confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

Charitable contributions through assisted places

During the year 54 pupils (2015 - 54 pupils) received help with fees, of which 1 pupil (2015 - 1 pupil) was supported by their Local Authority and Charitable Children's Trusts. These children have at some time been at risk of being taken into care and all are monitored by Social Services.

Of the remaining 53 pupils, no pupils (2015 - no pupils) have special educational needs that are not being met by the maintained sector and received on average discount on fees of £2,000 per child.

The other 53 pupils (2015 - 53 pupils) were from families who have applied for boarding or day places and requested help with the fees. This was mostly in the region of 20% to 30%, although greater levels of assistance are given to families who have paid full fees in the past but who have fallen on difficult times.

In addition, during the year pre-prep pupils included no pupils (2015 - no pupils) supported by their Local Authority and Charitable Children's Trusts, no pupils (2015 - no pupils) receiving discounts for special educational needs and 9 pupils (2015 - 9 pupils) receiving discounts after requesting help with their fees.

The school offers free and assisted places to children dependent upon a wide range of criteria and need, but always dependent upon financial circumstances. The assisted places are divided into:

- Boarding and pastoral needs - Children who have need because of family circumstances, either financial or otherwise, and the level of assistance is not limited but the school will help to find other sources of funding, and where families are remote from the school or there is frequent moving required by their employers.
- Educational needs - The Governors' policy allows help to be given to families who have children with special educational needs which range from gifted and talented children to those with learning difficulties such as dyslexia and dyspraxia.

ABBERLEY HALL LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2016

Other Public Benefit

Hire and permitted use of facilities

The school allows a wide range of groups to hire or use for no charge the school's facilities and grounds and this enables help to be given to the local community and particularly children and young people.

Those groups include cubs and scouts, the local cricket club and the local angling club, as well as local schools who hire the indoor swimming pool on a regular basis together with local families who are members of the swimming club. The school's hall and Astroturf facilities are used by local clubs and individuals.

Holiday Clubs

The school organises a series of holiday activities during each of the three full term school holidays and these are open to all. Large numbers of local families take advantage of these holiday clubs.

Work experience and student teacher placement

The school provides work experience opportunities for a number of young people each year and over the last few years has helped Worcester University by offering places to student teachers as they were unable to find enough places in maintained schools.

Raising funds for charities

The school has a history of supporting other charities, most importantly with a fund raising fete held every five years, which was held last year. Throughout the year, £1,358 (2015 - £2,055) was raised for other charities.

Heritage

The school has a responsibility for maintaining the historical buildings, the main house - Abberley Hall - the Stable Yard, the Clock Tower and the two lodges which are Grade II* listed. The school also maintains the gardens and grounds which are of historical significance and in the last ten years the water garden and other features have been slowly restored. One of the grounds staff is permanently assigned to these areas and the woodland is well managed with areas being regularly replanted with appropriate trees. Notwithstanding the difficulties brought about by health and safety regulations and the school's policies for the safeguarding of children, the school does allow limited access to the general public to the Clock Tower, its principal heritage asset.

Links with local maintained schools and activities for children

The school is putting greater efforts into this area of activity to include the creation of stronger links through offering facilities at the school, or finding areas of cooperation. Apart from the hiring of the swimming pool, where staff are needed, to the seven local primary schools, an annual football tournament for Year 4 children is organised each October and the primary schools come to the school for art lessons. The school is trying to develop other areas of cooperation and use of the sporting facilities.

School Operating Policies

Safeguarding children policy

Abberley Hall School fully recognises its responsibilities for safeguarding children. Our policy applies to all staff, governors and volunteers working in the school. This is a 'whole school policy'.

There are five main elements to our policy:

- Ensuring we practice safe recruitment in checking the suitability of staff and volunteers to work with children;
- Raising awareness of child protection issues and equipping children with the skills to keep them safe;
- Developing and then implementing procedures for identifying and reporting cases, or suspected cases, of abuse;
- Supporting pupils who have been abused in accordance with his/her agreed child protection plan;
- Establishing a safe environment in which children can learn and develop.

ABBERLEY HALL LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2016

We follow the procedures set out by the Local Safeguarding Children Board (LSCB) and take account of guidance issued by the Department for Children, Schools and Families (DCSF)

Children volunteering policy

The children are considered too young to be able to volunteer. Any benefit that the school receives from the extracurricular activities that the children participate in is considered to be incidental to the event.

Health and safety policy

The school attaches the utmost importance to the safety, health and welfare of its employees and pupils. The school complies with the provisions of the Health and Safety at Work Act 1974 and all subsequent regulations, including those implementing EC Directives. The school governors bear ultimate responsibility to provide leadership and day to day responsibilities are delegated to the Headmaster and the Health and Safety officer.

The management team will take steps so far as is reasonably practicable to ensure that the workplace is a safe and healthy environment in which its employees, pupils, contractors and other persons affected by the school/college operations can work.

The management team will make necessary assessments, identify safety training and provide information and supervision for employees at all levels. It will consult on a regular basis with all employees/staff representatives with regards to health and safety issues. It will provide the necessary safety devices and protective clothing, provided that a safer working environment cannot be achieved by any other means.

Anti-bullying policy

Our aim is to create a School in which children grow up happily, free to pursue their own interests but with consideration for others, and free from fear. We hope to prevent bullying before it occurs through the continuing vigilance of all children and staff, by educating children in their responsibility for themselves and each other, and by agreeing a definition of bullying, so that all children and staff have a clear understanding of what we, as a School, consider unacceptable behaviour. There are no 'initiation ceremonies' intended to cause pain, anxiety or humiliation. It is the School's aim that pupils do not identify bullying as a problem.

Parental complaints procedure

This policy is to ensure that any party making a complaint can feel confident that there is someone in the school to whom they can turn who will treat the complaint seriously and in confidence. A complaint is an expression of dissatisfaction with a real or perceived problem, however small. The Stages of this policy give a step by step approach to resolving any complaint and are as follows:

- Stage 1 Informal Resolution - Most complaints and concerns are resolved quickly and informally. Parents with a complaint will normally contact their son/daughter's Form Tutor. In many cases, the matter will be resolved straightaway to the parents' satisfaction. If the Form Tutor cannot resolve the matter alone, it may be necessary to consult the Headmaster.
- Stage 2 Formal Resolution - If the complaint cannot be resolved as in Stage 1, then the parents will put their complaint in writing to the Headmaster. The Headmaster will decide, after considering the complaint, the appropriate course of action to take. Once the Headmaster is satisfied that, so far as is practicable, all of the relevant facts have been established, a decision will be made and parents will be informed of this decision in writing.
- Stage 3 Consultation with the Chairman of Governors - If the parents seek to invoke Stage 3 (following a failure to reach an earlier resolution with the Headmaster), they will be referred to the Chairman of Governors. The Chairman will meet with the parents to hear their complaint and consider any evidence. After due consultation and consideration of all facts, the Chairman will reach a decision and may make recommendations.

Other areas of note

The school does not have formal guidelines regarding employment policies, environmental policies or inspection procedures, as these are laid down by the applicable regulations and laws.

The charity does not offer academic scholarships and thrives on an open academic access policy.

ABBERLEY HALL LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2016

Achievements and performance

The performance achieved by the charity was measured in financial terms by comparing the actual surplus £73,604 with the budgeted surplus of £104,084 (2015 - £139,774 deficit with budgeted surplus of £35,669). The financial performance of the school is, to a large extent, determined by the numbers of pupils which were slightly higher than expected at 168 actual boarder equivalents compared with the budgeted figure of 155 (2015 - 162 compared to budgeted 159).

Financial review

The unrestricted surplus for the year was £23,604, which with a designated fund surplus of £50,000 gave a total surplus for the year amounting to £73,604 (2015 - deficit of £139,774). In the opinion of the governors, the state of affairs of the company is satisfactory.

The School's unrestricted funds stood at £5.24m (2015 - £3.79m) at the year end, following the revaluation of the land and property of £1.42m.

The Governors consider that the fees due at the start of each term of around £1,100,000 to £1,150,000 for a four month period are sufficient to cover the risks and uncertainties of operating as an independent educational establishment.

Due to the fact the unrestricted reserves are tied up in the School's tangible fixed assets, the policy is to build up reserves out of annual operating surpluses until that level is reached, subject to the prior demands of further capital expenditure to equip the school with the up to date facilities needed to maintain the standard of educational services currently provided. This is part of a strategic capital site plan to enhance the facilities from surpluses by continued reinvestment subject to the governors' confidence regarding the ongoing revenue position.

The £50,000 designated fund was deployed as part of the school premises and equipment plan, and with the need for day to day working capital met by careful management of short term liquid resources in the absence of free reserves.

Plans for the future

The charity aims to make a surplus as this is its only renewable source of capital which enables it to invest in new facilities and the very best quality of education, as well as offering scholarship places to those unable to meet the full burden of fees

Structure, governance and management

The Governors determine the general policy of the school. The Governors are the directors of the company and will be referred to as Governors throughout this report. The day to day management of the school is delegated to the Headmaster and Bursar.

On 14 December 2016, after the balance sheet date, the charitable company issued new Articles of Association.

The registered office of the charity is:

Abberley Hall, Abberley, Worcestershire, WR6 6DD

ABBERLEY HALL LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2016

The governors, who are also the directors for the purpose of company law, and who served during the year were:

The Hon. D.P.C. Legh

C.W. Brickell (Deceased 14/10/2016)

A. Goddard

C. Hope

A.G. Duncan

A.R. Manning-Cox

J. McManus

O. O'Sullivan (Resigned 17/05/2016)

R.M. d'A. Samuda

V.E.C. Taylor

M. Turner

J. Tanner

R. Field (Resigned 17/06/2016)

The Governor's are sorry to the report the death of C. W. Brickell on 14 October 2016 and extend their condolences to his family. They also wish to express thanks for his contribution to school matters over along period of time.

The Hon. D.P.C. Legh and A.G. Duncan hold one ordinary share as joint nominees for the governing body. The Hon. D.P.C. Legh and A. Goddard hold ninety-nine ordinary shares as joint nominees for the governing body.

New governors are appointed by existing governors by recommendation and introduction and come from those professions and vocations that will give a balance of expertise in the governing body. The process of appointing new governors is done informally through a nominating committee.

The governing body is composed of members of the teaching and other professions, the business community and includes parents of children in the school.

The Headmaster, his Deputy, and the Head of Pre-Prep also attend meetings, although private meetings of Governors excluding the school staff are held when required.

The principal form of training for the governors is by advice and experience of governors' meetings and occasional specific seminars on matters pertaining to governors' responsibilities and duties. The governors also have access to independent advice as and when such advice is required.

The charity is administered by the governing body which meets thrice yearly and, in addition, a finance and general purposes sub-committee which also meets three times a year.

The Headmaster acts as Chief Executive of the governors, reporting to and acting in accordance with the governors' instructions.

During the year, Abberley Hall Limited traded on normal commercial terms with Abberley Hall Enterprises Limited, a company incorporated in England and Wales. Mr A.G. Duncan and The Hon. D.P.C. Legh, who are governors of Abberley Hall Limited are the sole shareholders of Abberley Hall Enterprises Limited and hold the shares as nominees for Abberley Hall Limited. Rent is received from Abberley Hall Enterprises Limited for rent of the swimming pool owned by Abberley Hall Limited and fees are paid to Abberley Hall Enterprises Limited for the use of the swimming pool on behalf of the pupils of the school.

ABBERLEY HALL LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2016

The charitable company has not prepared consolidated financial statements for itself and its subsidiary undertaking, Abberley Hall Enterprises Limited, as the results of the subsidiary are not considered to be material to the group.

The governors examine the major risks that the school faces each year when preparing and updating the strategic plan. The charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the school in the future.

Asset cover for funds

Note 25 sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

Details of the fixed assets are given in the notes forming part of the financial statements for the year ended 31 August 2016. The insurance value of the buildings of the school is £13.2m. It should be noted that this is the estimated cost of replacement as new and excludes the value of the land.

Auditor

In accordance with the company's articles, a resolution proposing that Kendall Wadley LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The governors' report was approved by the Board of Governors.

The Hon D P C Legh

Governor

Dated: 10 March 2017



ABBERLEY HALL LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2016

The governors, who are also the directors of Abberley Hall Limited for the purpose of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

ABBERLEY HALL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ABBERLEY HALL LIMITED

We have audited the financial statements of Abberley Hall Limited for the year ended 31 August 2016 set out on pages 10 to 29. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditor

As explained more fully in the statement of governors' responsibilities set out on page 7, the governors, who are also the directors of Abberley Hall Limited for the purposes of company law are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

The governors have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including "APB Ethical Standard – Provisions Available for Small Entities (Revised)", in the circumstances set out in note 29 to the financial statements.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the governors; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Governors' Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

ABBERLEY HALL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ABBERLEY HALL LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Governors' Report is inconsistent in any material respect with the accounts; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

J. T. Marston

**Jonathan Marston BA FCA (Senior Statutory Auditor)
for and on behalf of Kendall Wadley LLP**

10 March 2017

**Chartered Accountants
Statutory Auditor**

Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Kendall Wadley LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

ABBERLEY HALL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2016 £	Total 2015 £
<u>Income from:</u>						
Charitable activities	3	3,731,265	-	-	3,731,265	3,577,606
Other trading activities	4	96,648	-	-	96,648	117,831
Investments	5	-	-	-	-	16
Total income		3,827,913	-	-	3,827,913	3,695,453
<u>Expenditure on:</u>						
Raising funds	6	17,094	-	-	17,094	14,493
Charitable activities	7	3,721,072	-	-	3,721,072	3,809,697
Other	9	16,143	-	-	16,143	11,037
Total resources expended		3,754,309	-	-	3,754,309	3,835,227
Net incoming/(outgoing) resources before transfers		73,604	-	-	73,604	(139,774)
Gross transfers between funds	10	(50,000)	50,000	-	-	-
Net incoming/(outgoing) resources		23,604	50,000	-	73,604	(139,774)
<u>Other recognised gains and losses</u>						
Revaluation of tangible fixed assets		1,426,418	-	-	1,426,418	-
Net movement in funds		1,450,022	50,000	-	1,500,022	(139,774)
Fund balances at 1 September 2015		3,789,364	-	2,000	3,791,364	3,931,138
Fund balances at 31 August 2016		5,239,386	50,000	2,000	5,291,386	3,791,364

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ABBERLEY HALL LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	14		5,772,038		4,329,430
Current assets					
Stocks	16	44,565		51,133	
Debtors	17	591,447		333,835	
Investments	18	-		50	
Cash at bank and in hand		6,561		11,350	
		<u>642,573</u>		<u>396,368</u>	
Creditors: amounts falling due within one year	19	<u>(1,123,225)</u>		<u>(934,434)</u>	
Net current liabilities			(480,652)		(538,066)
Total assets less current liabilities			<u>5,291,386</u>		<u>3,791,364</u>
Income funds					
Restricted funds	23		2,000		2,000
Unrestricted funds - designated			50,000		-
<u>Unrestricted funds - general</u>					
General unrestricted funds		5,239,286		3,789,264	
Share capital		<u>100</u>		<u>100</u>	
			<u>5,239,386</u>		<u>3,789,364</u>
			<u>5,291,386</u>		<u>3,791,364</u>

ABBERLEY HALL LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2016

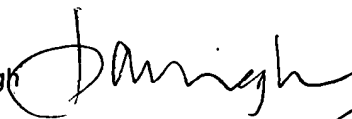
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2016, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The governors' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

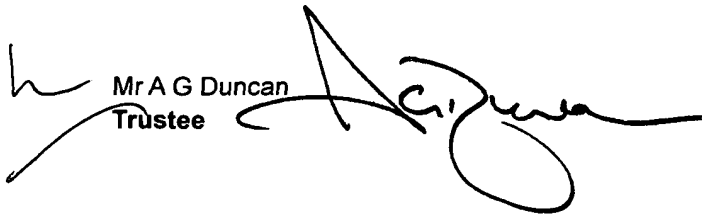
These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Governors on 10 March 2017

The Hon D P C Legh
Trustee



Mr A G Duncan
Trustee



Company Registration No. 00602279

ABBERLEY HALL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	28		72,630		(58,024)
Investing activities					
Purchase of tangible fixed assets		(34,998)		(4,930)	
Proceeds on disposal of other investments		50		-	
Net cash used in investing activities			(34,948)		(4,930)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			37,682		(62,954)
Cash and cash equivalents at beginning of year			(370,676)		(307,722)
Cash and cash equivalents at end of year			(332,994)		(370,676)
Relating to:					
Bank balances and short term deposits			6,561		11,350
Bank overdrafts			(339,555)		(382,026)

ABBERLEY HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

Company information

Abberley Hall Limited is a private company incorporated in England and Wales. The registered office is Abberley Hall, Abberley, Worcester, WR6 6DD.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These accounts for the year ended 31 August 2016 are the first accounts of Abberley Hall Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the accounts, the governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the governors' continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the governors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Donations received for general purposes of the charity are included as unrestricted funds. Donations for activities restricted by the wishes of the donor are taken to "restricted funds" where the wishes are legally binding on the governors.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

ABBERLEY HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

School fees represent teaching and boarding services provided for the academic year invoiced to the parents and guardians of the pupils attending the school.

Fees for extracurricular activities represent charges to pupils who participate in after school activities, clubs and school trips.

Supported learning fees represent additional tuition provided to pupils during the academic year invoiced to the parents and guardians of the pupils.

Uniform sales represents amounts receivable for school uniforms sold, invoiced to the parents or guardians of the pupils, and are recognised when the school uniforms are physically received by the pupils.

1.5 Resources expended

Resources expended are recognised on an accruals basis and are summarised under functional headings on a direct cost basis, inclusive of any irrecoverable input VAT.

Costs for generating funds comprise of costs which are directly attributable to activities that are engaged solely to raise funds and do not relate to the charitable activities of the charity.

Expenditure relating to charitable activities comprise of all expenses that are incurred in the running of the school and all related activities.

Governance costs are costs that are directly attributable to the management of the charity's assets, organisational procedures and legal procedures for compliance with statutory requirements. Support and governance costs which do not directly relate to the main activities of the school are apportioned over the charitable activities on a percentage of staff costs basis.

Other resources expended include costs which the charity has not been able to analyse to either direct, support or governance costs and relate to the financing activities of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Buildings at 1% straight line, 0% on land
Grounds and computer equipment	10% on net book value to 33% on cost
Furniture, plant and fittings	10% on cost
Motor vehicles	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

It is the policy of the charitable company to not regard any item costing under £1,000 as a fixed asset.

ABBERLEY HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

ABBERLEY HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The school participates in a multi-employer defined benefits pension scheme, the Teachers' Pension Scheme (England and Wales) ("the Scheme"), for its teaching staff. As a result it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the school. As such the contributions are accounted for as if the Scheme were defined contribution and charged as they become payable. Further details are included in the notes to the financial statements.

The charity also operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

1.14 Foreign exchange

Transactions denominated in foreign currencies are recorded at rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

ABBERLEY HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.15 Rental of swimming pool

Income receivable for the use of the swimming pool is released to income on a straight line basis over the year.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Charitable activities

	2016 £	2015 £
Fees within charitable activities	3,377,323	3,213,210
Other income	353,942	364,396
	<u>3,731,265</u>	<u>3,577,606</u>
Fees within charitable activities		
School fees	4,019,154	3,826,441
After school care	6,247	6,788
Allowances	(645,793)	(609,596)
Commission	(2,285)	(10,423)
	<u>3,377,323</u>	<u>3,213,210</u>
Other income		
Fees for extracurricular activities	249,393	259,587
Supported learning fees	46,683	46,134
French chalet income	57,866	58,675
	<u>353,942</u>	<u>364,396</u>

ABBERLEY HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

4 Other trading activities

	2016	2015
	£	£
Rent receivable	4,000	6,551
Milk subsidy	400	804
Uniform shop	12,505	19,165
Miscellaneous income	6,010	15,042
Swimming pool	32,000	32,000
Rural payment agency	1,121	1,800
Summer boarding school	40,612	42,469
	<u>96,648</u>	<u>117,831</u>

5 Investments

	2016	2015
	£	£
Interest receivable	-	16
	<u>-</u>	<u>16</u>

6 Raising funds

	2016	2015
	£	£
<u>Fundraising and publicity</u>		
School uniform purchases	17,094	14,493
	<u>17,094</u>	<u>14,493</u>
For the year ended 31 August 2015		
Fundraising and publicity		<u>14,493</u>

ABBERLEY HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

7 Charitable activities

	Teaching costs £	Welfare £	Premises £	Extracurricular activities £	Total 2016 £	Total 2015 £
Staff costs	1,865,752	317,123	149,510	137,558	2,469,943	2,452,760
Depreciation and impairment	-	-	16,410	-	16,410	16,878
Healthcare	11,905	-	-	-	11,905	10,776
Books	8,665	-	-	-	8,665	16,384
Science	2,281	-	-	-	2,281	1,232
Art and CDT	6,076	-	-	-	6,076	7,299
Drama	7,416	-	-	-	7,416	11,874
IT	26,111	-	-	-	26,111	16,758
Sports	5,230	-	-	-	5,230	3,582
Other academic subjects	33,327	-	-	-	33,327	23,880
Training	5,700	-	-	-	5,700	3,558
Healthcare for pre-prep pupils	3,256	-	-	-	3,256	2,682
Books and stationery for pre-prep pupils	4,962	-	-	-	4,962	13,830
Medical expenses	-	41,549	-	-	41,549	6,297
Oil	-	42,640	-	-	42,640	44,111
Gas	-	16,943	-	-	16,943	20,478
Electricity	-	67,121	-	-	67,121	48,912
Meals and provisions	-	128,681	-	-	128,681	225,104
Housekeeping	-	15,485	-	-	15,485	29,181
Travel expenses	-	61,303	-	-	61,303	44,793
Meals for pre-prep pupils	-	24,000	-	-	24,000	33,000
Grounds expenses	-	-	17,369	-	17,369	65,609
Repairs and maintenance	-	-	99,860	-	99,860	120,427
Rates	-	-	34,235	-	34,235	22,639
Swimming pool rental and related costs	-	-	22,200	-	22,200	33,300
Clubs, trips and other after school activities	-	-	-	131,346	131,346	142,787
French chalet activities	-	-	-	52,623	52,623	46,743
Exchange rate (profit)/loss on French chalet activities	-	-	-	1,163	1,163	(3,225)
	1,980,681	714,845	339,584	322,690	3,357,800	3,461,649
Share of support costs (see note 8)	220,424	35,768	17,105	-	273,297	293,186
Share of governance costs (see note 8)	45,584	40,738	3,653	-	89,975	54,862
Total costs (onto next page)	2,246,689	791,351	360,342	322,690	3,721,072	3,809,697

ABBERLEY HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

7	Charitable activities	(Continued)				
		Teaching costs	Welfare	Premises	Extracurricular activities	Total
		£	£	£	£	£

Analysis by fund for the year ended 31 August 2016

Unrestricted funds - general	2,246,689	791,351	360,342	322,690	3,721,072	3,809,697
	<u>2,246,689</u>	<u>791,351</u>	<u>360,342</u>	<u>322,690</u>	<u>3,721,072</u>	<u>3,809,697</u>

For the year ended 31 August 2015

Unrestricted funds - general	2,267,732	740,200	424,708	307,246		3,739,886
Unrestricted funds - designated	-	-	69,811	-		69,811
	<u>2,267,732</u>	<u>740,200</u>	<u>494,519</u>	<u>307,246</u>		<u>3,809,697</u>

8 Support costs

	Support costs	Governance costs	2016	2015
	£	£	£	£
Staff costs	117,278	-	117,278	130,181
Depreciation	2,398	-	2,398	3,925
Healthcare	571	-	571	3,071
Insurance	25,919	-	25,919	30,049
Telephone	13,237	-	13,237	14,075
Postage	2,497	-	2,497	2,834
Subscriptions	7,659	-	7,659	6,723
General office expenses	36,439	-	36,439	34,631
Bad debt expense	8,346	-	8,346	4,816
Promotional expenditure	57,698	-	57,698	61,352
Entertainment	1,255	-	1,255	1,528
Accounting and audit fees	-	28,255	28,255	29,640
Legal and professional	-	61,720	61,720	25,223
	<u>273,297</u>	<u>89,975</u>	<u>363,272</u>	<u>348,048</u>
Analysed between				
Charitable activities	<u>273,297</u>	<u>89,975</u>	<u>363,272</u>	<u>348,048</u>

Support and governance costs that do not directly relate to the main activities of the school are apportioned on a percentage of staff costs attributable to each of the charitable activities basis (see note 7)

ABBERLEY HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

9 Other

	2016	2015
	£	£
Financing costs	16,143	11,037
	<u>16,143</u>	<u>11,037</u>

10 Transfers

During the year it was decided that £50,000 (2015: £34,077) should be allocated to the designated fund for future expenditure required on repairing and improving the school buildings. See note 24 for further details regarding the designated funds.

11 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the company's auditor and associates:	2016 £	2015 £
Audit of the company's annual accounts	7,255	7,640
	<u> </u>	<u> </u>
Non-audit services		
All other non-audit services	21,555	22,000
	<u>21,555</u>	<u>22,000</u>

ABBERLEY HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

12 Employees

Number of employees

The average monthly number employees during the year was:

	2016 Number	2015 Number
Teachers	53	58
Welfare staff	30	31
Premises maintenance staff	7	7
Extracurricular and support staff	15	15
Administration staff	5	6
	<u>110</u>	<u>117</u>

Employment costs

	2016 £	2015 £
Wages and salaries	2,187,207	2,216,037
Social security costs	174,549	155,612
Other pension costs	225,465	211,292
	<u>2,587,221</u>	<u>2,582,941</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2016 Number	2015 Number
£70,001 - £80,000	<u>1</u>	<u>1</u>

Of the employees whose emoluments exceed £60,000, 1 (2015: 1) has retirement benefits accruing under defined benefit pension schemes.

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2016 £	2015 £
Aggregate compensation	<u>243,237</u>	<u>173,432</u>

ABBERLEY HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

13 Governors

None of the governors (or any persons connected with them) received any remuneration during the year.

None of the governors received any reimbursement of expenses during the year.

14 Tangible fixed assets

	Freehold land and buildings	Grounds and computer equipment	Furniture, Motor vehicles plant and fittings		Total
	£	£	£	£	£
Cost or valuation					
At 1 September 2015	4,173,582	437,327	52,002	17,831	4,680,742
Additions	-	34,998	-	-	34,998
Revaluation	1,426,418	-	-	-	1,426,418
	<u>5,600,000</u>	<u>472,325</u>	<u>52,002</u>	<u>17,831</u>	<u>6,142,158</u>
At 31 August 2016					
Depreciation and impairment					
At 1 September 2015	-	312,944	20,537	17,831	351,312
Depreciation charged in the year	-	15,657	3,151	-	18,808
	<u>-</u>	<u>328,601</u>	<u>23,688</u>	<u>17,831</u>	<u>370,120</u>
At 31 August 2016					
Carrying amount					
At 31 August 2016	5,600,000	143,724	28,314	-	5,772,038
	<u>4,173,582</u>	<u>124,383</u>	<u>31,465</u>	<u>-</u>	<u>4,329,430</u>
At 31 August 2015					

Land and buildings with a carrying amount of £5,600,000 were revalued at 1 June 2016 by independent valuers not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 August 2016, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £4,173,582 (2015 - £4,173,582).

The revaluation surplus is disclosed in general funds.

15 Financial instruments	2016 £	2015 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	544,928	269,447
Instruments measured at fair value through profit or loss	-	50
	<u>544,928</u>	<u>269,497</u>
Carrying amount of financial liabilities		
Measured at amortised cost	1,044,621	821,697
	<u>1,044,621</u>	<u>821,697</u>

ABBERLEY HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

16	Stocks		2016	2015
			£	£
	Heating oil		1,779	3,978
	Gas		260	2,622
	School uniforms		35,983	44,533
	Food		6,543	-
			<u>44,565</u>	<u>51,133</u>
17	Debtors		2016	2015
			£	£
	Amounts falling due within one year:			
	Trade debtors		394,746	220,746
	Other debtors		150,182	48,701
	Prepayments and accrued income		46,519	64,388
			<u>591,447</u>	<u>333,835</u>
18	Current asset investments		2016	2015
			£	£
	Unlisted investments		-	50
19	Creditors: amounts falling due within one year		2016	2015
		Notes	£	£
	Loans and overdrafts	20	339,555	382,026
	Other taxation and social security		57,367	50,893
	Deferred income	21	11,337	50,644
	Fees received in advance		496,663	237,665
	Trade creditors		154,873	132,980
	Other creditors		53,530	69,026
	Accruals and deferred income		9,900	11,200
			<u>1,123,225</u>	<u>934,434</u>

ABBERLEY HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

20 Loans and overdrafts

	2016 £	2015 £
Bank overdrafts	339,555	382,026
	<u>339,555</u>	<u>382,026</u>
Payable within one year	339,555	382,026
	<u>339,555</u>	<u>382,026</u>

Lloyds Bank Plc holds a mortgage deed over the charity, secured on the mansion house known as Abberley Hall and all associated land and buildings. At the year end the total property used as security was included in the accounts at a value of £5,600,000 (2015 - £4,173,582).

Lloyds Bank Plc also holds a fixed and floating charge over all assets in the financial statements against total borrowings. At the year end, the total borrowings on all bank accounts with Lloyds Bank Plc was £339,555 (2015 - £382,026).

21 Deferred income

	2016 £	2015 £
Other deferred income	11,337	50,644
	<u>11,337</u>	<u>50,644</u>

Deferred income is included in the financial statements as follows:

Current liabilities	11,337	50,644
	<u>11,337</u>	<u>50,644</u>

22 Share capital

	2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

23 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 September 2015 £	Movement in funds		Balance at 31 August 2016 £
		Incoming resources £	Resources expended £	
Prize fund	2,000	-	-	2,000
	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>2,000</u>

Prize fund - funds received for the financing of prizes awarded to pupils during their time at the school.

ABBERLEY HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

24 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the governors for specific purposes:

	Balance at 1 September 2015	Movement in funds			Balance at 31 August 2016
	£	Incoming resources £	Resources expended £	Transfers £	£
Property improvement reserve	-	-	-	50,000	50,000
	-	-	-	50,000	50,000

The property improvement reserve represents amounts set aside for the future maintenance and improvement of the school buildings.

25 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 August 2016 are represented by:				
Tangible assets	5,772,038	-	-	5,772,038
Current assets/(liabilities)	(532,652)	50,000	2,000	(480,652)
	5,239,386	50,000	2,000	5,291,386

26 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	24,461	26,820
Between two and five years	34,806	56,267
	59,267	83,087

ABBERLEY HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

27 Related party transactions

During the year Abberley Hall Limited traded on normal commercial terms with Abberley Hall Enterprises Limited, a company incorporated in England and Wales. Mr A. G. Duncan and The Hon. D. P. C. Legh, who are governors of Abberley Hall Limited are the sole shareholders of Abberley Hall Enterprises Limited and hold the shares as nominees for Abberley Hall Limited. Rent received from Abberley Hall Enterprises Limited during the year amounted to £32,000 (2015 - £32,000) and fees paid to Abberley Hall Enterprises Limited for use of the swimming pool totalled £22,200 (2015 - £22,300), including unrecoverable VAT. During the year Abberley Hall Limited received £31,228 (2015 - £26,788) recharges for oil and wages from Abberley Hall Enterprises Limited. Cash of £13,218 (2015 - £11,144) was collected on behalf of Abberley Hall Enterprises Limited by Abberley Hall Limited during the year. At the year end £72,659 (2015 - £49,149) was owed by Abberley Hall Enterprises Limited to Abberley Hall Limited.

During the year, 2 of the Governors (2015 - 3 Governors) had 3 children (2015 - 5 children) attending the school. The school charged them a total of £50,685 (2015 - £95,220) for school fees and £6,172 (2015 - £11,924) for extras and disbursements. School fees were charged at full rates, except for 1 child (2015 - 3 children) who received standard rate remission available to all children who have an older sibling attending the school.

In the year Mr William Lockett, company secretary and headmaster of the school, had one child (2015 - two children) at the school. The school charged fees of £4,335 (2015 - £9,311) including the standard remission due to the children of staff members, and extras of £6,965 in the year (2015 - £6,038). At the end of the year, the school had debtors of £1,457 (2015 - £3,273) relating to these pupils.

The Abberley Hall Foundation is a charity whose objectives are the advancement of the education of the pupils of Abberley Hall School by assisting in the maintenance, improvement and development of buildings and facilities at the School. Mr A. J. Stewart and Mr V. E. C. Taylor are trustees of both charities. At the year end £69,525 (2015 - £Nil) was owed by The Abberley Hall Foundation to Abberley Hall Limited for expenses paid on their behalf amounting to £69,525 (2015 - £7,042).

The school paid legal fees of £9,422 (2015 - £1,253) to Gowling WLG LLP (which was previously known as Wragge & Co.) A. R. Manning-Cox is a partner of Gowling WLG LLP and is also a governor of Abberley Hall Limited.

During the year, the school paid £254 (2015 - £Nil) to Tanners Wines Limited, in which J. Tanner, a governor of the school, is also a director. At the year end, the school owed Tanners Wines Limited £254 (2015 - £Nil).

28 Cash generated from operations	2016 £	2015 £
Surplus/(deficit) for the year	73,604	(139,774)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	18,808	20,803
Movements in working capital:		
Decrease in stocks	6,568	5,595
(Increase)/decrease in debtors	(257,612)	23,924
Increase in creditors	270,569	42,145
(Decrease) in deferred income	(39,307)	(10,717)
Cash generated from/(absorbed by) operations	72,630	(58,024)

ABBERLEY HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 31 AUGUST 2016***

29 Auditors' Ethical Standards

The relevant circumstances requiring disclosure in accordance with the requirements of APB Ethical Standard - Provisions Available for Small Entities are that, in common with many charities of our size and nature we use our auditor to assist with the preparation of the termly management accounts, prepare and submit returns to the tax authorities and assist with the preparation of the year end financial statements.