

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015
FOR
BALLARD SCHOOL LIMITED
(Limited by Guarantee)

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BALLARD SCHOOL LIMITED
(Limited by Guarantee)

INDEX TO THE FINANCIAL STATEMENTS

| | Page |
|--|----------------|
| Company Information | 1 |
| Report of the Board of Governors incorporating a Strategic Report | 2 - 10 |
| Report of the Auditors | 11 |
| Statement of Financial Activities | 12 |
| Balance Sheet | 13 |
| Cash Flow Statement | 14 |
| Notes to the Cash Flow Statement | 15 |
| Notes to the Financial Statements | 16 - 24 |

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

COMPANY INFORMATION

GOVERNORS

The Governors are also directors of Ballard School Limited. New Governors are appointed by the existing Board of Governors. All Governors served throughout the year except where indicated:

| Governors | Education Committee | Finance & General Purposes Committee |
|---|----------------------------|---|
| Mr G L Alexander | | |
| Mrs M G Billington | ✓ | |
| Mr J Clifton | | |
| Mr C Ford (Chair of Governors) | ✓ | ✓ |
| Mr P Goodfellow | | ✓ |
| Dr E Halliwell | | ✓ |
| Mr C Kean | | ✓ |
| Mr D Leighton (resigned 10 November 2015) | | ✓ |
| Rev J McDowall (resigned 10 March 2015) | ✓ | |
| Mrs F Morgan (appointed 19 August 2015) | ✓ | |
| Mrs S Nutbeam (resigned 10 March 2015) | ✓ | |
| Rev M Poole (appointed 19 August 2015) | | ✓ |
| Mrs W Roberts (Chair of Education) | ✓ | ✓ |
| Mrs A Trask (Chair of Finance) | ✓ | ✓ |
| Mrs J Tudor (appointed 10 March 2015) | ✓ | |
| Mrs A Watson-Lee | | ✓ |

Secretary Mr M A R Smith ACA

Registered Office: Fernhill Lane
New Milton
Hampshire
BH25 5SU

Registered Charity Number: 307328

Company Number: 733644

Auditors: Nexia Smith & Williamson
Imperial House
18 – 21 Kings Park Road
Southampton
Hampshire
SO15 2AT

Bankers: HSBC Bank plc
59 Old Christchurch Road
Bournemouth
Dorset BH1 1EH

Solicitors: Veale Wasbrough Vizards
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

REPORT OF THE BOARD OF GOVERNORS INCORPORATING A STRATEGIC REPORT

The Board of Governors of Ballard School present their annual report and audited accounts for the year ended 31 August 2015 and confirm they comply with the requirements of the Companies Act 2006, the Charities Act 2011, the Charities SORP 2005 and the School's Articles of Association.

THE BOARD OF GOVERNORS

Trustees (also referred to as Members) are appointed by the existing Board of Governors. Any Trustee can nominate appointees, but appointment can only take place via a majority vote. New Trustees are inducted into the workings of the Charity and the School, including Board Policy and Procedures. Training needs are also assessed and are provided as necessary.

Membership of the Board of Governors, executive officers and principal addresses of the Charity, together with those of the Charity's professional advisers, are listed on page 1.

OUR AIMS

The School operates under a Declaration of Trust dated 28 August 1962 and registered with the Charity Commission under charity number 307328. The Trust Deed has been amended in subsequent years, the latest amendment being in 2014. The object of the School is to provide first-class education for children, infants or students, combined with sound religious training on Protestant and Evangelical principles, founded on the Holy Bible.

Our mission statement is to provide a supportive and caring environment for learning, based on Christian values and good teaching, designed to help all pupils achieve their personal best. High academic standards, together with thorough preparation for future education and the world of work, are underpinned by an ethos of concern for others, unselfish attitudes and an awareness of the rights and duties of a good citizen. The diverse range of activities and broad curriculum nurture the self-confidence of all our pupils, and help the development of their personality, engendering also lifelong interests and stimulating a desire to serve the community.

Our aims may be summarised as follows;

- To help each pupil to reach their potential within a secure, caring community and to equip our young people with the skills they will need to move into our ever-changing, modern society.
- To produce 'complete' people, equipped not only for their working careers but also for life.
- To aim for academic excellence, so that each individual pupil may achieve his or her personal best. However, we believe all our pupils are entitled to an education that extends beyond the purely academic. Therefore pupils are actively encouraged to take part in a wide range of artistic, creative, cultural, musical, sporting and other extra-curricular activities.
- To recognise the worth, dignity and contribution of each member of the school community and to foster self-discipline, self-esteem, mutual respect and co-operation.
- To offer scope for spiritual, moral and personal development within an environment which affirms Christian values.
- To assimilate and constructively manage change in the interests of the development and progress of the school and the future careers of our pupils and staff.
- To promote behaviour and discipline that allows all individuals to succeed in a mutually supportive atmosphere.
- To promote an atmosphere of friendship and trust in which emotional needs are recognised and met.
- To expect high standards of achievement by developing in pupils the ability to think and research independently and communicate confidently and effectively.
- To respond to the wider needs of society.
- To increase links between the school and the community we serve.

OUR OBJECTIVES

Our objectives are set to reflect our educational aims and the ethos of the School. It is important to us that we maintain and enhance the academic success of the School. This objective is, however, set in the context of the broader goals we set for the School and its pupils.

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

REPORT OF THE BOARD OF GOVERNORS INCORPORATING A STRATEGIC REPORT (CONTINUED)

In setting our objectives and planning our activities, the Board of Governors have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charities Commission, and in particular to its supplementary guidance on advancing education and on fee-charging.

Our key objectives for the year included:

- Maintain the present low pupil/teacher ratios, which we believe gives our pupils the individual attention needed to help them realise their academic and cultural potential to the full;
- Maintain the high standards of academic achievement demonstrated in recent years' examination results and to ensure that each individual pupil achieves his/her best results;
- Balance academic achievement through a curriculum allowing full scope for the development of artistic, sporting, dramatic and musical skills;
- Optimise the curriculum to ensure our School offers the most appropriate range of subjects;
- Invest in state-of-the art technology with a view to encouraging new ways of learning and communicating;
- Continue access to our School by way of our means tested bursary programme;
- Continuing to promote links with schools and countries outside of the UK through our Exchanges, trips and the Comenius Project (run by the British Council);
- Continue developing and fostering links with the local community to enhance the public benefit we can provide; and
- Generally maintain and improve facilities at the school.

Our ethos: a caring School serving our local community and society

Ballard School is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. Our fees are set at a level to ensure the financial viability of the School and at a level that is consistent with our aim of providing a first-class education to boys and girls.

Our School welcomes pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that our School will be able to educate and develop prospective pupils to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion and in most cases disability, do not form part of our assessment processes.

Our School is committed to safeguarding and promoting the welfare of our pupils and expects all staff and volunteers to share this commitment. In the latest Independent Schools' Inspectorate report (published January 2012) the quality of pastoral care and the attention given to the welfare of pupils was described as "excellent throughout the school". Parents are given regular information about their children's social and academic progress through parent evenings, in addition to the traditional end of term and year reports. We maintain regular contact with parents throughout the year through informal contacts and through our weekly bulletin and the 'Ballard Bugle' published each term. All pupils have a Form Tutor responsible for pastoral care and academic development. Pastoral issues are discussed at regular staff meetings and a Counsellor is employed to assist pupils. We also have a system of prefects and monitors who are involved in assisting senior teaching staff in enforcing our very rigorous no bullying policy.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are, or become disabled.

Bursary and Scholarship policies

The Board of Governors views our bursary and scholarship awards as important in helping to ensure children from families who would otherwise not be able to afford the fees, to access the education we offer. Our School does not have any endowments and, in funding our awards, we have to be mindful that we must ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

BALLARD SCHOOL LIMITED
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REPORT OF THE BOARD OF GOVERNORS INCORPORATING A STRATEGIC REPORT (CONTINUED)

Our bursary awards are available to all who meet our general entry requirements and are made on the basis of parental means or to relieve hardship, where a pupil's education and future prospects would otherwise be at risk, for example, in the case of redundancy. The success of our bursary scheme is explained in our public benefit section of this report. The awards range up to 100% remission of fees.

Scholarship policy

Our scholarships are awarded on the basis of the individual's educational and extra-curricular merit or potential. New scholarships are awarded up to 50% of fees for entry into Years 4, 7 and 9. Scholarships may be supplemented by a bursary.

Family discounts policy

With pupils ranging in age from 1 to 16 years we are very much a family school and to assist families we offer discounts where parents have more than one child at the school. To help us attract and retain high quality staff we offer staff a discount scheme where they choose to educate their children at our School.

PUBLIC BENEFIT

The school is committed to providing Public Benefit in a variety of ways including:

- The provision of means tested bursaries;
- Allowing free use of our sports facilities to local children's sports clubs and primary schools;
- Allowing free or subsidised use of our Performing Arts Centre for charitable fundraising events;
- Teacher training as well as work experience for potential teachers; and
- Raising funds for local and national charities.

Bursaries and Scholarships

This year the value of means-tested bursaries totalled £193,461 and represented 3.5% of gross fees (3.5% - 2014) and provided assistance to 36 (43 - 2014) of our pupils/families. In addition, the School awarded scholarships to 68 (63 - 2014) pupils, based on their educational merit and potential, totalling £169,321 and representing 3.1% of gross fees (2.7% 2014).

Details of our bursary and scholarship awards are set out in note 4 to the accounts. Information about fee assistance in the form of bursaries and scholarships is provided to all applying to the School

Community Links

The Charity has continued to foster the School's links with the local community. The school provided sports facilities free of charge to three children's football teams, one netball team and local primary schools. In addition, the school has close links and shares facilities with both Bashley Cricket Club and New Milton Cricket Club. Local schools are invited to see matinee performances of shows without charge.

The school combined with local maintained schools, Highcliffe Comprehensive School, The Arnewood School and Priestlands School Lymington (and also King Edward VI Southampton) on a number of joint projects including student exchange visits with a French school, gifted and talented outings, a series of evening lectures and dance activities. Senior sports elite pupils visit local primary schools to assist with PE lessons as did Dance Vision students with dance. A Christmas concert is provided to residents of local retirement homes.

The Performing Arts Centre and other school buildings are used by the local drama group the New Forest Players, who perform four productions a year and Shelley Lawlor School of Dance and Rising Stars. Charity events included a fundraising evening in aid of Julia's House, with celebrity football manager Harry Redknapp as guest speaker

Fundraising raised funds of £9,740 for a wide range of organisations including; Macmillan Cancer Support, British Legion, Julia's House, CRY, Comic Relief, Naomi House, Save the Children, Kenya (Camps International) Free the Children Medecins Sans Frontiers and Unicef. Romanian children were supported via the annual Samaritans Christmas shoebox appeal, presents are provided to Barnardo's at our Christmas carol service and food is donated to New Forest Basics Bank from the harvest festival.

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

REPORT OF THE BOARD OF GOVERNORS INCORPORATING A STRATEGIC REPORT (CONTINUED)

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

Pupil numbers and fees

Our educational activities are carried out through our Senior (years 9 to 11), Upper Preparatory (years 6 to 8), Lower Preparatory (years 3 to 5), Pre-preparatory, Kindergarten and Nursery schools. Pupil numbers remain strong peaking at 496 (449 Full Time Equivalents (FTEs)) during the Summer Term. The average number of FTE pupils was 442 through the academic year (2014 – 451).

Our fee increases this year were restricted by the Board of Governors to an increase of 3.0%.

Academic

Whilst the school remains non-selective, the GCSE results saw a significant improvement with 91% of pupils gaining 5 or more A* to C grades and 85% gaining 5 or more A* to C grades including English and Maths. These figures are well in excess of the National average and at the forefront of non-selective schools in the area. There was also an increase in A* and A grades at GCSE to 29%. 100% of all pupils gained A* to C grades in Physics, Spanish, Religious Studies, Art and Music. There were also outstanding results in Speech and Drama examinations, LAMDA, New Era (almost all at 'distinction' or 'merit' levels) and English Speaking Board (100% success for Y6 and Y8). Pupils continue to gain scholarships to a number of independent schools and the school is very successful in preparing pupils for selective grammar schools. The broad curriculum and large subject choice enhance the academic development of all pupils. Pupils took part in the Duke of Edinburgh award scheme and in the wide range of after-school activities offered. The school also ran a successful Summer Camps during the summer holidays which included music composition, art, creative writing, food technology and a drama workshop.

Sport

PE is taught by specialist staff through the school from Pre-Prep. Along with a full range of fixtures on offer for pupils from ages 7 to 16, we also include dance, sailing and swimming into our curriculum. It is our priority to offer pupils of all abilities the opportunity to play in fixtures and we have expanded our teams in the Lower and Upper Prep departments to include C and D squads. In the senior school we consider it important that we continue to offer pupils of all abilities the same 'match day' experience. Our main aim is to deliver a well-balanced physical education programme for all and to deliver it in such a way that it will be a positive experience for every pupil and will encourage children to continue taking part in sport in later life. A new Director of Sport has been appointed for 2015/16 joining from Priestlands School.

We continue to work with the New Forest Schools Sport Partnership Programme, giving our pupils the opportunity to compete against our neighbouring state schools at both primary and secondary levels and offer Football and Hockey festivals to local state primary and prep schools as well as offering taster sessions in these sports to selected state primaries. In addition we maintain an extensive fixture schedule with Independent Schools from Portsmouth to Blandford. We regularly visit the Isle of Wight for matches and participate at St. Michaels School, Jersey every spring, where the U12 and U13's enjoy competing in netball, hockey, rugby and football, against schools from Jersey and the mainland. Our U14's boys' hockey side won the ISA national finals for the second year running and our U16's were also victorious at the same event.

Performing Arts

The school holds the prestigious Artsmark Gold Award from The Arts Council of England in recognition of the school's commitment to, and excellence in, arts education, both visual and performing. School productions are central to the Music and Expressive Arts programme for all ages, and this year's productions included a senior school production of Private Peaceful, a whole school dance production called 'the Attic' and the Owl and the Pussycat.

Once again, a Ballard pupil won the national Bernard Price Certificate of Excellence for their Interview Technique examination. The local round of the Peace Poster art competition (sponsored by the Rotary) was won by a Ballard pupil, and we were 'highly recommended' in the regional competition.

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

REPORT OF THE BOARD OF GOVERNORS INCORPORATING A STRATEGIC REPORT (CONTINUED)

Dance

Dance is taught from Kindergarten to Year 11 within the PE curriculum and is also a compulsory component of year 3-5 Expressive Arts.

Dance Clubs are on offer to all pupils who wish to participate, developing new skills and being offered an opportunity to perform. A boys group was also developed. The school Dance production – 'The Attic' involved almost 80 pupils of all ages.

Visions Dance Company. There are two companies, a junior (years 6-8) and senior (years 9-11), which is open to all pupils to audition in September of each year. The pupils develop their Dance technique Choreography and Performance skills. As well as performing in the school Dance Production they also played an important role in going out to local state junior schools to perform and lead workshops.

Ten pupils successfully gained their Bronze Arts Award through Dance. There were two Dance Theatre Trips, Richard Alston Dance Company and Balletboyz, both at the Lighthouse Poole.

Drama

Ballard pupils have been successful in their LAMDA and New Era examinations, with exceptionally high marks scored throughout the cohort.

Private Peaceful was performed to mark the special Remembrance anniversary, and was extremely well received by pupils, parents, and local junior school pupils present at the specially arranged matinee performance. One of our pupils was accepted by the National Youth Theatre

GCSE drama results continue to be excellent, and the GCSE students performed a Canterbury Tales as their assessed play. Drama itself is taught as a discrete subject weekly by a specialist from years 6 to 9.

Music and Expressive Arts

Music is taught as a specialist subject to all pupils from Reception to Year 9 and is also available as a GCSE option along with its sister subject Expressive Arts. Expressive Arts is a compulsory subject for all year 3 to year 5 pupils. In 2015 pupils again achieved 100% A* - C in both Music and Expressive Arts GCSE.

The department's facilities include a suite of 12 iMac computers running a host of specialist Music Software programs from Apple and Avid along with teaching and practice room facilities. The addition of 2 new teaching pianos and a baby grand performance piano have been a welcome addition. Redecoration of the Recital Room in 2015 now enables the department to host external exams and small-scale performances.

As part of both the Music and Expressive Arts curriculum, pupils enjoy the opportunity to participate in trips and workshops. In 2014/15 these included Opera and Musical Theatre at the Mayflower Theatre and a visit from the Mini BSO.

At Y3-5, all pupils follow the Expressive Arts curriculum and participate in concerts and productions including the Carol Service and this year's Junior Musical 'The Owl and The Pussycat'.

More than 150 pupils have individual music or voice lessons each week from a team of 12 peripatetic music staff with over 40 pupils taking ABRSM exams at the school in 2014/15.

FUTURE PLANS

The Board of Governors intends to continue its current strategies of maintaining the School's position in a competitive market by investing to provide high quality education for our pupils. Achieving a high standard of academic results is a constant aim whilst maintaining the breadth and depth of the education provided. The Headmaster and senior staff continue to review the curriculum to ensure that the educational qualifications obtained remain appropriate for our pupils' development.

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

REPORT OF THE BOARD OF GOVERNORS INCORPORATING A STRATEGIC REPORT (CONTINUED)

Our future plans are financed primarily from fee income and from our reserves. The Board of Governors need to maintain an equitable balance between the interests of our current and our future pupils. Whilst ensuring benefits for present pupils, the Board is aware of the need to preserve a sound infrastructure and financial base for the next generation of pupils, in the same way as pupils today benefit from the investment made in the past.

The Board of Governors views bursary and scholarship awards as important in widening access to the education our School provides. Bursary funds are made available to ensure that able children can accept offers of places at our School through the availability of means-tested fee assistance and to assist pupils already at the school where the parents encounter financial difficulties.

The Charity's key objectives for the immediate future are:

- Maintain the present low pupil/teacher ratios, which we believe gives our pupils the individual attention needed to help them realise their academic and cultural potential to the full;
- Maintain the high standards of academic achievement demonstrated in recent years' examination results and to ensure that each individual pupil achieves his/her best results;
- Balance academic achievement through a curriculum allowing full scope for the development of artistic, sporting, dramatic and musical skills;
- Optimise the curriculum to ensure our School offers the most appropriate range of subjects;
- Invest in state-of-the art technology with a view to encouraging new ways of learning and communicating;
- Continue access to our School by way of our means tested bursary programme;
- Continuing to promote links with schools and countries both locally and outside of the UK;
- Continue developing and fostering links with the local community to enhance the public benefit we can provide; and
- Generally maintain and improve facilities at the school.

OUR FINANCES

The financial statements show total incoming resources for the year on School activities of £5,010,917 (2014 £4,799,133). The principal source of income is fees, accounting for 98.1% (2014 – 98.4%) of the School's income. The Board of Governors is continuing its strategy of deploying all net incoming resources to invest in the educational purposes and fabric of our School.

As a charity, the parents of our pupils have the assurance that all the income of the School must be applied for educational purposes. As an educational charity we enjoy tax exemption on our educational activities and on our investment income and gains, provided these are applied for our charitable aims. As a Charity we are also entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our bursary policies.

However, as an educational charity, we are unable to reclaim VAT input tax on our costs as we are exempt for VAT purposes. We also pay tax as an employer through the national insurance contributions we make.

In addition to the very substantial benefits our School brings to our pupils, the local community and society gain through the education we offer, and our bursary programme creates a social asset without cost to the Exchequer.

Developments and Maintenance

The school continued to invest in new equipment and facilities whilst maintaining and improving the buildings and grounds. The main car park was redesigned and laid with tarmac at a cost exceeding £100,000. Capital expenditure on IT equipment totalled £39,432.

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

REPORT OF THE BOARD OF GOVERNORS INCORPORATING A STRATEGIC REPORT (CONTINUED)

Reserves and Financial Health

The Board of Governors regularly review the finances, spend against budget, together with monthly management accounts, as part of the effective stewardship of the School. The Board of Governors has invested substantial sums into new School buildings in recent years and has a continuing programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils. As shown in note 17 to the accounts the reserves are £7,020,418 (2014 £6,938,971) which illustrates the extent of the investment in our School; this is a common practice by independent schools which have to finance their own capital investment plans.

The Board of Governors considers that whilst the charity's balance sheet is strong, there is a need to maintain cash reserves to enable the school to continue to operate should any unforeseen circumstances occur and to facilitate capital expenditure in the future without the need to borrow. The lowest level of cash reserves during the year was £2,810,311 (2014 £3,941,615) representing 32 weeks expenditure. The policy is to have cash reserves so that at their lowest level in the school year, they cover a minimum of two term's overheads.

Investment Policy and Performance

During the year the Board of Governors decided to invest £2,000,000 with THESIS Asset Management plc. The funds are invested with a view to receiving an income stream with a reasonable degree of capital growth. The wide portfolio of investment funds is considered to be of medium risk but when combined with the school's other cash deposits the overall risk profile is considered to be low.

The investments with THESIS were made during March and April 2015. During the short period of trading the general market fell and the school experienced realised and unrealised losses of £67,949 as at 31 August 2015. Income from the investments totalled £26,319.

Surplus cash funds are held with a minimum of three financial institutions in interest bearing accounts to earn a good rate of return whilst maintaining low exposure to risk. Interest earned was £26,165 (2014 £38,001).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Board of Governors, made up of the charity trustees, is responsible for the overall management and control of Ballard School and meets a minimum of three times a year. The work of implementing most of their policies is carried out by the members of the Education Committee and the Finance & General Purposes Committee which meet each term. These Committees work under the chairmanship of a Governor appointed at the Board of Governors first meeting of each academic year. The School Bursar is responsible for co-ordinating the work of the Board of Governors and its Committees, preparation of papers and management accounts and the review of matters arising.

All trustees give of their time freely and no remuneration was paid in the year but travel and training costs are reimbursed. No Governor or person connected with a Governor received any benefit from either means-tested bursaries or scholarships awarded to our pupils.

Organisational Management

The Board of Governors determines the general policy of the School. The day to day running of the School is delegated to the Head, supported by senior staff. The Headmaster undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the senior staff. The day to day administration of the School is undertaken within the policies and procedures approved by the Board of Governors, which require only significant expenditure decisions and major capital projects to be referred to the Governors for prior approval.

The Head oversees the recruitment of all educational staff, whilst under delegated authority the bursar oversees the recruitment of administrative and non-teaching support staff. The Head and Bursar attend meetings of the Board of Governors

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

REPORT OF THE BOARD OF GOVERNORS INCORPORATING A STRATEGIC REPORT (CONTINUED)

Other Relationships

The Head is a member of the Independent Association of Preparatory Schools (IAPS) and The Independent Schools association (ISA) which gives an opportunity to share expertise, knowledge and experience across the independent school sector. Membership of the IAPS and ISA also permits appropriate representation to Government and regulators of the views of the sector. The School is also a foundation member of TISCA, The Independent Schools' Christian Alliance.

Risk Management

Members are responsible for the overseeing of the risks faced by the School. Detailed considerations of risk are delegated to the Senior Management of the School. Risks are identified, assessed and controls established throughout the year. Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Health and Safety

The health and safety of the school site is of paramount importance. Health and safety risks are carefully assessed and monitored to minimise the possibility of accidents and the Board of Governors is briefed on a regular basis.

Competition

The market in which the school operates is highly competitive. Consequently, the school reviews its processes regularly to ensure that pupils receive a first class education that helps them to perform to their full ability in all aspects of school life.

Governor Recruitment and Training

The Board of Governors requires breadth and depth of experience to carry out its duties effectively and efficiently. When recruiting new trustees, the Board seeks individuals with commitment to the particular aims of this educational charity, and an interest in and knowledge of education more generally. Where possible the Governors consider that the skills and experience of the Board should include the following:

- A Governor with a legal background.
- A Governor with a financial/accounting background.
- A Governor with education experience.
- A Governor with senior managerial or business experience.
- A Governor with experience of equal opportunities or disability needs.
- At least one female Governor and at least one male Governor.

A Governor may of course have more than one of these skills.

Identified training needs may be met by using the particular skills of Members and by taking advantage of the opportunities and resources provided by external professional bodies.

AUDITORS

Nexia Smith & Williamson have indicated their willingness to continue in office in accordance with Section 487(2) of the Companies Act 2006.

BALLARD SCHOOL LIMITED
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REPORT OF THE BOARD OF GOVERNORS INCORPORATING A STRATEGIC REPORT (CONTINUED)

STATEMENT OF MEMBERS' RESPONSIBILITIES

The Members are responsible for preparing the Report of the Board of Governors and the financial statements in accordance with applicable law and regulations

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

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Members are required to:

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

The Members are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006, the SORP 2005, the Charities Act 2011 and the Articles of Association. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE TO AUDITOR

So far as the Members are aware, there is no relevant audit information of which the company's auditors are unaware, and that each Board Member has taken all the steps that a Board Member ought to have taken in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD



M A R Smith – Secretary

8 March 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS of BALLARD SCHOOL LIMITED

We have audited the financial statements of Ballard School Limited for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 22. 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).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditor

As explained more fully in the Members' Responsibilities Statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information provided in the Report of the Board of Governors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Nexia Smith & Williamson

Richard Green
Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

Imperial House
18-21 Kings Park
Road
Southampton
SO15 2AT

Date: *8th March 2016*

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an income and expenditure account and statement of total recognised gains and losses)
for the Year Ended 31 August 2015

| | Note | Unrestricted Funds | |
|--|------|--------------------|------------------|
| | | 2015 | 2014 |
| | | £ | £ |
| INCOMING RESOURCES | | | |
| Incoming resources from charitable activities | | | |
| School fees - gross | | 5,498,713 | 5,308,740 |
| Extras | | 111,580 | 107,489 |
| Entrance fees | | 10,450 | 8,045 |
| | | <u>5,620,743</u> | <u>5,424,274</u> |
| Less: Scholarships, bursaries and other allowances | 4 | <u>(706,113)</u> | <u>(693,987)</u> |
| | | 4,914,630 | 4,730,287 |
| Incoming resources from generated funds | | | |
| Holiday and other lettings | | 22,770 | 22,812 |
| Investment income | | 26,319 | - |
| Interest receivable | | 26,165 | 38,001 |
| Insurance commission | | 4,671 | 4,890 |
| Other income | | 16,362 | 3,143 |
| | | <u>5,010,917</u> | <u>4,799,133</u> |
| RESOURCES EXPENDED | | | |
| Charitable activities | | | |
| Education | 5 | 3,074,866 | 2,894,219 |
| Housekeeping | 5 | 450,477 | 442,490 |
| Establishment | 5 | 908,367 | 803,879 |
| Administration | 5 | 152,484 | 144,429 |
| Bank interest payable and other charges | 5/6 | 3,705 | 4,045 |
| Management and administration of the school | 5 | 233,781 | 233,854 |
| Governance costs | | | |
| Audit | | 8,000 | 8,390 |
| Governors' expenses | | 1,011 | 1,395 |
| Cost of generating funds | | | |
| Publicity | | 25,662 | 27,505 |
| Loss on sale of investments | 10 | 1,715 | - |
| Investment management | | 3,168 | - |
| | | <u>4,863,236</u> | <u>4,560,207</u> |
| Total resources expended | | <u>4,863,236</u> | <u>4,560,207</u> |
| Net income for the year | | 147,681 | 238,926 |
| Net unrealised losses on investments | 10 | <u>(66,234)</u> | <u>-</u> |
| Net movement in funds | | 81,447 | 238,926 |
| Total funds brought forward at 1 September 2014 | | <u>6,938,971</u> | <u>6,700,045</u> |
| Total funds carried forward at 31 August 2015 | | <u>7,020,418</u> | <u>6,938,971</u> |

The notes on pages 16 to 24 form part of these financial statements

All amounts derive from continuing activities.

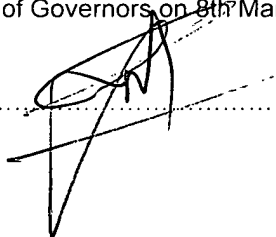
BALLARD SCHOOL LIMITED
(Limited by Guarantee)

BALANCE SHEET
as at 31 August 2015

| | Note | £ | 2015 £ | £ | 2014 £ |
|---|------|--------------------|------------------|--------------------|------------------|
| FIXED ASSETS | | | | | |
| Tangible | 9 | | 3,432,863 | | 3,570,003 |
| Investments | 10 | | 1,955,202 | | - |
| | | | <u>5,388,065</u> | | <u>3,570,003</u> |
| CURRENT ASSETS | | | | | |
| Stocks | 11 | 3,253 | | 3,106 | |
| Debtors | 12 | 153,351 | | 166,890 | |
| Cash at bank and in hand | | <u>2,948,142</u> | | <u>4,647,514</u> | |
| | | 3,104,746 | | 4,817,510 | |
| CREDITORS: Amounts falling due within one year | 13 | <u>(1,398,931)</u> | | <u>(1,353,869)</u> | |
| NET CURRENT ASSETS | | | <u>1,705,815</u> | | <u>3,463,641</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>7,093,880</u> | | <u>7,033,644</u> |
| PROVISIONS | 14 | | <u>(73,462)</u> | | <u>(94,673)</u> |
| NET ASSETS | | | <u>7,020,418</u> | | <u>6,938,971</u> |
| RESERVES | | | | | |
| Unrestricted income fund | 17 | | <u>7,020,418</u> | | <u>6,938,971</u> |

Approved by the Board of Governors on 8th March 2016 and signed on their behalf by:

.....
C Ford
Chairman



Company Registration No. 733644 (England and Wales)
Charity Registration No. 307328

The notes on pages 16 to 24 form part of these financial statements

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

CASH FLOW STATEMENT
for the Year Ended 31 August 2015

| | Note | 2015 £ | 2014 £ |
|---|------|--------------------|------------------|
| NET CASH INFLOW FROM OPERATING ACTIVITIES | A | 438,405 | 909,951 |
| RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | B | 26,165 | 38,001 |
| CAPITAL EXPENDITURE | C | <u>(2,163,942)</u> | <u>(58,522)</u> |
| (DECREASE) / INCREASE IN CASH | | <u>(1,699,372)</u> | <u>889,430</u> |
| RECONCILIATION OF NET CASH INFLOW TO MOVEMENT IN NET FUNDS | | | |
| (Decrease)/ increase in cash in the year | | (1,699,372) | 889,430 |
| Net funds at 1 September 2014 | | <u>4,647,514</u> | <u>3,758,084</u> |
| Net funds at 31 August 2015 | D | <u>2,948,142</u> | <u>4,647,514</u> |

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 August 2015

**A RECONCILIATION OF NET INCOMING
RESOURCES TO NET CASH INFLOW
FROM OPERATING ACTIVITIES**

| | 2015 £ | 2014 £ |
|---|----------------|----------------|
| Net incoming resources | 147,681 | 238,926 |
| Interest receivable | (26,165) | (38,001) |
| Depreciation and amortisation | 277,931 | 272,607 |
| Profit on disposal of owned assets | - | (120) |
| Loss on disposal of investments | 1,715 | - |
| Increase in stocks | (147) | (36) |
| Decrease in debtors | 13,539 | (5,305) |
| Increase in creditors falling due within one year | 45,062 | 460,866 |
| Decrease in provisions | (21,211) | (18,986) |
| | <u>438,405</u> | <u>909,951</u> |

**B RETURNS ON INVESTMENT AND
SERVICING OF FINANCE**

| | 2015 £ | 2014 £ |
|---------------------|---------------|---------------|
| Interest receivable | <u>26,165</u> | <u>38,001</u> |

C CAPITAL EXPENDITURE

| | 2015 £ | 2014 £ |
|---|--------------------|-----------------|
| Payments to acquire tangible fixed assets | (140,791) | (58,642) |
| Payments to acquire investments | (2,067,773) | - |
| Receipts from sale of tangible fixed assets | - | 120 |
| Receipts from sale of investments | 44,622 | - |
| | <u>(2,163,942)</u> | <u>(58,522)</u> |

D ANALYSIS OF CHANGES IN NET DEBT

| | At 1 September 2014 £ | Cashflows £ | At 31 August 2015 £ |
|--------------|-----------------------------|--------------------|---------------------------|
| Cash in hand | <u>4,647,514</u> | <u>(1,699,372)</u> | <u>2,948,142</u> |

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2015

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared under the historical cost accounting convention, as modified by the revaluation of fixed asset investments and in accordance with applicable United Kingdom accounting standards, the Charities SORP 2005 (Statement of Recommended Practice 'Accounting by Charities'), the Charities Act 2011 and the Companies Act 2006.

(b) Depreciation

Depreciation is provided on tangible assets on a straight line basis at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

| | |
|--|-----------------|
| Freehold land and buildings | - 2% |
| Furniture, fittings and equipment | - 20% |
| Improvements | - 10% |
| Swimming pool | - 10% |
| Computer equipment | - 25% |
| Motor vehicles | - 25% |
| All weather sports pitch - carpet, shock pad and fencing | - 10% |
| All weather sports pitch - equipment | - 25% |
| All weather sports pitch - groundworks | - over 35 years |
| Solar PV arrays | - 4% |

(c) Stocks

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less selling costs.

(d) Operating leases

Rentals payable under operating leases are charged to the income and expenditure account as incurred over the lease term.

(e) Pension contributions

The charity participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to consistently identify the liabilities of the TPS which are attributable to the School. As required by FRS17 "Retirement Benefits", the School accounts for this scheme as if it were a defined contribution scheme.

The Charity also contributes to a multi-employer defined benefits pension scheme, The Federated Flexiplan No.1 Pension Scheme ("FFPS"). It is not possible to determine the extent to which the surplus or deficit in the scheme relates to individual employers. In accordance with FRS17 therefore, the scheme is accounted for as a defined contribution scheme.

The Charity also contributes to a defined contribution occupational pension scheme for non-teaching staff.

Contributions to all three schemes are charged in the Statement of Financial Activities (SOFA) as they become payable in accordance with the rules of the schemes.

(f) Incoming resources

All incoming resources are included on an accruals basis.

(g) Deferred income

Deferred income consists of fees paid in advance that relate to terms subsequent to the year end.

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2015

1 ACCOUNTING POLICIES (continued)

(h) Voluntary income

Voluntary income is received by way of donations, gifts and fund raising activities. The income is all credited to the SOFA on a receipts basis.

(i) Resources expended

Resources expended are accounted for on an accruals basis. Certain expenditure is apportioned to cost categories on the estimated amount attributable to that category in the year. The irrecoverable element of VAT is included within the item of expense to which it relates.

(j) Fixed assets

Fixed assets are stated at the original cost, or if donated, the estimated market value at the date of receipt, less depreciation.

(k) Support costs

The administration staff cost and various other support costs are allocated between charitable activities and generating funds in the proportion to the time which the administration team spends on these two types of works. In the current year time spent on generating funds is considered to be immaterial and so 100% of support costs has been allocated to charitable activities.

(l) Unrestricted funds

The Charity operates an unrestricted school fund for fees and costs.

(m) Restricted funds

The Charity's restricted funds are those where the donor has imposed restrictions on the use of funds. At the end of the current and previous year, no such funds existed.

(n) Scholarships and bursaries

The school offers discounts on fees by way of scholarships and bursaries.

Scholarships are normally awarded to pupils entering Years 4, 7 or 9 who excel in Academic, Sport, Music, Art, Performing Arts, Drama or All-Round disciplines. Awards are made following tests, interviews and reports. All awards are reviewed annually to ensure that the pupil is meeting his/her potential and satisfying set criteria. New scholarships are normally 10% to 25% but may be up to 50%.

Means tested bursaries are available up to 100% of fees from Year 3 and are reviewed annually. They are designed to help parents who need financial support in the long term and those who are experiencing short term financial difficulties.

As all discounts are reviewed annually they are deducted from income in the year in which fees are charged.

(o) Investments

Investments are stated at market value at the balance sheet date. Realised gains/(losses) are calculated at the difference between market value at the date of disposal and market value at the previous balance sheet date (or acquisition if later). Unrealised gains/(losses) are calculated at the difference between the market value at the balance sheet date and the market values at the previous balance sheet date (or date of acquisition if later).

2 FEES AND EXTRAS

Fees and extras represent charges made for school fees in respect of the year and include chargeable extras relating to that year.

The fees, extras and surplus are attributable to the principal activity of the company.

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2015

3 STAFF NUMBERS AND COSTS

The average number of persons employed by the company during the year was as follows:

| | 2015 No | 2014 No |
|----------------|------------|------------|
| Administration | 11 | 12 |
| Educational | 86 | 85 |
| Establishment | 11 | 12 |
| Housekeeping | 19 | 20 |
| | <u>127</u> | <u>129</u> |

The average number of full time equivalent employees for the year employed by the company during the year was

| | 2015 No | 2014 No |
|----------------|------------|------------|
| Administration | 9 | 9 |
| Educational | 66 | 66 |
| Establishment | 7 | 7 |
| Housekeeping | 11 | 12 |
| | <u>93</u> | <u>94</u> |

The aggregate payroll costs of these persons were as follows:

| | 2015 £ | 2014 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 2,887,013 | 2,763,239 |
| Social security costs | 215,773 | 209,307 |
| Other pension costs | 333,872 | 306,195 |
| Compensation costs | 111 | 111 |
| | <u>3,436,769</u> | <u>3,278,851</u> |

The number of employees with emoluments exceeding £60,000:

| | | |
|-------------------|---|---|
| £60,001 - £70,000 | 2 | 1 |
| £70,001 - £80,000 | - | - |
| £80,001 - £90,000 | 1 | 1 |

During the year retirement benefits were accruing to these 3 employees (2014: 2). Contributions paid for the year for retirement benefits accruing in a Defined Benefits Scheme were £19,527 (2014: £10,535) and to a Defined Contribution Scheme £6,947 (2014: £6,618).

Neither the Council of Management nor persons connected with them received any remuneration or other benefits from the School.

During the year trustees' expenses totalling £1,011 (2014: £1,395) were reimbursed. These related to travelling expenses for the trustees. There were no amounts outstanding at the year end.

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2015

4 SCHOLARSHIPS, BURSARIES AND OTHER ALLOWANCES

| | 2015 | 2014 |
|---------------|----------------|----------------|
| | £ | £ |
| Fee discounts | 343,331 | 362,677 |
| Scholarships | 169,321 | 145,808 |
| Bursaries | 193,461 | 185,502 |
| | <u>706,113</u> | <u>693,987</u> |

5 ANALYSIS OF TOTAL RESOURCES EXPENDED

| | Staff costs £ | Depreciation/ profit on disposal £ | Operating leases £ | Other £ | Total £ |
|---------------------------------|------------------|--|--------------------------|------------------|------------------|
| Charitable activities | | | | | |
| Education | 2,758,504 | 47,646 | 10,499 | 258,217 | 3,074,866 |
| Housekeeping | 215,545 | 943 | - | 233,989 | 450,477 |
| Establishment | 154,097 | 220,928 | 48,068 | 485,274 | 908,367 |
| Administration | 123,449 | 3,366 | - | 25,669 | 152,484 |
| Finance charges | - | - | - | 3,705 | 3,705 |
| Management and administration | 185,174 | 5,048 | - | 43,559 | 233,781 |
| | <u>3,436,769</u> | <u>277,931</u> | <u>58,567</u> | <u>1,050,413</u> | <u>4,823,680</u> |
| Governance costs | - | - | - | 9,011 | 9,011 |
| Cost of generating funds | - | - | - | 30,545 | 30,545 |
| Total resources expended | <u>3,436,769</u> | <u>277,931</u> | <u>58,567</u> | <u>1,089,969</u> | <u>4,863,236</u> |

6 BANK INTEREST PAYABLE AND OTHER CHARGES

| | 2015 | 2014 |
|------------------------------|-------|-------|
| | £ | £ |
| Finance charges and interest | 3,705 | 4,045 |

7 SURPLUS FOR THE YEAR

| | 2015 | 2014 |
|---|----------|----------|
| | £ | £ |
| The surplus for the year is stated after charging/(crediting) - | | |
| Auditors' remuneration | | |
| - for audit | 8,000 | 8,390 |
| - for other services | 873 | 13,821 |
| Operating leases: hire of equipment | 58,567 | 58,262 |
| Depreciation - owned assets | 277,931 | 272,607 |
| Profit on disposal of owned assets | - | (120) |
| Loss on sale of investments | 1,715 | - |
| Interest receivable | (26,165) | (38,001) |
| Investment income | (26,319) | - |

8 TAXATION

The company is registered with the Charity Commission as an educational charity and, in accordance with Section 505 of the Income and Corporation Taxes Act 1988 and Section 256 of the Taxation of Chargeable Gains Act 1992, is exempt from taxation insofar as income and gains is applied to charitable purposes only.

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2015

9 TANGIBLE FIXED ASSETS

| | Total | Freehold land and buildings | Improvements | All weather sports pitch | Furniture, fittings & equipment | Swimming pool | Solar PV arrays | Computers & equipment | Motor vehicles |
|------------------------|-----------|-----------------------------------|--------------|-----------------------------|---------------------------------------|------------------|--------------------|--------------------------|-------------------|
| | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| COST | | | | | | | | | |
| 01 September 2014 | 5,680,431 | 3,735,311 | 975,035 | 562,076 | 145,709 | 23,941 | - | 201,344 | 37,015 |
| Additions | 140,791 | - | - | - | 18,207 | - | 83,152 | 39,432 | - |
| Disposals | (48,758) | - | - | - | (21,300) | - | - | (27,458) | - |
| 31 August 2015 | 5,772,464 | 3,735,311 | 975,035 | 562,076 | 142,616 | 23,941 | 83,152 | 213,318 | 37,015 |
| DEPRECIATION | | | | | | | | | |
| 01 September 2014 | 2,110,428 | 1,008,271 | 665,070 | 130,782 | 107,062 | 23,941 | - | 154,208 | 21,094 |
| Eliminated on disposal | (48,758) | - | - | - | (21,300) | - | - | (27,458) | - |
| Charge for the year | 277,931 | 74,706 | 90,890 | 43,600 | 19,411 | - | 3,049 | 37,021 | 9,254 |
| 31 August 2015 | 2,339,601 | 1,082,977 | 755,960 | 174,382 | 105,173 | 23,941 | 3,049 | 163,771 | 30,348 |
| NET BOOK VALUE | | | | | | | | | |
| 31 August 2015 | 3,432,863 | 2,652,334 | 219,075 | 387,694 | 37,443 | - | 80,103 | 49,547 | 6,667 |
| 31 August 2014 | 3,570,003 | 2,727,040 | 309,965 | 431,294 | 38,647 | - | - | 47,136 | 15,921 |

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2015

10 FIXED ASSET INVESTMENTS

| | 2015 £ | 2014 £ |
|---|------------------|-----------|
| Investments listed on a recognised stock exchange - | | |
| Equity shares | 1,375,304 | - |
| Fixed interest securities | 492,872 | - |
| Other investments - | | |
| Cash deposits | 87,026 | - |
| | <u>1,955,202</u> | <u>-</u> |
| Listed investments and other investments: | | |
| Market value at 1 September 2014 | - | - |
| Additions | 2,067,773 | - |
| Disposal proceeds | (44,622) | - |
| Profit/(loss) on disposal | (1,715) | - |
| Surplus/(deficit) on revaluation at 31 August 2015 | (66,234) | - |
| Market value at 31 August 2015 | <u>1,955,202</u> | <u>-</u> |

11 STOCKS

| | 2015 £ | 2014 £ |
|-------------|--------------|--------------|
| Consumables | <u>3,253</u> | <u>3,106</u> |

12 DEBTORS

| | 2015 £ | 2014 £ |
|-----------------|----------------|----------------|
| Fees and extras | 61,958 | 76,576 |
| Other debtors | 293 | 16,061 |
| Prepayments | 91,100 | 74,253 |
| | <u>153,351</u> | <u>166,890</u> |

13 CREDITORS: amounts falling due within one year

| | 2015 £ | 2014 £ |
|-------------------------------|------------------|------------------|
| Fees received in advance | 947,045 | 994,931 |
| Deposit received in advance | 158,101 | 156,901 |
| Other creditors | 99,539 | 97,279 |
| Accruals | 131,632 | 44,924 |
| Other tax and social security | 62,614 | 59,834 |
| | <u>1,398,931</u> | <u>1,353,869</u> |

14 PROVISIONS

| | 2015 £ | 2014 £ |
|---|---------------|---------------|
| The Federated Flexiplan No.1 Pension Scheme (see note 20) | | |
| At 1 September 2014 | 94,673 | 113,659 |
| Paid in the year | (21,211) | (18,986) |
| At 31 August 2015 | <u>73,462</u> | <u>94,673</u> |

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2015

15 CONSTITUTION OF THE COMPANY

The company is limited by guarantee, and each member is under covenant to contribute a sum not exceeding one pound sterling in certain circumstances as set out in clause 5 to the Memorandum of Association. The number of members is 13 (2014: 13).

16 OBLIGATIONS UNDER OPERATING LEASES

For operating leases, payments committed to be made during the next year are as follows:

| | Other 2015 £ | Other 2014 £ |
|---------------------------|--------------------|--------------------|
| Operating leases expiring | | |
| Within one year | 10,058 | 9,590 |
| Within two to five years | 45,012 | 44,064 |
| | <hr/> | <hr/> |

17 RESERVES

| | 2015 £ | 2014 £ |
|----------------------------------|-----------|-----------|
| General unrestricted income fund | 7,020,418 | 6,938,971 |
| | <hr/> | <hr/> |

These funds are held for the current and future operation of the school. They are obtained through accumulated net income, gifts and donations. The assets and liabilities representing this fund are shown on the balance sheet.

All funds held are unrestricted and at the year end were transferred to the general fund. Sufficient resources are held within this fund for the continued operations of the school. All movements in this fund are detailed in the SOFA and represent the accumulated surplus from the operation of the school in furtherance of the objects of the charity.

18 CAPITAL COMMITMENTS

At the year end the Company had capital commitments of £16,780 relating to the purchase of a motor vehicle (2014: £83,152 relating to the installation of Solar PV arrays).

19 CONTROLLING PARTY

The Company is controlled by the Board of Governors.

20 PENSION SCHEME ARRANGEMENTS

Teaching staff

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £275,426 (2014: £265,731) and at the year-end £nil (2014 - £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pension Scheme Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2015

20 PENSION SCHEME ARRANGEMENTS (continued)

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report in respect of the TPS was prepared at 31 March 2012 and was published in June 2014. This report confirmed that the employer contribution rate for the TPS will increase from 14.1% to 16.4% although, recognising that teaching establishments work on an academic and not financial year, the Government has deferred the implementation of this increase to 1 September 2015. Employers will in addition from 1 September 2015 pay a scheme administration levy of 0.08% of the employers' salary costs which will increase the total employer payment rate from 16.4% to 16.48%.

The next revision to the employer contribution rate is not expected to take effect until 1 April 2019. This will follow on from the next actuarial valuation which is due at 31 March 2016. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

Non-teaching staff

Since May 2014 contributions have been paid to a defined contribution Occupational Pension Scheme. For the period from March 2007 to April 2014 the Charity contributed to a defined contribution Group Personal Pension Scheme. The assets of both schemes are held independently from those of the Charity in independently administered funds.

Contributions to this scheme are charged in the SOFA as they become payable in accordance with the rules of the scheme.

Prior to March 2007 the Charity participated in The Federated Flexiplan No.1 Pension Scheme ("the Plan") which is a defined benefit pension scheme.

The Plan closed to further accrual in January 2010 and following two Court hearings, for interpretation of the Plan rules, the entitlement of members has been definitively established. An actuarial valuation at 31 March 2009 revealed a significant deficit and a consequent Recovery Plan required the Company to contribute £17,397 for the three years commencing 1st April 2011 in respect of its share of the deficit.

A further actuarial valuation, at 31 March 2012, shows that the overall deficit at that date is approximately £18.3 million. In line with the approach used for the 2009 valuation, the basis used to calculate the deficit was chosen to produce a level for the liabilities which was anticipated to be broadly in line with the cost of securing the Plan benefits with an insurer. A new Recovery Plan has now been issued which takes account of the 31 March 2012 actuarial valuation and subsequent changes in assets and liabilities up to the date of signing the valuation in June 2013.

Following the outcome of the Court case the Trustee of the Plan has decided to adjust each employer's liability in the new Recovery Plan to reflect the extent to which each employer has either underpaid or overpaid contributions during the course of the existing Recovery Plan. The Company will be required to pay £21,211 per annum for three years from 1 April 2014 and £19,939 per annum for two years from 1 April 2017 as its share of the deficit.

Prior to the outcome of the Court case it was not possible to quantify the charity's liability. Hence, in previous years contributions to the scheme were charged as they were paid and the liability disclosed as contingent. Following the judgement the liability is now known and the total underpaid contributions of £113,659 were charged in the Statement of Financial Activities as an exceptional item in the year to 31 August 2013. Amounts due at 31 August are included within provisions and are disclosed in note 14.

The next formal triennial actuarial valuation, due at 31 March 2015, is in the process of being prepared but confirmed figures are not yet available. It is not expected that this valuation will result in an increase in the amount the Company is required to contribute for its share of the deficit.

BALLARD SCHOOL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2015

21 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year (2014: none).

22 CONTINGENT LIABILITY

There were no contingent liabilities at the balance sheet date.