

Charity Registration No. 527611

Company Registration No. 00796794 (England and Wales)

ST HUGH'S SCHOOL (WOODHALL SPA) LIMITED

GOVERNORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST AUGUST 2016

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ST HUGH'S SCHOOL (WOODHALL SPA) LIMITED

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ST HUGH'S SCHOOL (WOODHALL SPA) LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS
for the Year Ended 31st August 2016

| | | |
|-------------------|--------------|---|
| GOVERNORS: | M Harrison | Resigned 10 th March 2016 |
| | D Harvey | Resigned 29 th February 2016 |
| | M Johnson | Resigned 29 th February 2016 |
| | J Merritt | |
| | L Reynolds | |
| | H Betty | Resigned 29 th February 2016 |
| | J Stringer | Resigned 29 th February 2016 |
| | A Willoughby | Resigned 6 th June 2016 |
| | K Addison | |
| | C Burch | |
| | N Cudmore | |
| | L Mason | |
| | S Herring | |
| | S Dewhurst | Appointed 9 th November 2015 |

| | |
|-----------|--|
| J Harris | Appointed 1 st September 2016 |
| R Bussell | Appointed 6 th September 2016 |

| | | |
|-------------------|----------|---|
| SECRETARY: | D Harvey | Resigned 29 th February 2016 |
|-------------------|----------|---|

| | |
|------------------------|--------|
| CHARITY NUMBER: | 527611 |
|------------------------|--------|

| | |
|------------------------|----------|
| COMPANY NUMBER: | 00796794 |
|------------------------|----------|

| | |
|---------------------------|---|
| REGISTERED OFFICE: | Cromwell Avenue Woodhall Spa Lincolnshire LN10 6TQ |
|---------------------------|---|

| | |
|------------------|---|
| AUDITORS: | Forrester Boyd 139 Eastgate Louth Lincolnshire LN11 9QQ |
|------------------|---|

| | |
|-----------------|--|
| BANKERS: | Barclays Bank plc 35 High Street Horncastle Lincolnshire LN9 5HS |
|-----------------|--|

| | |
|--------------------|---|
| SOLICITORS: | Bridge McFarland 1 Eastgate Louth Lincolnshire LN11 9LZ |
|--------------------|---|



ST HUGH'S SCHOOL (WOODHALL SPA) LIMITED

GOVERNORS' REPORT for the Year Ended 31st August 2016

The Governors present their report and audited financial statements of the company for the year ended 31st August 2016. The financial statements have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISORS

The Governors, who are also directors for the purposes of company law, who served during the year were:-

M Harrison
D Harvey
M Johnson
J Merritt
L Reynolds
H Betty
J Stringer
A Willoughby
K Addison
C Burch
N Cudmore
L Mason
S Herring
S Dewhurst

STRUCTURE GOVERNANCE AND MANAGEMENT

The Charity is a company limited by guarantee and the company was incorporated in 1964.

Trustee Induction and Training

The Governing Body embodies a group of Trustees from a cross section of professional disciplines relevant to the long term running of the School. Governors are appointed with educational, financial, legal and other commercial experience including at least one representative from parents of current pupils at the School and ensuring strong relationships with all related parties e.g. parents, staff, prospective parents, senior schools and the local business community.

Prospective new Governors are proposed by the Board for their professional experience and qualifications and are invited to attend a Board Meeting as observers and to meet other Governors in order to gain an understanding of the School and its ethos. Provided this process is mutually successful they are put forward for election at a full Governors' Meeting. New Governors are inducted into the workings of the School and also of the Company as a registered charity and are instructed in the expectation of the Governing Body. An initial visit affords the opportunity to meet the Head, the staff and the pupils and observe the School at work. A number of internal and external training courses are available to Governors to ensure they keep updated on current developments.

The Governors meet as a Board at least three times a year to determine the general policy of the School and review its overall management and control for which they are legally responsible. Finance, Education and Marketing sub committees meet termly and report any progress to the Governing Board. Certain Governors also hold specific roles i.e. responsibility for safeguarding and boarding. Governors learn first-hand how the school operates on pre-arranged visits to specific areas of the School. This ensures that they are more aware of the School's needs and are well equipped to support them. The day to day running of the School is delegated to the Headmaster, supported by members of the Senior Management Team.

Risk Factors

The Governors examine the major risks that the school faces each financial year when preparing and updating the strategic plan. The charity continually develops systems to monitor and control these risks to mitigate any future impact on the school. A major risk to financial stability is the number of pupils attending the school and detailed records of pupil numbers are maintained in order to monitor fluctuations and promote appropriate reaction in a timely manner. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and close monitoring of the Company's budgets during the year.



ST HUGH'S SCHOOL (WOODHALL SPA) LIMITED

GOVERNORS' REPORT (CONTINUED) for the Year Ended 31st August 2016

OBJECTIVE AND ACTIVITIES OF THE CHARITY

The charity's objects are to carry on and develop the St Hugh's Preparatory School at Woodhall Spa for charitable educational purposes. These objects are carried out in accordance with the company's Memorandum and Articles of Association.

This is achieved, not only by promoting academic excellence but by providing a happy and stimulating environment in which pupils can develop spiritually, mentally and physically. To this end, St Hughs School offers a broad and balanced academic curriculum, fully supported by a wide range of extra-curricular activities and the highest possible standard of pastoral care. Children of all religions and races aged from 2-13yrs are welcome at this co-educational day and boarding school.

In furtherance of these objectives a policy of sound financial management is adopted, ensuring the availability of the necessary funds to enable the school to continue its development and there has been no change in this policy during the year. No Governor has a beneficial interest in the company or has any shares in the company; their liability being limited by guarantee.

ACHIEVEMENTS AND PERFORMANCE REVIEW

Ethos

St. Hugh's School aims to provide a caring, family atmosphere allowing each child to develop their independence and individuality. St Hugh's equips your child for life!

Educational Aims

- To offer a broad, stimulating curriculum that helps each and every child to develop and to fulfil their potential, both within and beyond the classroom.
- To provide a happy and stimulating environment in which every child feels safe, valued and cared for.
- To encourage the traditional values of courtesy, honesty and hard work, together with a sense of responsibility and consideration for others.
- To promote an inclusive environment based around Christian values through the experiences offered to each and every child.
- To prepare children successfully for transfer to a wide range of senior schools.

The high standards of academic achievement continue and delivered significant success for those taking the 11+ examination for Lincolnshire Grammar Schools. Year 8 leavers were also successful at Common Entrance and transferred to senior schools of their choice with 13 scholarships being awarded for academic prowess, sport and music.

Sporting enjoyment and achievement is high on St Hugh's agenda and current facilities include an indoor, heated swimming pool and extensive sports pitches on the school site with constant focus on the future improvement and expansion of facilities and fixtures. Work commenced on an all-weather pitch at the start of the academic year and was completed in June. Teams and individual pupils have competed at local, regional and national levels with some notable successes in swimming and rugby in particular. Every child from Year 3 – 8 has represented the School at some stage during the year.

The School has a thriving, well-equipped music department with over 70% of eligible pupils learning a musical instrument. Two orchestras, ensembles and choirs have performed at many concerts at school both in School and out in the wider community. These include services at our local parish church.



ST HUGH'S SCHOOL (WOODHALL SPA) LIMITED

GOVERNORS' REPORT (CONTINUED) for the Year Ended 31st August 2016

ACHIEVEMENTS AND PERFORMANCE REVIEW (Cont'd)

Provision for Art and Drama is excellent with the Nativity and the Junior and Senior plays being very popular highlights on the School calendar. A broad range of trips and activities have taken place through the year including residential trips to France for pupils in Year 5 and Year 7 and an outward bound activity for pupils in Year 8. The cost of curriculum related trips is incorporated into the school fee.

St Hugh's benefits from the generosity and hard work of a thriving parent body. The Parents' Association continue to arrange events which provide social opportunities for parents, staff and children and also raises important revenue for medium level projects.

REVIEW OF FINANCIAL POSITION

Although there has been a reduction in pupil numbers in the last year due to the economic climate the School has made a surplus for the year 2015 of £6,212 compared to a deficit in 2016 of £48,082.

During the year the number of pupils registered with the School was 186. This included another large intake of pupils to the Reception year group; thus creating two form entry in both Reception and Year 1. A portable classroom unit was installed to cope with the demand for places in the Nursery. The Governors continue to work with the Head and staff of the School to improve the facilities and amenities available to the pupils.

Principle Sources of Funding

The principle funding source for the school are school fees.

Reserves Policy

The unrestricted funds stood at £1,271,015 in 2015 (2016 - £1,298,677) as at the year end, which was all deployed as part of the school premises and equipment.

The Governors consider that free reserves of three months' expenditure would be ideal in order to cover the risks and uncertainties of operating as an independent educational establishment. This figure is calculated excluding the school's land and buildings. At present excluding the charity's land and buildings (net of finance thereon) would leave the schools reserves below this level.

The school buildings are shown in the balance sheet at their historical cost. The actual market value is believed to be considerably higher than this but a revaluation is not considered appropriate as it is felt that this would distort the balance sheet and give a false impression of the reserves available to the school.

The policy is therefore to continue building up reserves out of annual operating surplus until this level is reached, subject to prior demands of further capital expenditure to equip the school with up to date facilities needed to maintain the standard of educational services currently provided.

It is considered that the school's current financial position is sufficient for it to continue to meet its objectives for the foreseeable future. The board keep the school's activities under review, particularly with regard to any major risks that may arise from time to time. They also monitor the effectiveness of the system of internal controls and other viable means, including insurance cover, where appropriate, by which those risks already identified can be mitigated.

PLANS FOR FUTURE PERIODS

The School plans to continue with the activities shown in the SOFA. In addition:

- The School will look to continue to offer and expand the age range of the holiday club provision.
- The School will be a pioneering prep school for a Visible Learning programme to continue to support the staff and enhance the academic provision throughout the School.



ST HUGH'S SCHOOL (WOODHALL SPA) LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

PLANS FOR THE FUTURE (Contd)

The School continues to work closely with the local community to ensure it is bringing public benefit to the community as a whole. Local groups, primary schools and organisations use some of the School's facilities such as the sports hall, Forbes hall and swimming pool. The popularity of the Nursery continues to grow.

Fundraising continues to play an important role in school life at St. Hugh's. Over 100 shoeboxes were donated to the Samaritan's Christmas Shoebox appeal and charity days within the school years support charities including Save the Children and Jeans for Genes.

AUDITORS

In accordance with section 485 of the Companies Act 2006, a resolution proposing that Forrester Boyd be reappointed, as auditors of the company will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Company law requires the Governors to prepare accounts for each financial year, which give a true and fair view of the charitable company's state of affairs at the end of the year and of its income and expenditure for that period.

In preparing those accounts, the Governors are required to:

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

STATEMENT OF GOVERNORS' RESPONSIBILITIES

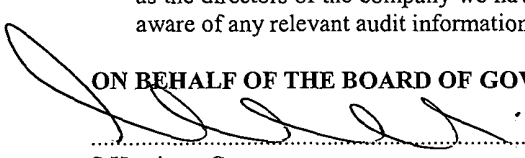
The Governors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets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

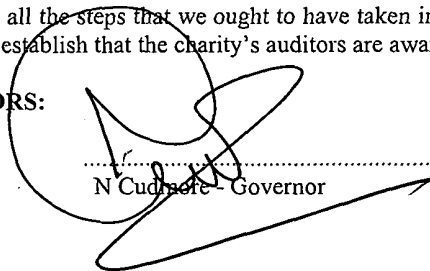
The Governors, who are directors for the purpose of company law and governors for the purpose of charity law who served during the year and up to the date of this report are set out on page 2.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

ON BEHALF OF THE BOARD OF GOVERNORS:


S Herring - Governor


N Cudmore - Governor

Date: 27.2.17



ST HUGH'S SCHOOL (WOODHALL SPA) LIMITED

Independent Auditor's Report to the members of St Hugh's School (Woodhall Spa) Limited

We have audited the financial statements of St Hugh's School (Woodhall Spa) Limited for the year ended 31st August 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and The Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

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 trustees and auditor

As explained more fully in the Governors' Responsibilities Statement on page 5, the governors (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 Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements 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 trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' Annual Report to identify material inconsistencies with the audited financial statements 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 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 31st 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 applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

Alan Nesbitt BA FCA
Senior Statutory Auditor
For and on behalf of Forrester Boyd
Chartered Accountants & Statutory Auditor
139 Eastgate, Louth
Lincolnshire
LN11 9QQ

Date..... 27/2/17



Company No: 00796794

| | | 2016 | | 2015 |
|--|-------|-------------------|-----------------|-------------------|
| | Notes | Unrestricted £ | Restricted £ | TOTAL £ |
| INCOMING RESOURCES | | | | |
| Charitable activities | | | | |
| Investment income | | 575 | - | 575 |
| School fees and extras | | 1,714,195 | - | 1,714,195 |
| Nursery fees | | 76,065 | - | 76,065 |
| Other incoming resources | | 142,008 | 84,153 | 226,161 |
| <hr/> | | | | |
| TOTAL INCOMING RESOURCES | | 1,932,843 | 84,153 | 2,016,996 |
| <hr/> | | | | |
| RESOURCES EXPENDED | | | | |
| Direct charitable expenditure | | | | |
| Teaching costs | 2 | 1,370,880 | - | 1,370,880 |
| Welfare costs | | 279,960 | - | 279,960 |
| Premises costs | | 235,046 | 6,958 | 242,004 |
| Other expenditure | | 172,234 | - | 172,234 |
| <hr/> | | | | |
| TOTAL RESOURCES EXPENDED | | 2,058,120 | 6,958 | 2,065,078 |
| <hr/> | | | | |
| NET MOVEMENT IN FUNDS | | | | |
| Transfers between funds | | (125,277) | 77,195 | (48,082) |
| | | 152,939 | (152,939) | - |
| <hr/> | | | | |
| NET MOVEMENT AFTER TRANSFERS | | 27,662 | (75,744) | (48,082) |
| <hr/> | | | | |
| Fund balances at 1st September 2015 | | 1,271,015 | 89,208 | 1,360,223 |
| <hr/> | | | | |
| FUND BALANCES AT 31st August 2016 | | £1,298,677 | £13,464 | £1,312,141 |
| | | | | £1,360,223 |

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

All gains and losses recognised in the year are included above.



ST HUGH'S SCHOOL (WOODHALL SPA) LIMITED

BALANCE SHEET

31st August 2016

| | | 2016 | | 2015 | |
|--|-------|----------------|-------------------|----------------|-------------------|
| | Notes | £ | £ | £ | £ |
| FIXED ASSETS: | | | | | |
| Tangible assets | 5 | | 1,622,997 | | 1,462,520 |
| CURRENT ASSETS: | | | | | |
| Stocks | | 18,501 | | 22,459 | |
| Debtors | 6 | 478,805 | | 503,064 | |
| Cash at bank and in hand | | <u>25,778</u> | | <u>151,390</u> | |
| | | 532,084 | | 676,913 | |
| CREDITORS: Amounts falling due within one year | 7 | <u>737,374</u> | | <u>654,800</u> | |
| NET CURRENT ASSETS: | | | <u>(214,290)</u> | | <u>22,113</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES: | | | 1,408,707 | | 1,484,633 |
| CREDITORS: Amounts falling due after more than one year | 8 | | <u>96,566</u> | | 124,410 |
| | | | <u>£1,312,141</u> | | <u>£1,360,223</u> |
| INCOME FUNDS: | | | | | |
| Unrestricted funds | | | 1,298,677 | | 1,271,015 |
| Restricted funds | | | <u>13,464</u> | | <u>89,208</u> |
| | | | <u>1,312,141</u> | | <u>1,360,223</u> |

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

ON BEHALF OF THE BOARD:

Director – S HERRING

Director – N CUDMORE

Approved by the Board on: 27-2-17

The notes form part of these financial statements



ST HUGH'S SCHOOL (WOODHALL SPA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31st August 2016

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015). They are also prepared in accordance with applicable accounting standards and the current Statement of Recommended Practice on accounting and reporting by charities: The Charities SORP (FRSSE).

Incoming resources

All incoming resources are included in the Statement of Financial Activities when it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided 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 | - 1% and 5% per annum of cost |
| Fixtures, fittings and equipment | - 15% per annum of reducing balance |
| Motor vehicles | - 25% per annum of cost |

Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Asset acquired under hire purchase contracts are capitalised in the balance sheet. The assets are depreciated over their expected useful life. The interest element of payments is charged to the profit and loss account over the relevant period. The capital element of future payments is treated as a liability in the balance sheet

Stock

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

Pensions

The company operates a defined contribution scheme for the benefit of its non-teaching employees. The costs of contributions are written off against profits in the year they are payable.

Retirement benefits to teachers of the School are provided by the Teachers' Pension Scheme ('TPS'). This is a defined benefit scheme contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the school. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and the school is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year

Fees

Fees consist of charges billed for the School Year ended 31st August 2016 and those billed in advance are carried forward to the period to which they related as deferred income creditors.

Resources expended

Resources expended are recognised on an accruals basis as a liability is incurred. They are summarised under the financial headings, either on a direct costs basis or, for overhead costs, apportioned according to time spent. The irrecoverable element of VAT is included with the item of expenses to which it relates.

Teaching costs

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



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the Year Ended 31st August 2016

1. ACCOUNTING POLICIES CONTINUED...

Unrestricted Funds

Unrestricted funds are incoming resources receivable or generated for the objectives of the charity without further specified purpose and are available as general funds.

Restricted Funds

Restricted funds are in respect of fundraising efforts to provide an astro turf pitch at the school.

2. TOTAL RESOURCES EXPENDED

| | Staff Costs £ | Depreciation £ | Other Costs £ | Total 2016 £ | Total 2015 £ |
|--------------------------------------|---------------------|-------------------|---------------------|--------------------|--------------------|
| Direct charitable expenditure | | | | | |
| Teaching costs | 1,160,965 | 16,075 | 193,840 | 1,370,880 | 1,115,674 |
| Welfare costs | 161,346 | 14,314 | 104,300 | 279,960 | 453,173 |
| Premises costs | 37,964 | 8,588 | 195,452 | 242,004 | 287,691 |
| Other expenditure | 37,964 | - | 134,270 | 172,234 | 195,647 |
| | <u>1,398,239</u> | <u>38,977</u> | <u>627,862</u> | <u>2,065,078</u> | <u>2,052,185</u> |

Other expenditure include payments to the auditors of £5,040 (2015 - £4,980) for audit fees and £Nil (2015 - £420) for other services

3. GOVERNORS

None of the Governors (or any persons connected with them) received any remuneration or benefits from the charity during the year. There were no Governor's expenses incurred during the year.

4. EMPLOYEES

Number of employees

The average monthly number of employees during the year was:

| | 2016 | 2015 |
|----------------|-----------|-----------|
| Teaching staff | 45 | 38 |
| Domestic | 16 | 18 |
| Administrative | <u>5</u> | <u>4</u> |
| | <u>66</u> | <u>60</u> |

| Employment costs | 2016 £ | 2015 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 1,201,732 | 1,156,282 |
| Social security costs | 68,007 | 75,904 |
| Other pension costs | <u>128,500</u> | <u>103,896</u> |
| | <u>1,398,239</u> | <u>1,336,082</u> |

There is one employee whose annual emoluments was in the band £60,000 - £70,000 (2015- nil). During the year ended 31st August 2016, pension contributions for the member of staff amounted to £9,888 (2015 - nil).



ST HUGH'S SCHOOL (WOODHALL SPA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31st August 2016

4. EMPLOYEES CONTINUED...

Settlement agreements totalling £13,496 were paid to members of staff during the year.

5. TANGIBLE FIXED ASSETS

| | Land and buildings | Plant and machinery etc | Motor vehicles | Totals |
|---------------------------|-----------------------|-------------------------------|-------------------|------------------|
| | £ | £ | £ | £ |
| COST: | | | | |
| At 1st September 2015 | 1,576,183 | 528,010 | 186,200 | 2,290,393 |
| Additions | 184,256 | 15,598 | 0 | 199,854 |
| Disposal | <u>0</u> | <u>0</u> | <u>19,887</u> | <u>19,887</u> |
| At 31st August 2016 | <u>1,760,439</u> | <u>543,608</u> | <u>166,313</u> | <u>2,470,360</u> |
| DEPRECIATION: | | | | |
| At 1st September 2015 | 192,727 | 461,818 | 173,328 | 827,873 |
| Charge for year | 16,075 | 12,269 | 11,033 | 39,377 |
| Depreciation on disposals | <u>0</u> | <u>0</u> | <u>19,887</u> | <u>19,887</u> |
| At 31st August 2016 | <u>208,802</u> | <u>474,087</u> | <u>164,474</u> | <u>847,363</u> |
| NET BOOK VALUE: | | | | |
| At 31st August 2016 | <u>1,551,637</u> | <u>69,521</u> | <u>1,839</u> | <u>1,622,997</u> |
| At 31st August 2015 | <u>1,383,456</u> | <u>66,192</u> | <u>12,872</u> | <u>1,462,520</u> |

Net book value at 31st August 2016 represents fixed assets used for:

| | | | | |
|-------------------------------|------------------|---------------|--------------|------------------|
| Direct charitable purposes: | | | | |
| Provision of education | 1,551,637 | 67,612 | 1,839 | 1,621,088 |
| Other purposes: | | | | |
| Management and administration | <u>-</u> | <u>1,909</u> | <u>-</u> | <u>1,909</u> |
| | <u>1,551,637</u> | <u>69,521</u> | <u>1,839</u> | <u>1,622,997</u> |

Included in Motor Vehicles are assets with a net book value of £1,839 that are held under a hire purchase agreement (2015 - £12,872). Depreciation for the year on these assets was £11,033 (2015 - £11,033).

6. DEBTORS

| | 2016 £ | 2015 £ |
|--------------------------------|----------------|----------------|
| Trade debtors | 443,302 | 487,921 |
| Prepayments and accrued income | <u>35,503</u> | <u>15,143</u> |
| | <u>478,805</u> | <u>503,064</u> |



ST HUGH'S SCHOOL (WOODHALL SPA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) for the Year Ended 31st August 2016

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2016 | 2015 |
|---------------------------------------|----------------|----------------|
| | £ | £ |
| Bank loans and overdrafts | 26,981 | NIL |
| Trade creditors | 50,619 | 61,876 |
| Other taxes and social security costs | 38,494 | 34,556 |
| Autumn term school fees | 547,275 | 483,052 |
| Accruals and deferred income | 67,222 | 68,533 |
| Hire purchase | 6,783 | 6,783 |
| | <u>737,374</u> | <u>654,800</u> |

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2016 | 2015 |
|------------------------------|---------------|----------------|
| | £ | £ |
| Accruals and deferred income | 94,870 | 115,932 |
| Hire purchase | 1,696 | 8,478 |
| | <u>96,566</u> | <u>124,410</u> |

9. PENSION COSTS

The school's teachers belong to the Teachers' Pension Scheme England and Wales (TPS). This is a multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012.

Contributions amounting to £15,769 (2015 - £13,512) were payable to the Teachers' Pension Scheme as at 31st August and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in schools and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.



ST HUGH'S SCHOOL (WOODHALL SPA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) for the Year Ended 31st August 2016

9. PENSION COSTS CONTINUED...

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £122,362 (2015 - £99,934).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in Financial Reporting Standard 17 (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The school has accounted for its contributions to the scheme as if it were a defined contribution scheme. The school has set out above the information available on the scheme.

The company operates a defined contribution pension scheme for non-teaching employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £4,198 (2015 - £3,962). Contributions totalling £480 (2015 - £441) were payable to the fund at the year-end and are included in creditors.

10. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2016 the company had annual commitments under non-cancellable operating leases as follows:

| | 2016 £ | 2015 £ |
|--------------------|--------------|--------------|
| Expiry date: | | |
| Less than one year | NIL | NIL |
| Two-five years | NIL | NIL |
| Over five years | <u>2,100</u> | <u>2,100</u> |

11. SECURED DEBTS.

The hire purchase liability shown in creditors totalling £8,478 (2015 - £15,261) is secured on the underlying assets.

The bank overdraft and loans totalling £1,203 (2015 - £nil) are secured by a charge over the company's freehold land and buildings.



ST HUGH'S SCHOOL (WOODHALL SPA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) for the Year Ended 31st August 2016

12. RELATED PARTIES

The charity is controlled by the Governors, who are also the Directors for the purposes of company law.

During the financial year £872 (2015 - £1,492) was paid to Bridge McFarland, Solicitors, a firm related to Mr D Harvey. At the year end £nil was outstanding.

During the financial year £13,230 (2015 - £12,540) for accountancy, payroll and bookkeeping services was paid to Duncan & Toplis Limited, Chartered Accountants, a firm related to Mr N Cudmore. At the year end £2,880 (2015 - £5,610) was outstanding.

13. RESTRICTED FUNDS

The restricted funds represents donations received, less costs incurred to date in relations to the construction of new Astro Pitch at the school.

| | 2016 | 2015 |
|-------------------|---------------|---------------|
| | £ | £ |
| Donations | 180,444 | 96,291 |
| Planning costs | (7,083) | (7,083) |
| Building costs | (145,856) | - |
| Fundraising costs | (13,656) | - |
| Finance costs | (385) | - |
| | <u>13,464</u> | <u>89,208</u> |

During 2016, the fundraising efforts for the Astro Pitch came to a successful conclusion. The actual construction of the pitch has taken place and a total cost of £152,939 has been capitalised in tangible fixed assets. As the pitch has now been completed an amount equal to this figure has been transferred from restricted funds to unrestricted funds.

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Fixed Asset | Stock | Debtors | Cash | Creditors | TOTAL | £ |
|--------------|------------------|---------------|----------------|---------------|------------------|------------------|---|
| | £ | £ | £ | £ | £ | | |
| Restricted | - | - | - | 19,577 | (6,113) | 13,464 | |
| Unrestricted | <u>1,622,997</u> | <u>18,501</u> | <u>478,805</u> | <u>6,201</u> | <u>(827,827)</u> | <u>1,298,677</u> | |
| | <u>1,622,997</u> | <u>18,501</u> | <u>478,805</u> | <u>25,778</u> | <u>(833,940)</u> | <u>1,312,141</u> | |