

Company Registration No. 03013551 (England and Wales)

ABERCORN SCHOOL LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

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ABERCORN SCHOOL LIMITED

COMPANY INFORMATION

Directors	A S Greystoke A M F Snell A P Millard S P Redrupp
Secretary	Connaught Secretaries Limited
Company number	03013551
Registered office	42-50 Hersham Road Walton-on-Thames Surrey United Kingdom KT12 1RZ
Auditors	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

ABERCORN SCHOOL LIMITED

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ABERCORN SCHOOL LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The directors present the strategic report and financial statements for the year ended 31 August 2015.

Review of the business

The directors are satisfied with the results for the year and confidently expect the company to continue to improve in the future.

The school had a successful year. Its key performance indicators are pupil numbers and academic achievement. The average pupil number for this financial year was 389 (2014: 402), the lack of movement reflecting stability in still uncertain economic circumstances. A rolling programme of events promotes awareness of the School, its achievements, curriculum, teaching methods, staff and availability of places for a given academic year.

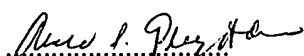
The school remains committed to providing first class education to all our pupils in a safe and caring environment.

The directors would like to thank all those who have continued to support the school and have contributed to another successful year.

Abercorn School in London opened new premises in Portland Place, London W1 for the start of the next academic year in order to cope with the strong demand.

The directors keep the school's activities under review, particularly with regard to any major risks such as pupil numbers, staff retention, pupil welfare and achievements that may arise from time to time, and monitor the effectiveness of the system of internal controls and other means, including insurance cover where appropriate, by which those risks already identified by the school can be mitigated.

On behalf of the board



A S Greystoke

Director

13/5/2016

ABERCORN SCHOOL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The directors present their report and financial statements for the year ended 31 August 2015.

Results and dividends

The results for the year are set out on page 6.

Directors

The following directors have held office since 1 September 2014:

A S Greystoke

A M F Snell

A J Greystoke

(Retired 31 October 2014)

A P Millard

S P Redrupp

Auditors

The auditors, UHY Hacker Young, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 directors 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. 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.

ABERCORN SCHOOL LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



A S Greystoke

Director

.....1.3.15/2016.....

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ABERCORN SCHOOL LIMITED**

We have audited the financial statements of Abercorn School Limited for the year ended 31 August 2015 set out on pages 6 to 17. 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 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 company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 3, the directors 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2015 and of its loss 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 given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF ABERCORN SCHOOL LIMITED

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Colin Wright (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

19/5/16

Chartered Accountants
Statutory Auditor

ABERCORN SCHOOL LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
Turnover	2	7,121,065	6,992,546
Cost of sales		(4,681,090)	(4,233,062)
Gross profit		2,439,975	2,759,484
Administrative expenses		(2,382,035)	(2,302,497)
Operating profit	3	57,940	456,987
Other interest receivable and similar income	4	13,645	15,897
Interest payable and similar charges	5	(19,855)	(8,496)
Profit on ordinary activities before taxation		51,730	464,388
Tax on profit on ordinary activities	6	(77,873)	(11,595)
(Loss)/profit for the year	14	(26,143)	452,793

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

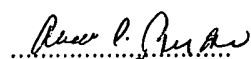
ABERCORN SCHOOL LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	8		237,725		151,840
Current assets					
Debtors	9	7,735,635		7,387,302	
Cash at bank and in hand		1,010		636	
		<u>7,736,645</u>		<u>7,387,938</u>	
Creditors: amounts falling due within one year	10	<u>(4,579,047)</u>		<u>(4,214,148)</u>	
Net current assets			<u>3,157,598</u>		<u>3,173,790</u>
Total assets less current liabilities			<u>3,395,323</u>		<u>3,325,630</u>
Creditors: amounts falling due after more than one year	11		<u>(1,678,631)</u>		<u>(1,582,794)</u>
			<u>1,716,692</u>		<u>1,742,836</u>
Capital and reserves					
Called up share capital	13		593,204		593,204
Share premium account	14		27,242		27,242
Profit and loss account	14		<u>1,096,246</u>		<u>1,122,390</u>
Shareholders' funds	15		<u>1,716,692</u>		<u>1,742,836</u>

Approved by the Board and authorised for issue on 13/5/2016



A S Greystoke
Director

Company Registration No. 03013551

ABERCORN SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for tuition services provided during the year.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.5 Tangible fixed assets and depreciation

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:

Fixtures, fittings & equipment	20% straight line basis
--------------------------------	-------------------------

1.6 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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

ABERCORN SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

1.7 Pensions

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives 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. 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 school has therefore taken advantage of the exemption in Financial Reporting Standard (FRS) 17 and treated the TPS as a defined contribution scheme. The pension costs for the scheme represents contributions paid by the School for the period.

1.8 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

ABERCORN SCHOOL LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2015**

3	Operating profit	2015	2014
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	72,643	20,256
	Loss on foreign exchange transactions	-	218,343
	Operating lease rentals		
	- Plant and machinery	26,161	-
	Auditors' remuneration (including expenses and benefits in kind)	31,921	30,372
	and after crediting:		
	Profit on foreign exchange transactions	(260,179)	-
		<u><u> </u></u>	<u><u> </u></u>

Included within operating profit is (£375,877) being the write off of the intercompany debtor balance owed by British International School of Texas.

4	Investment income	2015	2014
		£	£
	Bank interest	95	77
	Other interest	13,550	15,820
		<u> </u>	<u> </u>
		13,645	15,897
		<u><u> </u></u>	<u><u> </u></u>
5	Interest payable	2015	2014
		£	£
	On bank loans and overdrafts	6,855	3,128
	Lease finance charges	13,000	5,368
		<u> </u>	<u> </u>
		19,855	8,496
		<u><u> </u></u>	<u><u> </u></u>

ABERCORN SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

6	Taxation	2015	2014
		£	£
	Domestic current year tax		
	U.K. corporation tax	77,873	38,118
	Adjustment for prior years	-	(26,523)
	Total current tax	77,873	11,595
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	51,730	464,388
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.58% (2014 - 22.17%)	10,646	102,955
	Effects of:		
	Non deductible expenses	7,609	22,759
	Depreciation add back	14,950	4,491
	Capital allowances	(32,627)	(39,449)
	Group relief	-	(52,433)
	Adjustments to previous periods	-	(26,523)
	Group loan write off	72,290	-
	Other tax adjustments	5,005	(205)
	Current tax charge for the year	77,873	11,595
7	Intangible fixed assets		Goodwill
			£
	Cost		
	At 1 September 2014 & at 31 August 2015		330,521
	Amortisation		
	At 1 September 2014 & at 31 August 2015		330,521
	Net book value		
	At 31 August 2015		-
	At 31 August 2014		-

ABERCORN SCHOOL LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015****8 Tangible fixed assets**

	Fixtures, fittings & equipment £
Cost	
At 1 September 2014	847,493
Additions	158,529
	<hr/>
At 31 August 2015	1,006,022
	<hr/>
Depreciation	
At 1 September 2014	695,654
Charge for the year	72,643
	<hr/>
At 31 August 2015	768,297
	<hr/>
Net book value	
At 31 August 2015	237,725
	<hr/>
At 31 August 2014	151,840
	<hr/>

Included above are assets held under finance leases or hire purchase contracts as follows:

	Fixtures, fittings & equipment £
Net book values	
At 31 August 2015	145,355
	<hr/>
At 31 August 2014	21,278
	<hr/>
Depreciation charge for the year	
At 31 August 2015	37,933
	<hr/>
At 31 August 2014	19,757
	<hr/>

ABERCORN SCHOOL LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015**

9 Debtors	2015	2014
	£	£
Trade debtors	1,302,421	1,204,943
Amounts owed by parent and fellow subsidiary undertakings	6,351,037	6,081,917
Other debtors	5,300	37,985
Prepayments and accrued income	76,877	62,457
	<u>7,735,635</u>	<u>7,387,302</u>
10 Creditors: amounts falling due within one year	2015	2014
	£	£
Bank loans and overdrafts	632,466	360,844
Net obligations under finance leases	43,712	36,189
Trade creditors	33,334	15,703
Amounts owed to parent and fellow subsidiary undertakings	181,571	-
Corporation tax	77,873	38,118
Other creditors	1,134,707	1,174,646
Accruals and deferred income	2,475,384	2,588,648
	<u>4,579,047</u>	<u>4,214,148</u>

The bank loan and overdraft is secured over the assets of Abercorn School Limited and the assets of Abercorn Education Limited, a fellow subsidiary of International British Schools Limited.

Included within other creditors are fees paid in advance for the next school year of £2,175,362 (2014: £2,062,000) and deposits held that will fall due within one year of £1,095,249 (2014: £1,094,776). As in the prior year, invoices were raised in advance of the Autumn Term and any fees received in advance have been paid against the invoice raised in trade debtors.

ABERCORN SCHOOL LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015**

11 Creditors: amounts falling due after more than one year	2015	2014
	£	£
Other loans	1,583,074	1,563,965
Net obligations under finance leases	95,557	18,829
	<u>1,678,631</u>	<u>1,582,794</u>
Analysis of loans		
Wholly repayable within five years	1,583,074	1,563,965
	<u>1,583,074</u>	<u>1,563,965</u>
Net obligations under finance leases		
Repayable within one year	43,712	36,189
Repayable between one and five years	95,557	18,329
	<u>139,269</u>	<u>54,518</u>
Included in liabilities falling due within one year	(43,712)	(36,189)
	<u>95,557</u>	<u>18,329</u>

Other creditors are deposits held that will fall due after one year of £1,582,324 (2014: 1,563,215).

12 Retirement Benefits**Defined contribution scheme**

Contributions to the Teachers' Pension Agency amounted to £203,378 (2014: £151,084).
Contributions to employees personal pension schemes amounted to £22,479 (2014: 15,667).
Contribution to Directors pension schemes amounts to £63,360 (2014: £58,157).

	2015	2014
	£	£
Contributions payable by the company for the year	<u>289,180</u>	<u>224,910</u>

ABERCORN SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

13 Share capital	2015	2014
	£	£
Allotted, called up and fully paid		
2,372,516 Ordinary shares of 25p each	593,129	593,129
100 Founder shares of 75p each	75	75
	<u>593,204</u>	<u>593,204</u>
14 Statement of movements on reserves		
	Share premium account	Profit and loss account
	£	£
Balance at 1 September 2014	27,242	1,122,389
Loss for the year	-	(26,143)
Balance at 31 August 2015	<u>27,242</u>	<u>1,096,246</u>
15 Reconciliation of movements in Shareholders' funds	2015	2014
	£	£
(Loss)/Profit for the financial year	(26,143)	452,793
Opening Shareholders' funds	1,742,836	1,290,043
Closing Shareholders' funds	<u>1,716,692</u>	<u>1,742,836</u>
16 Contingent liabilities		

The company has given a cross guarantee in respect of the bank borrowings of Abercorn Education Limited, a wholly owned subsidiary of International British Schools Limited. At 31 August 2015, these borrowings amounted to £5,219,976 (2014: £5,569,546).

ABERCORN SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

17 Financial commitments

At 31 August 2015 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 August 2016:

	Other 2015 £	2014 £
Operating leases which expire:		
Between two and five years	9,821	9,821

18 Directors' remuneration

	2015 £	2014 £
Remuneration for qualifying services	186,097	181,988
Company pension contributions to defined contribution schemes	63,360	58,157
	249,457	240,145

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2014 - 2).

The highest paid director received remuneration of £187,415 (2014: £159,756). The value of the company's contributions paid to a defined contribution scheme in respect of the highest paid director amounted to £50,160 (2014: £50,157).

ABERCORN SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2015 Number	2014 Number
Education	79	82
Domestic and maintenance	6	5
Administration	18	18
	<u>103</u>	<u>105</u>

Employment costs

	2015 £	2014 £
Wages and salaries	3,291,990	3,184,267
Social security costs	319,981	304,238
Other pension costs	289,180	224,910
	<u>3,901,151</u>	<u>3,713,415</u>

20 Control

The immediate and ultimate parent company is International British Schools Limited, a company registered in England and Wales. International British Schools Limited prepares group financial statements and copies can be obtained from Thames House, Portsmouth Road, Esher, Surrey, KT10 9AD.

The ultimate controlling party is A S Greystoke, a director of the company.

21 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 'Related party disclosures' whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

During the year consultancy fees were paid to A P Millard of £19,372 (2014: £20,664), A P Millard is a director of International British Schools Limited, a fellow subsidiary of Astroline Limited as well as Abercorn School Limited and Abercorn Education Limited.

ABERCORN SCHOOL LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2015

ABERCORN SCHOOL LIMITED**DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2015**

		2015		2014
	£	£	£	£
Turnover				
Full fees		6,039,411		5,796,951
Half fees		200,865		278,091
Other fees		880,789		917,504
		<u>7,121,065</u>		<u>6,992,546</u>
Cost of sales				
Wages and salaries (excl. N.I.)	2,536,511		2,462,063	
Employer's N.I. contributions	222,197		216,766	
Staff pension scheme costs	219,166		162,309	
Trips, swimming and games	419,100		338,101	
Consumables	325,546		285,946	
Educational materials	115,365		102,271	
Other premises expenses	793,262		615,466	
Light, heat and power	14,768		15,662	
Sundry expenses	35,175		34,478	
		<u>(4,681,090)</u>		<u>(4,233,062)</u>
Gross profit		2,439,975		2,759,484
Administrative expenses		<u>(2,382,035)</u>		<u>(2,302,497)</u>
Operating profit		57,940		456,987
Other interest receivable and similar income				
Bank interest received	95		77	
Other interest received	13,550		15,820	
		<u>13,645</u>		<u>15,897</u>
Interest payable				
Bank interest paid	6,855		3,128	
Lease finance charges paid	13,000		5,368	
		<u>(19,855)</u>		<u>(8,496)</u>
Profit before taxation		<u>51,730</u>		<u>464,388</u>

ABERCORN SCHOOL LIMITED**SCHEDULE OF ADMINISTRATIVE EXPENSES****FOR THE YEAR ENDED 31 AUGUST 2015**

	2015	2014
	£	£
Administrative expenses		
Wages and salaries (excl. N.I.)	569,382	540,216
Directors' remuneration	186,097	181,988
Employer's N.I. contributions	97,784	87,472
Directors' pension costs	63,360	58,157
Staff pension costs	6,654	4,444
Staff training	57,603	43,875
Rent	500,000	500,000
Rates	38,651	37,385
Insurance	75,710	66,659
Repairs and maintenance	39,568	48,587
Printing, postage and stationery	52,389	38,603
Advertising	25,854	39,243
Telephone	51,675	18,368
Computer running costs	22,238	39,867
Hire of equipment	11,103	-
Equipment leasing	26,161	-
Motor running expenses	5,824	7,431
Travelling expenses	176,929	161,152
Entertaining	52,706	43,685
Legal and professional fees	39,636	67,109
Audit fees	31,921	30,372
Bank charges	4,631	13,400
Bad and doubtful debts	388,130	1,429
(Profit)/loss on foreign currency	(260,179)	218,343
Charitable donations	6,336	9,282
Subscriptions	39,229	25,174
Depreciation	72,643	20,256
	<hr/>	<hr/>
	2,382,035	2,302,497
	<hr/>	<hr/>
