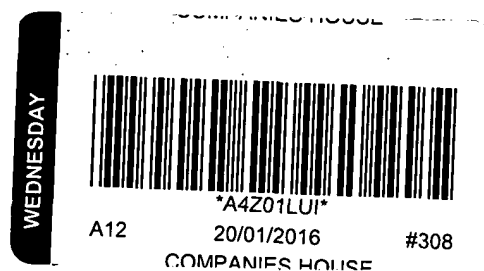


CHARITY NO: 1071298  
COMPANY REGISTRATION NO: 3625063



**ABINGDON SCHOOL**  
**Report and Accounts for the year ended**  
**31 AUGUST 2015**



**ABINGDON SCHOOL**  
**INTRODUCTION TO THE REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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**Contents**

Introduction	1
Governors, Directors, Officers and Advisers	1
Reference & Administrative Information	2
Structure, Governance and Management	2
Object, aims, objectives and activities	3
Capital developments and reserves	5
Investment powers and policy	6
Public Benefit	6
The Abingdon School Philanthropy Office	7
Equality Act	7
Statement of Directors' Responsibilities	7
Auditor's report	9
Consolidated Statement of Financial Activities (incorporating income and expenditure account)	10
Charity and Consolidated Balance Sheets	11
Consolidated Cash Flow Statement	12
Notes to the Financial Statements	13

**ABINGDON SCHOOL**  
**INTRODUCTION TO THE REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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**Introduction**

**Governors, Directors, Officers and Advisers**

The Board of Governors of Abingdon School is appointed in accordance with the terms and conditions laid down in the Schools Memorandum and Articles of Association incorporated on 2 September 1998 as amended on 14 March 2005.

The Governors who served in the year were as follows:

***Co-opted Governors***

Adrian Burn	Chairman
John Gabitass	Vice Chairman
Andrew Saunders-Davies	Vice Chairman
Penny Chapman	
Jane Cranston	(resigned November 2014)
Judy Forrest	
Mark Lascelles	(appointed January 2015)
Dr Heather Lumsden	
Gareth Morris	
The Hon Sir Vivian Ramsey	
Olga Senior	
Michael Stevens	
Damian Tracey	

***Nominated Governors***

***Christ's Hospital of Abingdon***

Andrew Douglas	(resigned March 2015)
Glynn Butt	(appointed May 2015)

***Pembroke College, Oxford***  
Owen Darbishire

***The Mercers' Company, London***

Emily Hohler	(resigned June 2015)
Matthew Tate	(appointed November 2014)

***The Mayor of Abingdon-on-Thames***

Cllr Angela Lawrence	(resigned May 2015)
Cllr Helen Pighills	(appointed May 2015)

***Directors***

All Abingdon School Governors were registered with Companies House as Directors of the Company.

***Officers***

Felicity Lusk	Head, Abingdon School
Crispin Hyde-Dunn	Head, Abingdon Preparatory School
Justin Hodges	Director of Finance & Operations
Clare Butcher	Company Secretary
Tom Ayling	Clerk to the Governors

**ABINGDON SCHOOL**  
**INTRODUCTION TO THE REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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**Advisers**

Bankers	National Westminster Bank Plc 11 Market Place, Abingdon, Oxfordshire OX14 3HH
Solicitors	Darbys Solicitors Midland House, West Way, Botley, Oxford, OX2 0PH
Auditors	RSM UK Audit LLP Davidson House, Forbury Square, Reading, RG1 3EU
Investment Advisers	Rathbones 1 Curzon Street, London, W1J 5FB
Insurance Brokers	Marsh Insurance Brokers Ltd Rockwood House, 9-17 Perrymount Road, Haywards Heath, West Sussex RH16 3DV

**Addresses**

Abingdon School (Principal and mailing address)	Park Road, Abingdon, Oxfordshire OX14 1DE
Abingdon Preparatory School	Josca's House, Frilford, Abingdon, Oxfordshire OX13 5NX
Registered office	Stratton House, Bath Street, Abingdon, Oxfordshire OX14 3LA

**Reference & Administrative Information**

The senior school (Abingdon) and the junior school (Abingdon Preparatory School) are hereafter referred to as 'Abingdon School' or the 'School' and are registered with both Companies House and the Charity Commission as Abingdon School. In this report where specific reference to either school is necessary the senior school is referred to as 'Abingdon' and the junior school as 'Abingdon Preparatory'.

Abingdon is known to have existed in 1256. It was re-endowed in 1563 by John Roysse, a London Mercer. It moved to its present site in 1870. In September 1998 Abingdon combined with Abingdon Preparatory School (at that time known as Josca's), forming a new Registered Charity (No. 1071298) and a company limited by guarantee (No. 3625063), which was incorporated on 2 September 1998. The Company, Abingdon School, is governed by its Memorandum and Articles of Association.

**Structure, Governance and Management**

***Organisational structure and decision-making***

The School Governors, as the Trustees of the Charity, are legally responsible for the overall management of the school and for its strategic direction. Governors benefit from presentations by staff and by third-party experts, and from face-to-face meetings with staff, pupils and parents in order to deepen their knowledge of the school and of issues of current importance. The Governors were assisted in undertaking their responsibilities during the year by four Governors' sub-committees, namely the Education Committee, Finance Committee, the Audit Risk & Compliance Committee, and the Remuneration & Nominations Committee.

The Head is responsible to the Chairman and to the Governors for the management of the School, which the Head achieves with the support of the Director of Finance and Operations, the Second Master, the Head Master Abingdon Preparatory School and members of the Senior Leadership Teams at Abingdon School and Abingdon Preparatory School.

**ABINGDON SCHOOL**  
**INTRODUCTION TO THE REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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***Recruitment and Training of Governors***

The appointment of Governors is confirmed at the Annual General Meeting of the Main Governing Board on the basis of nominations received to the Board's specifications concerning eligibility, personal competence, specialist skills and availability. New Governors are inducted into the workings of Abingdon School and of the Charity, including its strategy, policies and procedures, at an induction meeting organised by the Clerk to the Governors. On-going Governor training is carried out through seminars organised nationally or arranged internally. If Governors incur training costs, Abingdon offers to reimburse these.

***Group Structure and Relationships***

Abingdon School has a wholly owned non-charitable subsidiary, Abingdon School Enterprises Limited.

**Object, aims, objectives and activities**

***Charitable object***

The object of Abingdon School, as set out in its Memorandum of Association, is "to advance the education of children and young people through the provision of a day and boarding school for boys known as Abingdon School and a day school for girls and boys known as Abingdon Preparatory School or such other schools as the Governors shall determine."

***Aims and intended impact***

Abingdon School seeks to provide a first class independent education by providing outstanding academic tuition and developing wider skills in all its pupils via a broad range of "Other Half" sporting, music, drama and cultural activities. This is intended to provide an environment where pupils can develop and fulfil their potential, thus helping to build self-confidence and inculcate a desire to contribute to the wider community.

Abingdon School reviews its academic syllabuses and it benchmarks its academic standards using external public examinations and independent value-added criteria. Academic achievements are balanced by a strong emphasis on sporting and social skills. The School maintains the expertise of teaching staff through a wide programme of peer reviews and training and it ensures appropriate succession planning and staff development. It is also developing growing links with local schools in both the State and independent sectors and facilitates wider community access to the Schools' facilities.

The School's operational strategy as regards its non-teaching assets is to enable the efficient, timely and cost-effective delivery and operation of all the School's facilities consistent with the provision of a high quality education as well as providing support to the Schools' community outreach.

**ABINGDON SCHOOL**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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**STRATEGIC REPORT**

**Financial Review**

The total income for the year comprised £22,751k (2014: £21,480k) from school fees and ancillary income, £111k (2014: £1,642k) from charitable donations and £628k (2014: £284k) from other activities.

The increase in school fees was due to a 1% increase in average pupil numbers and a 5% increase in average tuition fees. The reduction in charitable donations was due to a specific fundraising campaign in the prior year for a new science centre. Income from other activities increased principally as a result of the additional lettings income from Tilsley Park.

Expenditure on school operating costs was £19,581k (2014: £18,377k) of which 54% is represented by staff costs.

As an educational charity, the School has tax exemptions on its educational activities and its investment income and is entitled to an 80% reduction on business rates on the properties occupied for charitable purposes. The financial benefits derived from these tax exemptions are all applied for educational purposes, including the provision of bursaries.

Abingdon School is not able to reclaim VAT input tax on its costs as it is exempt for VAT purposes.

The Governors consider both the level of activity and the year-end financial position of Abingdon School to be satisfactory.

**Risk Management**

The Board of Governors is responsible for the management of the risks faced by the school, which they review annually. The Governors' Audit Risk & Compliance Committee provides increased focus on this important area. Governors delegate to the Head and the Senior Leadership Team the task of identifying, assessing and controlling risk. Controls and safeguards which are put in place to manage the major risks include appropriate levels of insurance cover; terms of reference for all the Governors' sub-committees; strategic planning, budgeting and management accounting; formal written policies; clear authorisation and approval levels; strict adherence to DBS vetting procedures in order to protect school pupils; completion of appropriate risk assessments on relevant aspects of the school's activities; and disaster planning. The risks being managed by the school are regularly compared with similar institutions to ensure best practice.

The school's Health and Safety committee manages day to day risks and risk assessments are in place for all activities.

The Governors are of the opinion that the major risks identified have been adequately mitigated where practicable. It is recognised that while this process provides reasonable assurance that identified risks are being mitigated, it cannot provide absolute assurance.

**Activities and Performance**

Abingdon is a boarding and day school which provides education to boys between the ages of 11 and 18. Abingdon Preparatory provides education for pupils between 4 and 13 years of age. The average number of pupils in the schools during the academic year 2014/2015 was 963 (2014: 961) for Abingdon and 253 (2014: 245) for Abingdon Preparatory. Demand for places is high allowing for comprehensive planning for future improvements and developments.

*Grant-making policy*

The Governors are committed to broadening access to Abingdon School by offering means-tested bursaries to pupils whose parents/guardians are unable to pay the full tuition fees. All bursaries are means-tested annually and have a value of up to 100% of the tuition fees. Pupils must meet the School's usual entrance criteria but need not necessarily show exceptional ability. Abingdon offers an enormous breadth of opportunity and bursaries are aimed at those boys who will take full advantage of

**ABINGDON SCHOOL**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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all the School has to offer. During the year 54 (2014: 60) pupils benefited from Bursaries at a total cost of £462k (2014: £491k).

Abingdon School has a range of scholarships and awards offered to pupils entering the School. Scholarships and awards are provided in recognition of exceptional academic, music, art and design, drama or sporting ability; they carry kudos and privileges within the School. Scholarships carry a nominal financial value of £300, and 157 (2014: 145) were awarded during the year.

All scholarships and bursaries are subject to satisfactory academic progress and behaviour, and in the case of scholarships and awards, to a continued contribution to the disciplines for which they were granted. Each case is assessed on its own merits and awards are made accordingly, subject to the Schools' ability to fund these within the context of its overall budgets.

#### *Academic Results*

A level and GCSE results were very impressive with nearly a quarter of all A level passes being awarded a grade A\*. GCSEs saw almost 87% of all passes awarded an A\* or A grade and across a wide-range of subjects.

Of the 161 (2014: 150) pupils sitting A level examinations, 62% (2014: 66%) gained A\*/A grades and 96% (2014: 96%) achieved A\*/C grades. The results reflect academic strength across the curriculum with very impressive achievements in the sciences, maths and history. Many of the boys achieving these results will also have spent time during the summer 2015 holidays competing on a 3 week rugby tour of Australia and New Zealand, rowing with the junior GB team, competing in the Junior Commonwealth fencing championships, representing the UK in the International Linguistic Olympiad or taking part in CCF camps or DofE expeditions which testify to the School achieving the highest academic standards alongside a broad and stimulating education experience.

At GCSE, 187 boys sat GCSEs (2014: 152) and achieved the best ever results at Abingdon with 60% of passes awarded the top A\* grade (2014: 48%).

#### **Plans for future periods**

To consolidate its position as the school of choice, the broad aims of the School are:

- To develop its position as one of the leading independent schools in Britain, with a reputation for excellent academic, sporting and cultural achievements.
- To encourage in each pupil the development of character and the many skills they will need to flourish at school and beyond.
- To maintain and extend the tradition of accessibility to pupils of high ability, whatever their economic or social background, particularly through scholarship and bursary schemes.
- To win recognition as a centre of excellence in educational practice and to continue to attract high quality staff.
- To seek and exploit extra sources of funding.
- To promote awareness of the School in the community and raise the school's profile in the region by hosting conferences, sporting events and other outreach activities.

#### **Capital developments and reserves**

##### ***Capital developments***

The School completed construction of the new Science Centre in November 2015. The School's vision for the new science centre has been to create a purpose-built facility for teaching Biology, Chemistry and Physics. It is attractive as well as functional, and has been built to achieve "very good" BREEAM (Building Research Establishment Environmental Assessment Method) standards.

On 1 September 2014 Abingdon School took over a 125 year lease for Tilsley Park. This agreement will secure the future of the Park for community sporting and recreational use and will provide Abingdon School with a vital resource through which to develop its sports provision. In the last year considerable time, effort and expense has been invested to improve the facilities and clean and tidy the building and grounds.

**ABINGDON SCHOOL**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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In addition, the Amey Theatre was significantly refurbished in Summer 2015 with new seating and upgraded lighting and air conditioning installed.

**Reserves**

Note 15 to the financial statements sets out an analysis of the School's endowment, restricted and unrestricted funds and their attributable assets. These assets are sufficient to meet the charity's obligations. It is the School's policy to build up funds to meet planned improvements and additions to the School's resources principally by means of annual operating surpluses.

The Governors regularly review the finances, budgets and the spending against budget as part of the effective stewardship of the Charity. In common with other independent schools, Abingdon School has invested substantial sums into new school buildings in recent years, and operates a continuing programme of refurbishment, development and investment to maintain excellent teaching, welfare and boarding facilities for its pupils.

The Governors are of the view that given the predictability of cash flow arising from pupil rolls, the ongoing demand for places at the School and the availability of banking finance towards the cost of capital expenditure, the School has adequate working capital for its foreseeable requirements.

At the end of the financial year the level of group reserves stood at £46,283k (2014: £42,928k) of which £28,015k (2014: £24,677k) was in unrestricted funds.

**Investment powers and policy**

**Investment management**

The Governors are authorised by the Memorandum of Association and by the Trustee Act 2000 to invest monies not immediately required for the schools' purposes, or where there is a specific obligation to invest funds to comply with the terms of a restricted donation, in securities, property or other investments as may be thought fit. Strategic investment policy is set by the Governors and the School then works with Rathbones, the School's investment managers, who then manage the investments within prescribed guidelines on a discretionary basis. Rathbones became the School's investment manager with effect from September 2014 following their acquisition of the Jupiter Asset Management Private Client and Charity department which was previously responsible for managing the School's investments.

The investment objective is to protect the real value of the capital whilst generating income with a view to producing annual growth of a rate at least equivalent to the increase in the School's tuition fees. The Governors remain confident that their investment policy is prudent and likely to produce attractive returns over the longer term.

**Investment performance**

The School's listed investments were reduced from £1,695k in 2014 to £627k in 2015 following the disposal of several listed investments. A £64k gain was realised on the sale of these investments and an unrealised gain recorded of £16k (2014: £115k) on the retained investments. The Governors will continue to keep the investments under close review.

**Public Benefit**

Each year about 160 talented, well rounded individuals who have benefited from the unique educational experience at Abingdon School leave the School and begin to contribute to the community at large. In addition, the School undertakes numerous actions and activities that are of benefit to the wider community, some of which are listed below:

- **Bursaries** - The Governors of Abingdon School are committed to broadening access to the School. In furtherance of these objectives Abingdon School Directors, as charity trustees, have complied with their duty in s.17 of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance concerning the operation of the public benefit requirement under that Act. The School endeavours to provide an education to those pupils



**ABINGDON SCHOOL**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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who will best benefit from the style of teaching and the facilities that we have to offer. Inevitably not all parents of such pupils will possess the means to fund the school fees that the School necessarily have to charge. The School provides means tested bursaries for this purpose. During the year 54 (2014: 60) pupils benefited from Bursaries at a total cost of £462k (2014: £491k). In addition to this direct assistance with fees, the school also subsidises ancillary expenses such as school trips where parents would otherwise experience financial hardship.

- **Partnership** – Abingdon School is actively engaged in partnerships with State schools and other educational establishments. Our support encompasses the full breadth of educational activities including assistance with transport and school meals, sharing best practice, providing opportunities to participate in lectures and learning events, and supporting the teaching in other schools. The time devoted to this is equivalent to one full-time teacher.
- **Use of facilities** - The School continues to share as many of its facilities as possible with the local community, with some charitable activities renting at a reduced rate. These include the use of School Sports Centre, Tilsley Park, meeting rooms and the Amey Theatre when not in use by the pupils and staff. The new Science Centre has been designed to provide outreach facilities to allow science to be taught to groups of pupils from other schools.
- **Charity fundraising and sponsorship** - Our pupils are encouraged to participate in the work of local and national charities, through fundraising and community work. During the year pupils raised £46k (2013/2014: £21k) through collections and special events and this money has been donated to charities designated by the pupils. The charities benefiting from these gifts included Blue Skye Thing, Emmaus and Agape Moldova. Community work includes hosting tea parties at School for senior citizens, visiting local homes, volunteering in charity shops, assisting in the local library, and assisting in local primary schools.
- **Public and local exhibitions** – The School supports local artists through a programme of 'Artists in residence' and free exhibitions.
- **School events and talks** - The school regularly hosts educational talks and seminars and organises high quality musical and dramatic performances. Members of the public and pupils from other schools regularly attend these events.

#### **The Abingdon School Philanthropy Office**

The School has an established permanent philanthropy office, which works closely with the OAs, the Association of past pupils of Abingdon School. The Philanthropy office's task is to ensure that donations and bequests are sought and obtained from OAs, parents and friends of the School as well as from charities, foundations and corporations committed to developing educational opportunities for children from whatever economic or social background. Awareness of the Philanthropy office's work has been raised through its work to raise funds for the new Abingdon School Science Centre as a result of which many generous gifts, pledges and legacies have been received. The School's reserves are invested predominantly in land and buildings, all of which are utilised by the School, but only limited funds exist as a permanent endowment necessary to generate adequate income to fund scholarships and bursaries. To address this shortfall, the Governors have determined that a much greater financial endowment needs to be established and have set the target to double, by 2025, the number of pupils we support with bursaries, per year. Governors are working closely with the School and the Philanthropy office to formulate plans to achieve this important objective.

#### **Equality Act**

Abingdon School complies with the Equality Act 2010 and is committed to providing equal opportunities in employment. The School's policies seek to avoid unlawful discrimination in all aspects of employment including recruitment, promotion, opportunities for training, pay and benefits, discipline and selection for redundancy.

#### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the 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 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

**ABINGDON SCHOOL**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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and fair view of the state of affairs of the charity and the group and of the surplus or deficit of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for ensuring that adequate accounting records are maintained that are sufficient to show and explain the charity's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group 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 charity and the group and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

***Provision of information to the auditor***

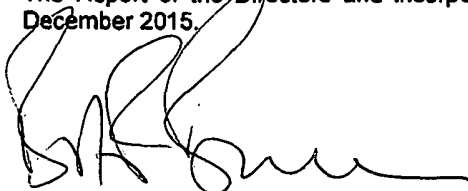
Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that each director is aware, there is no relevant audit information of which the charitable company and the Group's auditor is unaware
- and that each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the charitable company and the Group's auditors in connection with preparing their report and to establish that the charitable company and the Group's auditor is aware of that information.

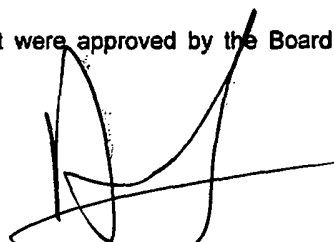
***Auditor***

A resolution to reappoint RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) as auditor for the ensuing year will be proposed at a forthcoming Governors meeting.

The Report of the Directors and incorporated Strategic Report were approved by the Board on 2 December 2015.



**ADRIAN BURN**  
Chairman of Governors



**ANDREW SAUNDERS DAVIES**  
Vice Chairman of Governors

**ABINGDON SCHOOL**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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**Auditor's report**

We have audited the group and parent charity financial statements of Abingdon School ("the financial statements") for the year ended 31 August 2015 on pages 10 to 24. 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 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 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 Auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 7 and 8, 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 Auditing Practices Board's (APB'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 Financial Reporting Council's website at <http://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 group and the parent charitable company's affairs as at 31 August 2015 and of the groups 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 given in the Directors' Annual Report and the incorporated Strategic Report 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:

- the parent charitable company have not been kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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

*RSM UK Audit LLP*

KERRY GALLAGHER (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP (formerly known as BAKER TILLY UK AUDIT LLP),  
Statutory Auditor

Chartered Accountants, Davidson House, Forbury Square, Reading, RG1 3EU

Date: *18 December 2015*

**ABINGDON SCHOOL**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**Consolidated Statement of Financial Activities (incorporating income and expenditure account)**

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2015 Total Funds £'000	2014 Total Funds as Restated £'000
<b>INCOME</b>						
Earned from Charitable activities:						
School fees	3	21,031	(23)	-	21,008	19,689
Ancillary income	4a	1,743	-	-	1,743	1,791
Earned from charitable activities		22,774	(23)	-	22,751	21,480
Earned from other activities:						
Income from trading & lettings		593	-	-	593	254
Investment income	4b	35	-	-	35	30
Donations	4c	10	101	-	111	1,642
<b>TOTAL INCOME</b>		<b>23,412</b>	<b>78</b>	<b>-</b>	<b>23,490</b>	<b>23,406</b>
<b>EXPENDITURE</b>						
Expenditure on charitable activities:						
School operating costs	5a	19,522	57	2	19,581	18,377
Other expenditure:						
Trading & lettings costs	5a	500	-	-	500	92
Costs of raising funds	5a	48	-	-	48	81
Governance costs	7	54	-	-	54	27
Finance costs	6	32	-	-	32	(11)
<b>TOTAL RESOURCES EXPENDED</b>		<b>20,156</b>	<b>57</b>	<b>2</b>	<b>20,215</b>	<b>18,566</b>
<b>NET INCOMING RESOURCES</b>		<b>3,256</b>	<b>21</b>	<b>(2)</b>	<b>3,275</b>	<b>4,840</b>
Gains on investments		47	1	32	80	115
<b>NET MOVEMENT IN FUNDS</b>		<b>3,303</b>	<b>22</b>	<b>30</b>	<b>3,355</b>	<b>4,955</b>
Balance brought forward at 1 September 2014		24,677	1,946	16,305	42,928	37,973
<b>BALANCE CARRIED FORWARD at 31 August 2015</b>	14	<b>27,980</b>	<b>1,968</b>	<b>16,335</b>	<b>46,283</b>	<b>42,928</b>

All amounts relate to continuing operations.

The notes to the financial statements on page 13 to page 24 form part of these accounts.

**ABINGDON SCHOOL**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

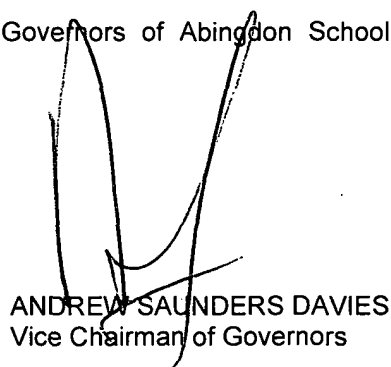
**Charity and Consolidated Balance Sheets**

	Notes	GROUP		SCHOOL	
		2015 £'000	2014 £'000	2015 £'000	2014 £'000
<b>FIXED ASSETS</b>					
Tangible fixed assets	8	46,666	36,830	46,485	36,830
Investment assets	9	2,627	3,695	2,627	3,695
		<b>49,293</b>	<b>40,525</b>	<b>49,112</b>	<b>40,525</b>
<b>CURRENT ASSETS</b>					
Stocks		18	8	17	8
Debtors	10	975	889	1,336	885
Cash		3,457	8,400	3,287	8,299
		<b>4,450</b>	<b>9,297</b>	<b>4,640</b>	<b>9,192</b>
CREDITORS: Due within one year	11	(5,260)	(4,232)	(5,240)	(4,223)
<b>NET CURRENT ASSETS</b>		<b>(810)</b>	<b>5,065</b>	<b>(600)</b>	<b>4,969</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>48,483</b>	<b>45,590</b>	<b>48,512</b>	<b>45,494</b>
CREDITORS: Due after more than one year	12	(2,200)	(2,662)	(2,200)	(2,662)
<b>TOTAL NET ASSETS</b>		<b>46,283</b>	<b>42,928</b>	<b>46,312</b>	<b>42,832</b>
ENDOWED FUNDS		16,335	16,305	16,335	16,305
RESTRICTED FUNDS		1,968	1,946	1,968	1,946
UNRESTRICTED FUNDS		27,980	24,677	28,009	24,581
<b>TOTAL FUNDS</b>	14	<b>46,283</b>	<b>42,928</b>	<b>46,312</b>	<b>42,832</b>

The financial statements were approved by the Board of Governors of Abingdon School on 2 December 2015.



ADRIAN BURN  
Chairman of Governors



ANDREW SAUNDERS DAVIES  
Vice Chairman of Governors

The notes to the financial statements on page 13 to page 24 form part of these accounts.

**ABINGDON SCHOOL**  
**Notes to the Financial Statements**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**Consolidated Cash Flow Statement**

	Notes	2015 £'000	2014 £'000
<b>Net cash inflow from operations</b>	18	<b>5,972</b>	<b>5,418</b>
<b>Returns on investment and servicing of finance</b>			
Investment income receipts	4b	35	30
Bank interest paid		(18)	(36)
Net cash inflow/(outflow) from returns on investments and servicing of finance		17	(6)
<b>Capital expenditure and financial investment</b>			
Payment for tangible fixed assets	8	(11,210)	(3,330)
Receipts from sale of tangible fixed assets		10	125
Payment for investments	9b	(174)	(78)
Receipts from sale of investments	9b	1,323	68
Net cash outflow from capital expenditure and financial investment		(10,051)	(3,215)
<b>Financing</b>			
Repayment of loans		(881)	(1,021)
Net cash outflow from financing activities		(881)	(1,021)
<b>(Decrease)/increase in cash</b>	19	<b>(4,943)</b>	<b>1,176</b>
<b>Reconciliation of net cash flow movement in net debt</b>			
(Decrease)/increase in cash at bank		(4,943)	1,176
Repayment of loans		881	1,021
Change in net debt		(4,062)	2,197
Net cash at beginning of year		6,180	3,983
<b>Net cash at end of year</b>	19	<b>2,118</b>	<b>6,180</b>

The notes to the financial statements on page 13 to page 24 form part of these accounts.

**ABINGDON SCHOOL**  
**Notes to the Financial Statements**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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**Notes to the Financial Statements**

**1. COMPANY LIMITED BY GUARANTEE**

The School is a company limited by guarantee, and is a Registered Charity. Each Director's liability would be limited to an amount not exceeding £10 in the event of the School winding up.

**2. ACCOUNTING POLICIES**

**a) Accounting Convention**

The financial statements are prepared in accordance with the historical cost convention (except that certain fixed assets and investment assets are carried at market value), applicable accounting standards, the Companies Act 2006, the Charities Act, and the Statement of Recommended Practice 2005 'Accounting by Charities'.

**b) Basis of consolidation**

The consolidated (group) accounts comprise the charity and its subsidiary Abingdon School Enterprises Limited. A summary of the profit and loss account for the subsidiary is shown in note 18. A separate Statement of Financial Activities for the School has not been provided as the School has taken advantage under Section 408 of the Companies Act 2006 and as permitted by paragraph 397 of the SORP 2005.

The School's income was £22,860k (2014: £23,242k), expenditure £20,238k (2014: £18,402k), giving net incoming resources of £3,312k (2014: £4,752k).

**c) Fees and Similar Income**

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions allowed by the School.

**d) Donations and Grants**

Donations and grants received for the general purposes of the Schools are credited to 'unrestricted funds'. Donations subject to specific wishes of the donors are carried to relevant restricted funds or to endowed funds where the amount is required to be held as permanent capital.

**e) Resources Expended**

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

Costs of generating funds comprise the costs associated with attracting voluntary income as well as costs incurred liaising with alumni.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs comprise the cost of running the charity, including external audit, Governors legal advice and constitutional and statutory compliance costs.

**f) Investments**

Listed investments are carried at their mid-market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sale proceeds and market value at the start of the year or subsequent cost and are credited or charged to the statement of financial activities in the year of disposal. Unrealised gains and losses represent the movement in the market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

**ABINGDON SCHOOL**  
**Notes to the Financial Statements**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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**2. ACCOUNTING POLICIES (continued)**

**f) Investments (continued)**

The school owns the freehold property known as Beverley House which it holds currently as an investment. In accordance with SSAP19, no depreciation is provided in respect of freehold properties or leasehold properties with over 20 years to expiry. This is a departure from the requirements of the Companies Act 2006, which requires all properties to be depreciated.

The directors consider that this policy results in the accounts giving a true and fair view. Investment properties are revalued annually with any surplus or deficit transferred to an investment revaluation reserve.

**g) Investment Income**

Income from these investments is accounted for on a received basis. Interest is accounted for on an accruals basis.

**h) Tangible Fixed Assets**

Tangible assets are stated at historical cost or valuation less depreciation. Items of £2,000 or less are expensed in the year. Depreciation is provided on a straight-line basis as follows:

Buildings	up to 50 years
Motor vehicles	4 years
Boats	4 years
Equipment	4 to 10 years

The buildings were revalued in the year ended 31 August 1999, see note 9b. The company has adopted the provisions of FRS 15 in respect of these assets and will not revalue them in the future.

The carrying values of fixed assets are reviewed for impairment only when events indicate the carrying value may be impaired.

An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

**i) Stocks**

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

**j) Pension Costs**

The School operates two types of pension schemes for their employees.

*Teaching Staff*

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS17 therefore, the scheme is accounted for as a defined contribution scheme.

*Non-Teaching Staff Scheme*

There are five different schemes all of which operate on a defined contribution basis. The pension cost charged to the Statement of Financial Activities represents the amount of the contributions payable to the scheme in respect of the accounting period.

**k) Operating Leases**

Operating lease rentals are charged on a straight line basis over the lease term.



**ABINGDON SCHOOL**  
**Notes to the Financial Statements**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

2. ACCOUNTING POLICIES (continued)

**l) Fund accounting**

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the Trust.

Endowment funds consist of fixed assets donations where the capital is held to provide income for bursaries. The purpose to which these assets may be applied is restricted in accordance with the terms of the endowment trust.

3. SCHOOLS FEES

**Fees receivable consist of:**

	2015 £'000	2014 £'000
Gross tuition fees	21,800	20,496
Less: Scholarships, Bursaries, Governors' Grants and allowances	(769)	(807)
	<u>21,031</u>	
Less: Restricted Scholarships and Bursaries	(23)	-
<b>Net fees receivable</b>	<u>21,008</u>	<u>19,689</u>

4. OTHER INCOME

**a) Ancillary Income**

	2015 £'000	2014 £'000
Coaches, trips and other recharges	1,587	1,627
Registration fees	87	83
Insurance administration	23	28
Retained deposit income	-	4
Other ancillary income	46	49
<b>Ancillary income</b>	<u>1,743</u>	<u>1,791</u>

**b) Investment Income**

	2015 £'000	2014 £'000
Dividends received	9	13
Bank interest received	26	17
<b>Investment income</b>	<u>35</u>	<u>30</u>

**c) Donations Income**

	2015 £'000	2014 £'000
Abingdon School Science Centre Appeal	16	1,042
Heathfield Cox legacy (unrestricted)	-	467
Other donations	95	133
<b>Donations income</b>	<u>111</u>	<u>1,642</u>

**ABINGDON SCHOOL**  
**Notes to the Financial Statements**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**5. EXPENDITURE**

**a) Analysis of total resources expended**

	<b>Staff costs £'000</b>	<b>Other costs £'000</b>	<b>Deprec- iation £'000</b>	<b>2015 £'000</b>	<b>2014 £'000</b>
<b>Expenditure on charitable activities:</b>					
Teaching costs	9,069	1,294	213	10,576	9,724
Welfare	595	1,300	-	1,895	1,791
Premises	588	1,853	1,053	3,494	3,485
Support	1,365	667	-	2,032	1,742
Coaches, trips and other	-	1,582	-	1,582	1,635
Grants, awards and prizes	-	2	-	2	-
	<b>11,617</b>	<b>6,698</b>	<b>1,266</b>	<b>19,581</b>	<b>18,377</b>
<b>Other expenditure:</b>					
Trading and letting costs	173	320	7	500	92
Fundraising costs	41	7	-	48	81
Governance costs (note 7)	-	54	-	54	27
Finance costs (note 6)	-	32	-	32	(11)
<b>Total resources expended</b>	<b>11,831</b>	<b>7,111</b>	<b>1,273</b>	<b>20,215</b>	<b>18,566</b>

**b) Net incoming resources are stated after charging:**

	<b>2015 £'000</b>	<b>2014 £'000</b>
(Surplus)/loss on disposal of tangible fixed assets	59	(56)
Operating leases	3	3
Auditors' remuneration	25	19
Other professional services from audit firm	42	4
Bad debts	51	(18)

The above costs include irrecoverable VAT.

**c) Staff costs**

	<b>2015 £'000</b>	<b>2014 £'000</b>
Wages and salaries	9,393	9,265
Social security costs	818	780
Pension contributions	1,132	1,102
	<b>11,343</b>	<b>11,147</b>

The average number of employees in the year was 306 (2014:310). There are 147 teaching staff (2014: 155). In addition to the above there were 43 (2013:32) music teachers.

Neither the Directors nor persons connected with them received any remuneration or other benefits from the Schools or any connected organisation.

**ABINGDON SCHOOL**  
**Notes to the Financial Statements**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

5. EXPENDITURE (continued)

**c) Staff costs (continued)**

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

	2015 No.	2014 No.
£60,000-£70,000	2	1
£70,000-£80,000	2	1
£80,000-£90,000	3	3
£90,000-£100,000	1	1
£110,000-£120,000	1	1
£200,000-£210,000	<u>1</u>	<u>1</u>

Pension costs for staff earning over £60,000 were £127k (2014: £107k). This relates to Defined Contribution schemes for 3 staff (2014: 3) and Defined Benefit schemes for 6 staff (2014: 5).

6. FINANCE COSTS

	2015 £'000	2014 £'000
Interest paid on loans and overdraft	18	36
Bank charges	9	4
Release of provision relating to hedging arrangement	-	(56)
Investment manager fees	5	5
Finance costs	<u>32</u>	<u>(11)</u>

7. GOVERNANCE COSTS

	2015 £'000	2014 £'000
Auditors' remuneration	25	19
Strategic advice	16	-
Governor administration costs	11	6
Trustee expenses	2	2
Governance costs	<u>54</u>	<u>27</u>

During the year 2 trustees (2014: 2) were reimbursed £2,313 (2014: £2,290).

**ABINGDON SCHOOL**  
**Notes to the Financial Statements**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**8. TANGIBLE FIXED ASSETS**

**a) School**

	Land & Buildings £'000	Buildings under construction £'000	Sports Equipment £'000	Fixtures Fittings & Equipment £'000	Motor Vehicles £'000	Total £'000
<b>Cost/valuation</b>						
At 1 September 2014	38,104	2,861	490	5,069	525	47,049
Additions	18	10,596	36	320	51	11,021
Transfers	-	(364)	-	364	-	-
Disposals	(48)	-	(17)	(412)	(4)	(481)
At 31 August 2015	<b>38,074</b>	<b>13,093</b>	<b>509</b>	<b>5,341</b>	<b>572</b>	<b>57,589</b>
<b>Depreciation</b>						
At 1 September 2014	6,423	-	386	2,984	426	10,219
Charged for the period	642	-	58	523	43	1,266
Disposals	(29)	-	(17)	(332)	(3)	(381)
At 31 August 2015	<b>7,036</b>	<b>-</b>	<b>427</b>	<b>3,175</b>	<b>466</b>	<b>11,104</b>
<b>Net Book Value</b>						
At 31 August 2015	<b>31,038</b>	<b>13,093</b>	<b>82</b>	<b>2,166</b>	<b>106</b>	<b>46,485</b>
At 31 August 2014	31,681	2,861	104	2,085	99	36,830

The above assets are all used in the furtherance of the Charity's objects.

**b) Group**

	Land & Buildings £'000	Buildings under construction £'000	Sports Equipment £'000	Fixtures Fittings & Equipment £'000	Motor Vehicles £'000	Total £'000
<b>Cost/valuation</b>						
At 1 September 2014	38,104	2,861	490	5,069	525	47,049
Additions	18	10,596	63	482	51	11,210
Transfers	-	(364)	-	364	-	-
Disposals	(48)	-	(17)	(412)	(4)	(481)
At 31 August 2015	<b>38,074</b>	<b>13,093</b>	<b>536</b>	<b>5,503</b>	<b>572</b>	<b>57,778</b>
<b>Depreciation</b>						
At 1 September 2014	6,423	-	386	2,984	426	10,219
Charged for the period	642	-	58	530	43	1,273
Disposals	(29)	-	(17)	(332)	(3)	(381)
At 31 August 2015	<b>7,036</b>	<b>-</b>	<b>427</b>	<b>3,182</b>	<b>466</b>	<b>11,112</b>
<b>Net Book Value</b>						
At 31 August 2015	<b>31,038</b>	<b>13,093</b>	<b>109</b>	<b>2,321</b>	<b>106</b>	<b>46,666</b>
At 31 August 2014	31,681	2,861	104	2,085	99	36,830

**ABINGDON SCHOOL**  
**Notes to the Financial Statements**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**8. TANGIBLE FIXED ASSETS (continued)**

**c) Revaluation reserve**

The net carrying value of the School's freehold land and buildings of £31,038k (2014: £31,681k) includes a revaluation carried out by GVA Grimley International Property Advisers in August 1999, who prepared Existing Use Valuations on each of the two Schools, adopting a Depreciated Replacement Cost basis for the Abingdon site and boathouses. This revaluation gave rise to a revaluation reserve of £12,576k (2014: £12,576k).

Had the land and buildings been included in the accounts at historical cost, the net book value would have been as follows:

	2015 £'000	2014 £'000
Cost	25,498	25,346
Accumulated depreciation	(4,200)	(3,838)
Historical net book value	<u>21,298</u>	<u>21,508</u>

The School has adopted the provisions of FRS 15 in respect of these assets and will not revalue them in the future.

**9. INVESTMENTS**

**a) The Charity's investments are as follows:**

	2015 £'000	2014 £'000
Listed investments, at market value	404	1,605
Cash awaiting re-investment	222	90
	<u>626</u>	<u>1,695</u>
Freehold investment property – Beverley House	2,001	2,000
Investments	<u>2,627</u>	<u>3,695</u>

The freehold investment property has been valued by the Directors on the basis of open market value for existing use. The carrying value of Abingdon School Enterprises Ltd is £1.

**b) Investments**

The movement during the year on investments and cash is shown below:

	Unrestricted £'000	Restricted £'000	Permanent endowment £'000	Total £'000
At 1 September 2014	1,487	85	123	1,695
Transfer	(519)	(32)	551	-
Additions	154	9	11	174
Disposals and other receipts	(1,169)	(63)	(91)	(1,323)
Revaluation	47	1	32	80
<b>At 31 August 2015</b>	<u>-</u>	<u>-</u>	<u>626</u>	<u>626</u>

The historic cost of the investments (including cash) is £551k (2014: £1,253k). Included in the investments are overseas investments with a market value of £148k (2014: £805k). At the year end the following investments represent more than 5% of the total investments:

Jupiter Strategic Bond	21.24%
Capita Financial Managers	13.30%
Findlay Park Funds	15.90%
Prusik Investment Manager Units	10.62%

**ABINGDON SCHOOL**  
**Notes to the Financial Statements**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

9. INVESTMENTS (continued)

**c) Investment in subsidiary**

The investment in Abingdon School Enterprises Limited represents 100% of the share capital of that company. The company is registered in the UK and operates a retail business. The results of this entity are consolidated into these financial statements. The investment in the subsidiary is eliminated on consolidation. The results and net assets of the subsidiary are disclosed in Note 18.

10. DEBTORS

	<b>GROUP</b>		<b>SCHOOL</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Sundry debtors and prepayments	792	845	762	841
Fees and extras	183	44	183	44
Amounts due from subsidiary	-	-	391	-
	<b>975</b>	<b>889</b>	<b>1,336</b>	<b>885</b>

11. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	<b>GROUP</b>		<b>SCHOOL</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Bank loan and overdraft	749	902	749	902
Fees received in advance	965	1,313	965	1,313
Purchase ledger balances	705	669	688	669
Sundry creditors and accruals	2,273	772	2,270	763
Acceptance deposits	324	353	324	353
Social security and other taxes	244	223	244	223
	<b>5,260</b>	<b>4,232</b>	<b>5,240</b>	<b>4,223</b>

Sundry creditors and accruals include £1,513k (2014: £113k) in respect of capital projects.

12. CREDITORS: AMOUNTS DUE IN MORE THAN ONE YEAR

	<b>GROUP AND SCHOOL</b>	
	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Bank Loans:		
Development loan	590	1,182
Beverley House loan	-	136
Acceptance deposits	1,610	1,344
	<b>2,200</b>	<b>2,662</b>

The development loan was arranged to meet the costs of the new Sports Centre. The Beverley House loan served to fund the acquisition of Beverley House, which is held as investment property. Both loans are repayable by instalments with an interest rate charged at 0.55 % above the Bank of England Base Rate.

Acceptance deposits represent deposits taken at the time a pupil has been granted a place at the school and are refundable when the pupil finishes his education at the school. The deposits are allocated to creditors owed in less or more than one year according to when the pupil is normally expected to leave the School.

**ABINGDON SCHOOL**  
**Notes to the Financial Statements**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**13. ALLOCATION OF CHARITY NET ASSETS**

	Fixed Assets	Investments	Current assets less total liabilities	Total
	£'000	£'000	£'000	£'000
<b>Permanent endowment</b>				
Hammond legacy	-	626	-	626
Prize funds	-	-	431	431
Land and buildings	11,892	-	-	11,892
<b>Expendable endowment</b>				
Land and buildings	3,386	-	-	3,386
<b>Total Endowed</b>	<b>15,278</b>	<b>626</b>	<b>431</b>	<b>16,335</b>
<b>Restricted funds</b>	<b>1,325</b>	<b>-</b>	<b>643</b>	<b>1,968</b>
<b>Unrestricted funds</b>	<b>29,882</b>	<b>2,001</b>	<b>(3,874)</b>	<b>28,009</b>
<b>Total School</b>	<b>46,485</b>	<b>2,627</b>	<b>(2,800)</b>	<b>46,312</b>
<b>Subsidiary reserve</b>	<b>181</b>	<b>-</b>	<b>(210)</b>	<b>(29)</b>
<b>Total Group</b>	<b>46,666</b>	<b>2,627</b>	<b>(3,010)</b>	<b>46,283</b>

**14. FUNDS**

	Balance 31 August 2014	Incoming resources	Resources expended	Investment gain	Balance 31 August 2015
	£'000	£'000	£'000	£'000	£'000
<b>Permanent endowment</b>					
Hammond legacy	594	-	-	32	626
Prize funds	433	-	(2)	-	431
Land and buildings	11,892	-	-	-	11,892
<b>Expendable endowment</b>					
Land and buildings	3,386	-	-	-	3,386
<b>Endowment funds</b>	<b>16,305</b>	<b>-</b>	<b>(2)</b>	<b>32</b>	<b>16,335</b>
<b>Restricted funds</b>					
Abingdon School science centre appeal	1,238	16	-	-	1,254
Other	708	62	(57)	1	714
<b>Restricted funds</b>	<b>1,946</b>	<b>78</b>	<b>(57)</b>	<b>1</b>	<b>1,968</b>
<b>Unrestricted funds</b>					
Revenue account	24,669	22,951	(19,658)	47	28,009
<b>Total School</b>	<b>42,920</b>	<b>23,029</b>	<b>(19,717)</b>	<b>80</b>	<b>46,312</b>
<b>Subsidiary reserves</b>	<b>8</b>	<b>461</b>	<b>(498)</b>	<b>-</b>	<b>(29)</b>
<b>Total Group</b>	<b>42,928</b>	<b>23,490</b>	<b>(20,215)</b>	<b>80</b>	<b>46,283</b>

**ABINGDON SCHOOL**  
**Notes to the Financial Statements**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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**14. FUNDS (continued)**

The Hammond legacy is an endowment invested to provide income for bursary support. The brought forward restricted funds are to provide for the long term future for the School and to provide funds for scholarships at the Governors discretion. The additions in the year are either for bursaries or areas specified by the donors.

**15. CAPITAL COMMITMENTS – GROUP AND SCHOOL**

Capital commitments as at 31 August 2015 totalled £1,946k (2014: £13,071k).

**16. OPERATING LEASES – GROUP AND SCHOOL**

At 31 August 2015 the Group and School had £3k (2014: £3k) annual commitments due between two and five years under non-cancellable operating leases represented as creditors due in more than one year.

**17. RESULTS OF THE TRADING SUBSIDIARY**

The school owns a non-charitable trading subsidiary, Abingdon School Enterprises Limited, which operates as a retail and lettings business and distributes any taxable profits to the school under Gift Aid. The trading results for the subsidiary are shown below:

	<b>2015</b> <b>£'000</b>	<b>2014</b> <b>£'000</b>
Turnover	461	164
Cost of sales	(135)	( 74)
Gross profit	<u>326</u>	<u>90</u>
Cost of administration	(363)	( 2)
Net (loss)/profit	<u>(37)</u>	<u>88</u>

The above figures are before distributions under gift aid to the school of £Nil (2014: £88k). Included within cost of administration is £5k (2014: £5k) charged by the Charity to Abingdon School Enterprises for use of the Amey Theatre and the School Shop. This charge has been eliminated on consolidation.

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

	<b>2015</b> <b>£'000</b>	<b>2014</b> <b>£'000</b>
Net incoming resources	3,275	4,840
Interest payable	18	36
Interest received and investment income	(35)	( 30)
Depreciation charges	1,273	1,212
(Increase)/decrease in stocks	(10)	31
Decrease/(increase) in debtors	(86)	234
Increase/(decrease) in creditors	1,447	(848)
(Profit)/loss on disposal of fixed assets	90	(57)
Net cash inflow from operations	<u>5,972</u>	<u>5,418</u>



**ABINGDON SCHOOL**  
**Notes to the Financial Statements**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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19. ANALYSIS OF NET CASH

	<b>GROUP</b>		
	31 August	<b>Cash Flow</b>	31 August
	2014		2015
	£'000	£'000	£'000
Cash at bank and in hand	8,400	<b>(4,943)</b>	<b>3,457</b>
Bank loans due within one year	( 902)	<b>153</b>	<b>(749)</b>
Bank loans due after one year	( 1,318)	<b>728</b>	<b>(590)</b>
Net cash	<u>6,180</u>	<u><b>(4,062)</b></u>	<u><b>2,118</b></u>

20. PENSION SCHEMES

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. 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.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pensions Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001 to 31 March 2011, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pensions Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. 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. Many of these were being discussed in the context of the design for a reformed TPS, and as set out in the Proposed Final Agreement, scheme valuations had been suspended since the last valuation in 2004.

The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate ("SCR") is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

Valuations of the TPS are now required under the Public Service Pensions Act 2013 every 4 years and are required to be carried out in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury.

An actuarial valuation of the TPS in accordance with these Directions was published in June 2014 assessing the TPS as at 31 March 2012. The GA's report revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits)

**ABINGDON SCHOOL**  
**Notes to the Financial Statements**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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amounted to £191,500 million. The value of the notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was

**20. PENSION SCHEMES (continued)**

£176,600 million. 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%.

Employer and employee contribution rates

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced – effective for the first time for the 2008 valuation – a 14% cap on employer contributions payable.

From 1 April 2014 to 31 March 2015, the employee contribution rate ranged between 6.4% and 12.4%, depending on a member's Full Time Equivalent salary and for 2015/16 will range between 7.4% and 11.7%. Thereafter members will be expected to pay an average contribution rate of 9.6%.

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.

The total employer and employee superannuation contributions payable (and paid) to the Scheme for the year ended 31 August 2015 were £1,521k (2014: £1,458k).

The School also runs a scheme for its non-teaching staff, which is a defined contributions scheme. The cost for the year represents the Charity's contributions to that scheme of £262k (2014: £257k) there were no unpaid contributions outstanding at the year end.

**21. RELATED PARTIES**

Advantage has been taken of the FRS8 exemption from disclosure of intragroup transactions.