

Charity Registration No. 1076456

Company Registration No. 3779971 (England and Wales)

ARDINGLY COLLEGE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2014

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ARDINGLY COLLEGE LIMITED

COMPANY INFORMATION YEAR ENDED 31ST AUGUST 2014

Registered Office	Ardingly College College Road Haywards Heath RH17 6SQ
Directors	Mr J F Sloane (Chairman) Mr P N Bryan Ms C D Cater Mr G W Dixon Mr D F Gibbs Mr A A Holmes Mr D H T Johnson-Poengsen Mr S Kay (Appointed 21 October 2013) The Earl of Limerick Mrs L E Lindsay Mr N McLaughlan Mr G N Turner Mr N Walker (Appointed 21 October 2013)
Secretary	Mr P I Jackman
Charity No.	1076456
Company No.	3779971
Head of College	Mr P R A Green (Resigned 31 August 2014) Mr B A H Figgis (Appointed 1 September 2014)
Head of Prep School	Mr C Calvey
Director of Operations	Mr P I Jackman
Auditors	Grant Thornton UK LLP Grant Thornton House Melton Street London NW1 2EP
Bankers	Lloyds Bank plc Haywards Heath Branch 99-101 South Road Haywards Heath RH16 4ND

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COMPANY INFORMATION YEAR ENDED 31ST AUGUST 2014

Insurance Brokers

Marsh Insurance Brokers Limited
Rockwood House
9-17 Perrymount Road
Haywards Heath
RH16 3DU

Zurich Municipal
Zurich House
2 Gladiator Way
Farnborough
Hampshire
GU14 6GB

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2014

The Directors present their report and financial statements for Ardingly College Limited ("the College") for the year ended 31 August 2014 and confirm they comply with the requirements of the Charities Act 2011 and the Charities SORP 2005.

REFERENCE AND ADMINISTRATIVE INFORMATION

The charity was formed in 1858 and is registered with the Charity Commission as charity number 1076456. The charity is a limited liability company and wholly owned subsidiary of The Woodard Corporation (charity number 1096270).

Woodard Schools strive for the best all round education of every aspect of each individual; they ensure high standards of religious education; and they see themselves as communities working together for the benefit of all members, and of the Church and the nation. There are strong Christian foundations which adhere to catholic belief as found in the Church, to Christian worship focused in the Eucharist, and to the care of each individual and the whole College community particularised in the ministry of the Chaplain.

Note 27 provides details of connected charities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Company is governed by Articles of Association as adopted by Special Resolution dated 20 March 2013, replacing those dated 6 July 2005 amended by Special Resolution(s) dated 25 January 2006. They permit funds to be managed in such a manner as the directors see fit, provided that such powers are only exercised for the purposes of attaining the objects and in a manner which is legally charitable. The Articles of Association forbid the distribution of any property or funds, which are to be applied solely towards the promotion of the objects of the company.

Governing Body

The directors of the Company are also Governors for the purpose of Charity law. They are elected to hold office for five years. Any retiring director may be re-appointed. It is the collective responsibility of the Board of Governors (referred to as Council) to ensure that the College is fit for purpose and to determine and support its strategic direction in order to enable it to attain its stated objective. Council met four times during the year.

All directors of the Company are also Fellows (members) of the Woodard Corporation and participate in the election of its board of management and are committed to its charitable objects.

Recruitment and Training of Governors

Governors are recruited on the basis of nominations from College contacts and approval from Council via a recommendation of the Nominations Committee, when a post becomes available. An annual skills audit of individuals on the Council is undertaken and the governing body then look to select new Governors on the basis of background, competence and specialist skills to fill any gaps identified. Governors are provided with induction training by the Chair of Governors, Head, Director of Operations and staff and a wider programme of training events is organised by the Woodard Corporation. The College also encourages Governors to attend events run by the Association of Governing Bodies of Independent Schools (AGBIS) as well as commercial training courses.

Specific training sessions are held at the annual Governors' Day held in April and the process for both induction and on-going training is under constant review to ensure that Governors continue to be fully supported in discharging their corporate governance responsibilities.

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Organisational Management

The directors determine the general policy of the College. The day to day management is delegated to the Head and the Director of Operations, overseeing educational, pastoral and administrative functions in consultation with the senior staff. The day to day administration is undertaken within the policies and procedures approved by the Governors which provide for only significant expenditure decisions and major capital projects to be referred to the governors for prior approval.

The Head oversees the recruitment of all educational staff, whilst under delegated authority the Director of Operations oversees the recruitment of administrative and non-teaching support staff. The Head and Director of Operations are invited to attend Governors' meetings and other members of senior management attend when appropriate.

The governors have established the following sub committees of Council:

Finance & General Purposes Committee (F&GP) – the F&GP has a remit to consider budgets, both revenue and capital, cash flow information and financial reports, including the financial statements. It also considers financial policies, financial regulations, HR matters and general policies. It makes recommendations to the governing body for approval. The F&GP met three times during the year.

Estates Committee – the Estates Committee develops the College's estates strategy, including capital developments and maintenance of the buildings and it makes recommendations on funding requirements to the F&GP and on wider estate matters directly to the governing body. The Committee met three times during the year.

Education Committee – the Education Committee is responsible for oversight of the academic performance of the College and educational policy, making recommendations to the governing body. It met twice during the year and used the occasion of the Governors' day in April for all members of Council to observe teaching at all levels throughout the College.

Development Committee – instead of establishing a separate charity to run a Development and Fundraising programme, Council decided to form a specific subcommittee with this remit. The committee met twice during the year.

Nominations Committee – The Nominations Committee undertakes a formal skills audit of the governing body, identifies shortfalls and identifies suitable potential governors. The committee met once during the year.

In addition to the formal committee structure, individual Governors are allocated key areas of responsibility: Child Protection – Louise Lindsay; Health & Safety – Graham Turner; Compliance – Alan Holmes.

Group Structure and Relationships

Through membership of various associations such as Headmasters and Mistresses Conference and Independent Association of Prep Schools and by networking with peer groups, the College seeks to ensure that it attains the highest standards of quality and performance. Pupils are encouraged to develop an awareness of the social context of the all-round education they receive at the College and they are engaged in a number of activities to enhance their understanding. There is an active alumni group, the Old Ardinians, who are generous in supporting the work of the College, which is greatly appreciated and gladly acknowledged.

The College also cooperates with many local charities in its ongoing endeavours to widen public access to the schooling it can provide, to optimise the educational use of its cultural and sporting facilities and to awaken in the pupils, in the public interest, an awareness of the social context of the all-round

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education they receive. The College has developed links with a wide range of organisations to ensure the widest possible access to its facilities and schooling.

The College has a wholly owned non-charitable subsidiary, Ardingly Projects Limited, whose activities and trading are detailed in note 3.

OBJECTIVES AND ACTIVITIES

Charitable Objects

The charity's objects, as set out in the Memorandum of Association, are to promote and extend education in accordance with the doctrines and principles which govern the charity called the Woodard Corporation by carrying on Ardingly College Limited.

In setting the College objectives and planning the College activities the College Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

The College is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. The College fees are set at a level to ensure the financial viability of the College and at a level that is consistent with the College's aim of providing a first class education to all pupils. The College's charitable objectives are 'to promote and extend education' and these objectives are recognised as benefiting the public when pursued in the context of formal education in a body where all surplus funds are re-invested. The Woodard Corporation and all of the colleges it owns are charitable bodies, with no external shareholders and no possibility of making distributions, including in the form of dividends. All surpluses are re-invested in education.

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

The College is an equal opportunity organisation and is committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, gender, sexual orientation or disability. The College will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled. All staff have equal opportunities for training, career development and promotion.

Charitable Activities

The principal activity of the Charity continues to be the provision of education to pupils from 2 to 18 years of age. The College facilities are available at times for use by the local community and others.

The College comprises three constituent schools: The Senior School is a boarding and day school for pupils aged 13 to 18, whilst the Preparatory School is for pupils aged 7 to 13 and offers boarding through the week. The Pre Prep is for 2-7 year olds.

The College provides a very high standard of education and this is validated in a review of the academic results, our measurements of added value and through external inspection. It offers a broad curriculum and educates children with a wide range of ability. The College's aim is to support children in reaching their potential in all areas of their activity at the College. This may be in academic subjects but can just as easily be reflected in success in art, drama, sport, music or dance. The College produces

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well-rounded individuals who make a positive contribution to society.

Grant Making

The College does not make grants to external bodies.

STRATEGIES AND POLICIES

Public Benefit Aims and Intended Impact

Within the objects, the College aims to create an environment to nurture children, to get the best from them and to allow them to develop and fulfil their potential. The College provides them with a first class independent education and a wide range of sporting and artistic opportunities. The public benefit aim is that all pupils will be self-confident and will want to contribute to the wider community.

In the furtherance of these aims the Governors, as charity trustees, have complied with the duty in section 17 of the Charities Act 2011 to have due regard for the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under the Act.

Access Policy

It is important to the College that access to the education offered is not restricted to those who can afford the College fees. There is a strong belief that Ardingly College pupils benefit from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experiences which helps pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

The College's concessions policy, including means tested bursaries, contribute to a widening of access to the education the College offers and the facilities the College enjoys. These policies are kept under regular review to ensure that able children can accept places offered regardless of their parental circumstances and means.

Awards policy

The College is committed to attracting pupils of the highest calibre through scholarships and other awards; and broadening access by offering means-tested financial support in the form of bursaries to eligible parents or guardians to assist with the payment of College fees.

Scholarships are awarded for academic potential or for excellence in the fields of music, art, drama, sport or on the basis of an all-round ability. The awards, which are not subject to means testing, involve a fixed remission of fees normally between 5% and 66%.

Where further assistance is required, scholarship awards can be supplemented by a means-tested bursary which can be up to 100% of the base fees. Additional support may also be forthcoming to cover the cost of additional activities such as trips. The Governors view bursary awards as important in helping to ensure children from families who would otherwise not be able to afford the fees access the education offered. Bursary awards are available to all who are awarded scholarships and are made solely on the basis of parental means. The College does not have a significant endowment fund to support the award of bursaries. However it uses the profit from its subsidiary trading company Ardingly Projects Limited, which derives income from commercially letting the College facilities in the holiday periods to support the bursary awards.

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In addition, bursaries may be provided to relieve hardship where an existing pupil's education and future prospects would otherwise be at risk, for example in the case of redundancy. In all cases of assessing means, the methodology promulgated by the Independent Schools' Bursars Association is utilised, which takes a number of factors into consideration including family income, investments and savings and family circumstances, for example, dependant relatives and the number of siblings.

The College does not have a significant level of endowment and, in funding the awards, is mindful that it must ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards. Information about fee assistance through bursaries is provided to all applying to the College. Further details of the bursary policy and how to apply are available on the College's website.

Other Assistance

As part of the emphasis on attracting and retaining high calibre staff, the College offers a discount scheme should staff members choose to educate their children at the College.

STRATEGIC REPORT

Principle Risks and Uncertainties

The governing body is responsible for the identification and strategic management of the risks faced by the College. Assessment of risks occurs throughout the year and the formal Risk Register, which was re-formatted in 2014, is reviewed and updated by Governors on an annual basis. The new format shows the risk, the risk owner and identified mitigating steps. It also shows the steps to be taken in the event the risk occurs and the individual responsible in such circumstances.

Key risks identified include:

- competition from other schools
- change in perception of Independent Schools
- significant UK terrorism
- serious and prolonged economic recession
- poor inspection results

The key controls used by the College include:

- formal agendas and minutes for all meetings of the governing body and committees
- terms of reference for all committees
- comprehensive strategic planning, financial forecasting, budgeting and management accounting
- established and identifiable organisational structures and reporting lines which are regularly reviewed
- comprehensive formal written policies
- clear authorisation and delegated approval limits
- safeguarding procedures as required by law and which reflect best practice, for the protection of all pupils

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- ensuring that all personnel have a fundamental understanding of the need to make the College and its activities a safe environment for pupils, staff and visitors
- use of expert external professional advice

The Senior Management Team provides the governing body with regular reports which include details of the principal strategic objectives and the activity to achieve those objectives. The College also records significant achievements and updates the governing body and the Woodard Corporation on short-term plans. Clear protocols are developed and agreed which enable the Woodard Board to be kept informed by the College governing body.

Financial risk management objectives and policies

The College uses financial instruments, other than derivatives, comprising loans, cash and other liquid resources and various other items such as trade debtors, creditors and finance lease arrangements that arise directly from operations. The main purpose of these financial instruments is to raise finance for the College's operations.

The main issues arising from the College's financial instruments are liquidity risk and interest rate risk. The College's directors adopt policies for managing each of the risks and these are summarised below:

- Liquidity risk – the College seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs by negotiating adequate facilities from banks and other lenders.
- Interest rate risk – the College finances operations through a mixture of retained surpluses and bank and other borrowings. The exposure to interest rate fluctuations is managed by the use of both fixed and floating facilities.

Health & Safety

The College is committed to the health, safety and welfare of all its pupils and employees and reviews regularly its policies and procedures. Since 2010 the College has had a qualified, full-time Health and Safety Manager. Health and Safety issues are an agenda item on all standing committees and a Health & Safety Policy has been implemented which establishes clear responsibilities, lines of communication and a number of forums incorporating members from all areas of the College community. A report is produced for each meeting of the Estates Committee by the Health, Safety, Environment and Compliance Manager and subsequently presented to full Council. A detailed written annual report detailing any notifiable incidents/accidents and any significant changes in law or procedures is also produced.

REVIEW OF ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE.

Objectives for 2013-14

This year the College's primary objectives were to:

- Increase student numbers, in particular in the sixth form, whilst maintaining academic standards
- Increase IB and A level student numbers and improve the IB core programme
- Improve the use of technology in teaching and learning through the further development of the school's wifi network
- Finalise the staff development programme entitled "Staff Formation"

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- Complete the construction of new Prep School facilities including seven classrooms and demolish the unsightly Snow building

Pupil Numbers

Pupil numbers at the College during the year were as follows:

	2012/13	2013/14		
	All Pupils	Boys	Girls	Total
Senior School				
Boarding	254	152	113	268
Day	282	169	116	285
TOTAL SENIOR SCHOOL	536	321	229	553
Prep School				
Day	247	139	99	238
Boarding	13	11	8	19
TOTAL PREP	260	150	107	257
Pre Prep	106	53	40	93
TOTAL PRE-PREP	106	53	40	93

2013/14 Prep boarding figure reflects those students on flexi and full boarding but does not include a large number of pupils who board on a more casual basis.

Achievement of the Year's Objectives

The objectives set for 2013/14 were largely met:

- There was an increase in pupil numbers with the Senior School following the recent trend and again being the highest in the College's history, but with small class sizes being maintained. Entry to the sixth form continues to be highly competitive
- Sixth Form numbers rose with 110 in the Upper Sixth and 127 the Lower Sixth with 158 studying A levels and 79 the International Baccalaureate. The IB Core was offered to A level students on a voluntary basis and will be made compulsory for all A level students for the 2014-15 academic year
- The wifi network was developed further with the Prep School introducing a Bring Your Own Device (BYOD) policy to aid teaching and learning in the classroom with a similar programme being planned for the Senior School in 2014-15
- A member of staff with responsibility for Staff Formation was appointed during the year who sits on SMT. Suitable budgets to allow development initiatives to progress have been allotted and the "Teacher Flightpath" website has been launched
- The second phase of the Prep school development opened ahead of schedule and on budget providing seven additional classrooms and administrative offices. The 1970's Snow building at the front of the College was demolished, thereby significantly improving the College's appearance

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The Promotion of Education

During the year, Ardingly College educated an average of 903 children between the ages of 2 and 18. Of these 744 are from the UK. As can be seen from the academic results, the standard of the education provided exceeds both the national benchmarks and national averages. The College also offers a boarding provision and access to the International Baccalaureate (IB) which is often unavailable in the maintained sector.

Academic Performance

Sixth Form

Strategic Targets:

- 100% pass rate at A Level (AL)/ IB diploma
- 75% combined A Level /IB grades at A/B or the equivalent
- 65% A Level grades at A*-B
- 65% IB Higher Level grades at 7 or 6

All of these strategic targets have been met or exceeded apart from A Level grades which were 1% short of the target.

Sixth Form results highlight the danger of paying too much attention to league tables and certain target measures as by having both A Level and IB examination systems there is no meaningful way of combining and therefore benchmarking the results achieved. However, using the methodology that has been used in previous years the combined Sixth Form results were pleasing again this year: 74% of all grades at A*-B or IB equivalent and 47% at A*-A. The top 50% of the year secured 96% A*-B. In particular, the strong IB results helped to boost the combined percentages this year.

The IB results were excellent, with the overall average point score of 36.89, the best IB average grade in the eleven years the diploma has been studied at the College. 50% of the cohort achieved at least 38 points, the minimum requirement for Oxbridge entry, and 94% achieved the UCAS Tariff equivalent of 3 A* grades at A Level, with a further 3% achieving the UCAS Tariff equivalent of 3 A grades at A Level. Students gained a combined AL/IB average of 406 UCAS points, the equivalent of A* A* A at AL.

The number of A Level students attending overseas universities has fallen from 9 last year to 4 this year. For IB students the number studying abroad has increased from 29.7% to 43.3%. The number of students taking gap years has also continued to fall, for IB 6% and for AL 9.4% (compared to 7.8% of AL and 15.6% of IB last year).

AS results were also promising: 53% of all grades were A or B (No A*s are possible at AS). 75% of all grades were A-C, the same as in 2013, which was our best ever year for AS results.

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GCSE

Strategic Targets:

- 100% A*-C pass at GCSE
- 65% A*-A pass at GCSE
- Top 50% of students: 50% A*

Whilst the first target was not met the second and third were exceeded.

The 2014 cohort produced the College's best ever GCSE results with 65% A*-A, at a time when GCSEs are becoming harder. The average subject grade per candidate was an A and 25% of the 110 Fifth Formers attained all A*s or As.

In Physics 100% of grades were A*-A. In Biology it was 94% and Chemistry 90% A*-A. 11 subjects attained more than 90% at A*-B. 91% of grades were A*-B in Mathematics and 84% of grades were A*-B in English Literature and English Language.

Prep School Common Entrance

53% of pupils gained a core average of A* or A and this is a 21% increase on last year's results with the modal core average grade increasing from a B grade to an A. 100% of pupils achieved A-C grade for their core average. The percentage of A*s in Maths rose to 25% and in Science 66% of students gained an A* or A.

Arts, Music and Drama

One of the important elements of any Woodard school is the concentration on arts, music and drama. Ardingly College is involved in all different aspects of these activities to an extremely high standard.

A plethora of visits and lectures are arranged for students of all ages so as to ensure their appreciation of art e.g. the four day art trip to Berlin and the Fifth Form visit to the Tate Britain to name just two.

The work of students has been recognised in a number of ways with one winning the prestigious New School Competition, a prestigious American film and art competition in which he beat 9000 other entrants. On a more local level, a whole school art competition was held under the theme of "Trees" with 81 entries being received from Year 1 through to the Upper Sixth.

Music is taught to the highest level and the College now has a collaboration with the London Philharmonic Orchestra and the LPO Orchestral Day in September involved many Ardingly students as well as those from local schools. VOCES8, artists in residence, conducted regular workshops throughout the year as did the LPO and in October the VOCES8 Choral Day involved 250 students not only from the College but also the local area.

A number of student concerts took place including a Britten Centenary Concert in November where the Chapel Choir and Schola Cantorum were joined by VOCES8 and the LPO's Foyle Future Firsts Orchestra with the event being introduced by Lord Berkeley, Britten's godson. On the following day, Britten's birthday, the Prep school Choir, Schola Cantorum and West Sussex choirs gave the premiere of a newly commissioned work "Songs for Now and Then". This was repeated at the Worthing Assembly Hall in January with the County Youth Orchestra and Choirs.

The Schola Cantorum sang evensong jointly with the Gonville and Caius College Choir, Cambridge, and the Chapel choir sung Evensong at Winchester Cathedral with the Prep School choir singing Evensong

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at Chichester Cathedral. A Choir Tour to Paris, including members from the Prep School included a recital in Notre Dame Cathedral.

In the Woodard Young Musician of the Year 2014, of 32 finalists nine were Ardingly students.

There were many successes in the Mid Sussex Music festival and the College encourages all genres of music from jazz to rock and pop and the annual Cabaret Evening was, as always, a significant success.

The sixth season of Music@Ardingly concerts featured performances by VOCES8, LPO Chamber Concert, a Stephen Hough piano recital and a jazz concert with the Dave Newton Trio.

In Drama, the whole College production of "Lear's War" with a cast of over 80 pupils was inspired by Edward Bond's Lear and was a spectacular, violent, disturbing, desolate play about the futility of war. The Six Form plays produced in one evening ranged from one student's own creation "Convicted" about inmates on death row in the USA, to Alan Ayckbourn's "Drinking Companions" and NSFW by Lucy Kirkwood. The College's student theatre company The Pelican's Briefs took their second show, 1 Green Bottle, to the Edinburgh Fringe and sold out for several shows, a significant achievement for a school production. The Middle school's Tom Stoppard's "Dogg's Hamlet, Cahoot's Macbeth" and the Lower Sixth production of "Crave" ensured that many students had the opportunity to participate in challenging works. The Prep School production of "Alice in Wonderland" was successfully staged in the main theatre in East Grinstead and the Lower School's production of "Charlie and the Chocolate Factory" was extremely well received.

A number of student trips to London productions also took place.

The College's second ArtsFest week held in June 2014 was again a significant success and brought together a plethora of artistic enrichment activities for Ardingly students who were joined by students from local schools and colleges and a series of major public events. Over the three days the public were able to see the cast of Stomp, the Reduced Shakespeare Company, the Horne Section, Bradley Walsh and John Agard as well as a gala opera night featuring Sir John Tomlinson and musicians from the royal Opera House. It is planned that ArtsFest will now become a standing item in the College calendar.

Sport

The enormous range of sports offered at Ardingly College reflects the importance given to sporting activity and physical education. Over 85 different activities, including most major sports, are on offer at the College. Highlights in 2013-14 included unprecedented success in football with the Under 15 team being National Independent Schools Cup winners; the U18 team being the Independent Schools Football Association six-a-side champions; the U16 team being Sussex County champions and the U15 and U14 teams winning the Ibstock Place six-a-side tournaments.

All levels of sport are covered by the College from mass participation through to elite level. Individual successes and recognition were gained in a vast array of sports from those expected in football where the College was the most represented school for ISFA national teams in the country through to those less heralded including baseball, basketball, golf and sailing.

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Further team successes included:

- Hockey - 1st XI retaining the boys Sussex U18 cup for the third year in a row and winning the indoor title for the second year
- Basketball – Southern Independent Schools Basketball League Champions for the fourth consecutive year
- Fencing – Sussex County Junior Team Foil winners

The Duke of Edinburgh's Award Scheme continues to be popular with 16 gold and 34 silver awards being made.

In the Prep school there were a number of successes with the U11 students being Hockey Sussex Champions for both the boys and the girls sections whilst the boys also qualified for the National IAPS Finals, where they finished 5th. During the football season the U11 boys qualified for the National ISFA 7-a-side finals. The U13 boys represented Sussex in the National IAPS Hockey Finals at Millfield for the third time in four years and in the Summer the 1st XI cricket team had an unbeaten domestic season. The Swimming Squad finished unbeaten in school matches and three members of the squad qualified for the National IAPS Finals. Students were also selected to represent the county in cross country, cricket, football and hockey.

Bursaries and Scholarships

The Governing Body view the College's bursary awards as fundamental in assisting families, who might not otherwise be able, to access the education offered at Ardingly. The assessments take into account a number of factors including income, assets and family circumstances. Ardingly College has a very limited endowment fund and there are a number of restrictions determining how they can be used. The College also needs to be continually aware of the considerable personal sacrifices that a large number of its parents make to fund their children's education. This year the value of means tested bursaries totalled £734k and represented 4% of gross fees, providing assistance to 75 pupils.

The purpose of the scholarship awards is to recognise high academic potential or the ability to excel in co-curricular activities. Some of the awards carry specific conditions imposed by the original donors. It is the College's policy to reduce the financial value of these awards over time as compared to the value of the means-tested bursaries.

The College awarded 260 scholarships to pupils, based on their educational merit and potential, totalling £1,104k and representing 6.2% of gross fees. Of this number, 55 also qualified for additional means-tested bursary support and are included in the figures relating to bursary awards. There were a number of pupils who might have qualified for means tested bursaries but who did not apply for them as they were already beneficiaries under the Scholarship programme. In 2011 Governors decided that a Parish Academic Scholarship, enjoying up to 100% fee remission, could be offered each academic year. There are now 2 students holding this award. The first student to be offered this scheme started in Year 7 in September 2012.

During the year the College provided scholarships, bursaries and other awards exceeding £2.3m to pupils at the College from unrestricted funds. The concessions provided by the College represented 13.1% of gross fee income.

The Alumni & Development Office coordinates Ardingly's relationship with Old Ardinians, parents, companions and the Friends organisation. A key strategic aim is to create a fund significant enough to fund/finance additional bursaries.

Wider Education

The College provided opportunities throughout the College for work experience placements for undergraduates considering teaching as a career, as well as providing opportunities for students at university to gain practical teaching experience as part of their PGCE teacher training course. During the year, five students conducted a PGCE placement at the College (one Senior, two Prep, two Pre-Prep). A work experience shadowing opportunity was also provided in the Maintenance department. The College continues with its apprenticeship programme and currently has one IT apprentice and anticipates further apprentice opportunities in the coming year in the Grounds and Maintenance Departments.

Community

Through development of, and provision of, access to new facilities, the College remains at the heart of the community. Facilities made available to the public include:

- The College swimming pool: which was made available to a number of local swimming clubs and St Peter's Primary School and accommodated in excess of 800 sessions for non-school users
- Music facilities: which were made available to the Mid Sussex Sinfonia Orchestra, the Ardingly Choral Society, Trinity College London examinations and Rockschoool (as their exam centre). The Music@Ardingly concert series, now in its seventh season, has been very widely supported by the community and will continue to expand. In addition, the student musicians have given concerts in Haywards Heath, Cuckfield and Balcombe and have participated in charity events for the St Anne's Day Centre for Homeless and Lonely People and the Mid Sussex Older People's Council. An annual carols and mince pies event is held for the elderly of Ardingly and the Schola Cantorum sang carols at the Village Hall in December. VOCES8 have been retained as Musicians in Residence and provide a full outreach programme to local schools. The London Philharmonic Orchestra partnership involves orchestral days involving local primary and prep schools. In August the College hosted the British Isles Music Festival involving over 100 international young musicians and distinguished professors along with 90 musicians from the European Youth Music Festival. Regular visitors included Adolfo Barabino who staged his twelfth concert and masterclass series and Baroque Music held their 36th Summer School at Ardingly in 2014.
- Sports pitches are recognised as being of particular quality and are regularly used by a number of external clubs such as Brighton and Hove Albion Football Club, Haywards Heath Rugby Club and Mid-Sussex Hockey Club as well as larger football clubs such as Arsenal.
- A large number of courses are held during the Easter and summer holidays which make use of classrooms, sports, music and numerous other school facilities. During these two busy periods plus, with the addition of smaller courses held throughout the year, more than 24,106 delegates from 40 different countries attended 50 day and 29 residential courses and events at the College in 2014.

Wider Charitable Activity

The College community takes part in a wide range of sponsored events and other fundraising activities coordinated through the Charity Action Team. This year the entire College community worked together to support specific charity initiatives: the Haywards Heath Food Bank, Link to Hope and Centrepoint.

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2014

The Community Service Programme in the Senior School requires students to take part in community based projects and students assisted in a number of ways at Priceholme, sheltered home for the elderly, in Ardingly village.

The Woodard Corporation is involved in the development of Academies as part of the government's initiative. In support of this project, all Woodard Colleges have provided support, where asked, through the provision of educational expertise.

As well as supporting the local community, pupils and staff continued their support of schools in Africa. The College uses its international links, not only to broaden horizons for its students but to teach them important skills (be it an understanding of eco-tourism or project management) as well as having a positive impact on developing teaching and learning in the countries visited. It has three links with Africa: Gambia, Kenya, and Ghana.

These visits provide over 64 students with an invaluable insight into different ways of living: by working in a less economically developed country; seeing the conditions of the schools and experiencing the teaching conditions in Africa. The students broaden their range of entrepreneurial and business skills by raising money and then project managing how that money is spent.

The trips are designed to have a long-term impact on the students, whether in changed attitudes towards sustainability or in their personal commitment to people abroad. In Gambia students stay in an eco-hotel and engage in lectures on responsible tourism. In Kenya they stay on an eco-lodge game reserve where they are taught about the impact of farming. The Ghana group supports an initiative using music, art and drama to improve the life chances of disadvantaged street children.

All the projects are eco-tourist activities – practices that are trying to support the African culture without changing it. The College's aim is that as students grow into adulthood they will become responsible for their own impact on other countries.

Improving Facilities

One of the key strategic aims within the College Five Year View is to create a College with a Safe, Inspirational and Beautiful Environment. An Estates Strategy was published and agreed by Governors at their meeting in November 2010. Works commenced in 2011 to significantly upgrade the boarding facilities for the upper sixth form and create a modern and vibrant environment for the Prep School.

Godwin Hall, a new boarding/day house for Upper Sixth students opened in February 2013 following a 17 month build. The facility, which is of undergraduate standard, is able to house up to 140 students and four residential staff with associated communal spaces.

In October 2013 the second and final phase of the Prep School project was completed, providing a further seven classrooms and administrative areas. All Prep School teaching areas are now located within the refurbished historic Victorian buildings.

Planning consent has been granted for a second All Weather Pitch and a new observatory, with work planned to start on the former in September 2014.

Rolling maintenance plans continue to be implemented to ensure all areas are maintained to a high standard of decoration.

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2014

Fundraising Performance

The Development office has continued to build relationships with the Ardingly stakeholders. The Development Committee met twice in the year and arranged its first significant events with a VIP dinner hosted at the College, and the launch of the Ardingly Agenda held at the Foundling Museum in London.

As well as the annual Old Ardinian Day held at the College in June, a number of sporting matches took place against alumni and the Veterans Lunch in September goes from strength to strength with numbers now well above 100. Reunion events were held at the Houses of Parliament as well as in Hong Kong.

Volunteers

The College has a number of volunteer groups helping the College to raise funds, assisting in College events and providing other help where required. The governing body would like to thank all of the volunteers for their help and acknowledge the assistance given.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The financial results for the year are set out in the attached Statement of Financial Activities and subsequent notes, starting on page 23.

The College made a surplus of £560k before the actuarial loss of the defined benefit pension fund. The surplus was higher than the originally published budgeted deficit figure of £204k in part due to the higher pupil numbers of 903 compared to budgeted numbers of 890. Tightly controlled expenditure through the year ensured costs were kept within budget but allowed additional discretionary expenditure, including the return of the Ardingly Arts Festival. Fee income was 4.3% higher than the previous year, reflecting the average annual increase in fees of 3.5% and the increase in pupil numbers.

The College's trading company, Ardingly Projects Limited, continues to hire out Ardingly College facilities outside of College hours and terms. In difficult economic times, it produced an extremely positive result with a surplus and contributed £863k towards the College's operating surplus.

During the year, a total of £1.26m was spent on project works and capital expenditure to improve the buildings and facilities of the College. The disposal cost of the demolition of the building known as Snow was £140k.

Pension fund note 26 shows the result of the annual FRS17 valuation of the Retirement Benefit Scheme for support staff. The application of updated assumptions has led to an increase in the deficit of the fund from £1,007,000 to £1,320,000.

The parents of our pupils often make significant sacrifices to pay the fees. In doing so they help to relieve the state of the financial burden of educating 744 UK based children. The saving is estimated to have a value in the last year of £4.2m.

RESERVES POLICY

It has been the College's policy to utilise funds to ensure that high quality up-to-date facilities are provided for the benefit of the pupils. The aim is to budget to provide sufficient working capital to meet the present and future development requirements of the College without having to sell tangible assets.

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2014

The overdraft facility of £1.5 million is considered to be sufficient to ensure that in the absence of free reserves it retains adequate funds to cover the College's working capital requirements.

Impairment reviews have been undertaken in line with accounting practice requirements and, in the directors' view, properties are not impaired below the recorded cost in the accounts. Investments (other than endowed assets) are held to create income and capital growth pending utilisation.

In common with other independent schools, the Governors have invested substantial sums into new College buildings in recent years and have a continuing programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils. In common with most independent schools, and due to having to fund their own capital investment plans, free reserves are at a negative balance illustrating the extent of the investment in the College. Free reserves describe a charity's ability to meet short to medium-term charitable commitments from "liquid" NET ASSETS. Calculation per the SORP definition excludes fixed assets whilst including the liabilities associated with long-term borrowing to fund their purchase. The Governors consider that given the strength of the charity's balance sheet, the stable cash flow from full student rolls, the ongoing popularity of the College, and the available banking facility that can be called upon if need arises, that there is no need to build up a free reserve. (Note – Free reserves are calculated as being the equity shareholders funds per the balance sheet, less the endowed and restricted funds, less any designated funds, less fixed assets – this is likely to be a negative figure)

The Company's unrestricted reserves are primarily invested in tangible fixed assets that are all used for its direct charitable activities.

INVESTMENT POLICY AND OBJECTIVES

The Company's Memorandum and Articles of Association permit funds to be invested in such manner as the directors see fit, providing that such powers of investment are only exercised for the purpose of attaining the objects and in a manner that is legally charitable. The governing body's policy is to preserve the capital value of investments and to maximise the return and income on all investments.

FUTURE PLANS

Strategic Objectives

Ardingly is a Woodard School

The College aims to work through its expression of the Christian faith through a defined Ardingly Ethos and recorded in every policy and interaction, whether academic, social or pastoral.

Ardingly is an Academic College

- 55% as an average across all subjects at Common Entrance will be the minimum requirement for a pupil to join Ardingly at 13+
- 100% A*-C pass rate at GCSE and 65% A*-A in the medium term
- In A Levels 65% A/B grades over the medium term. 100% pass rate
- In the IB 65% Higher grades to be at level 6 or 7

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2014

Ardingly is a Boarding School

- The College will further develop its excellent and exciting co-curricular activities and social programme including sport, CCF, D of E, theatre and other creative arts

Ardingly Invests in Building and Facilities

- The College will seek to retain the original features of the main Victorian buildings but will continue to invest in facilities and, in particular, a second All Weather Pitch and girls' boarding

Ardingly College provides Public Benefit

- Access to the College for all is widened through the availability of means tested bursaries
- Links with local junior schools in both the state and independent sectors will be strengthened
- Community access for educational purposes to the Colleges' facilities will be encouraged

Objectives for 2014/15

During 2014/15 the College intends to:

- Develop the College's teaching and learning philosophy throughout the age range from Pre-Prep to the Senior School, so that pupils develop the capacity for learning
- Develop the College's awareness of the differing needs of girls and boys within a co-educational school and so provide the best possible education for both genders
- Develop the College's relationship with its alumni and parent body to strengthen the College's wider community and mutual support
- Review the academic curriculum in the Middle School to ensure the College offers its pupils an excellent range of subjects relevant and appropriate to their interests and abilities
- Improve the use of technology in teaching and learning by introducing Bring Your Own Device in the Senior School, cementing the process in the Prep school and bedding in the use of the Digital Archway
- Plan for and continue investment in the campus, in particular in support of Science/STEM, boarding and theatre facilities, and to complete the building of a second All Weather Pitch. Completion of the sale of Standgrove Field will generate funds for these projects

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2014

DIRECTORS

Responsibilities held by the directors during the year were as follows:

Mr J F Sloane	Chairman of the Council; Finance & General Purposes Committee; Estates Committee; Education Committee; Chairman of the Nominations Committee; Chairman of the Development Committee
Mr P N Bryan	Finance & General Purposes Committee
Mrs C D Cater	Education Committee
Mr G W Dixon	Estates Committee
Mr D F Gibbs	Chairman of Education Committee; Nominations Committee
Mr A A Holmes	Finance & General Purposes Committee; Estates Committee
Mr D H T Johnson-Poensgen	Chairman of the Estates Committee; Finance & General Purposes Committee; Nominations Committee
Dr S Kay	
The Earl of Limerick	Finance & General Purposes Committee
Mrs L E Lindsay	
Mr N McLaughlan	Education Committee
Mr G N Turner	Chairman of Finance & General Purposes Committee; Estates Committee; Nominations Committee; Development Committee
Mr N Walker	Development Committee

The Nominations Committee consists of the Chairman and the Chair of the other three sub committees.

None of the directors has any beneficial interest in the Company.

AUDITORS

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

DIRECTORS' RESPONSIBILITIES STATEMENT

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. Under that law, the directors have elected to prepare 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2014

- 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 and the group will continue in business

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors' Report (incorporating the Strategic Report) has been approved by the board of directors of Ardingly College Limited on the 27th November 2014 and signed on their behalf:



Jim Sloane
CHAIRMAN

ARDINGLY COLLEGE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARDINGLY COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2014

We have audited the financial statements of Ardingly College Limited for the year ended 31 August 2014 which comprises the group and parent charitable company Statements of Financial Activities, the group and parent charitable company balance sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of Directors and Auditor

As explained more fully in the Directors' Responsibilities statement (set out on page 19-20), 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 (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 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 group's and the parent charitable company's affairs as at 31st August 2014 and of the group's incoming resources and application of resources, including the group's income and expenditure, for the period 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 matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report (incorporating the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

ARDINGLY COLLEGE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARDINGLY COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2014

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 by the parent charitable company, 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 or 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.

Grant Thornton UK LLP

David Barnes

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

1st August
..... 2014

ARDINGLY COLLEGE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) YEAR ENDED 31ST AUGUST 2014

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	2014 £	2013 £
INCOMING RESOURCES						
Income from Charitable Activities						
School fees	2	15,813,374	-	-	15,813,374	15,167,575
Other educational income	4	151,742	-	-	151,742	128,828
Other ancillary trading income	4	140,961	12,000	-	152,961	140,122
Incoming Activities from Generated Funds						
Activities for generating funds:						
Trading income	3a	1,779,991	-	-	1,779,991	1,524,418
Investment income		25,556	2,026	-	27,582	23,208
Appeal income and donations	5	20,829	50,390	-	71,219	63,348
Other incoming resources	4	9,680	-	-	9,680	8,638
TOTAL INCOMING RESOURCES		17,942,133	64,416	-	18,006,549	17,056,137
RESOURCES EXPENDED						
Costs of generating funds						
Fundraising trading	3a	917,959	-	-	917,959	861,104
Bank interest		404,735	-	-	404,735	297,632
		1,322,694	-	-	1,322,694	1,158,736
Charitable Activities						
Schools and grant-making		15,895,509	54,413	-	15,949,922	15,679,426
Governance costs		170,986	-	-	170,986	171,662
TOTAL RESOURCES EXPENDED	9	17,389,189	54,413	-	17,443,602	17,009,824
NET INCOMING RESOURCES BEFORE TRANSFERS		552,944	10,003	-	562,947	46,313
Transfers between Funds		(139,341)	139,341	-	-	-
SURPLUS FOR YEAR		413,603	149,344	-	562,947	46,313
Unrealised (losses)/gains on investment assets	12	-	-	(3,298)	(3,298)	5,556
NET MOVEMENT IN FUNDS BEFORE ACTUARIAL GAIN/(LOSS) ON PENSION FUND		413,603	149,344	(3,298)	559,649	51,869
Actuarial gain/(loss) on pension fund	26	(275,000)	-	-	(275,000)	403,000
NET MOVEMENT IN FUNDS		138,603	149,344	(3,298)	284,649	454,869
Fund balances at 1st September 2013		7,407,045	94,240	263,623	7,764,908	7,310,039
FUND BALANCES AS AT 31ST AUGUST 2014		7,545,648	243,584	260,325	8,049,557	7,764,908

ARDINGLY COLLEGE LIMITED

COMPANY STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) YEAR ENDED 31ST AUGUST 2014

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	2014 £	2013 £
INCOMING RESOURCES						
Income from Charitable Activities						
School fees	2	15,813,374	-	-	15,813,374	15,167,575
Other educational income	4	151,742	-	-	151,742	128,828
Other ancillary trading income	4	140,961	12,000	-	152,961	140,122
Incoming Activities from Generated Funds						
Activities for generating funds:						
Trading income	3b	1,329,989	-	-	1,329,989	1,126,971
Investment income		25,019	2,026	-	27,045	22,790
Appeal income and donations	5	20,829	50,390	-	71,219	63,348
Other incoming resources		9,680	-	-	9,680	7,961
TOTAL INCOMING RESOURCES		17,491,594	64,416	-	17,556,010	16,657,595
RESOURCES EXPENDED						
Costs of generating funds						
Fundraising Trading	3b	467,420	-	-	467,420	462,562
Bank interest		404,735	-	-	404,735	297,632
		872,155	-	-	872,155	760,194
Charitable Activities						
Colleges and grant-making		15,895,509	54,413	-	15,949,922	15,679,426
Governance costs						
		170,986	-	-	170,986	171,662
TOTAL RESOURCES EXPENDED	9	16,938,650	54,413	-	16,993,063	16,611,282
NET INCOMING RESOURCES BEFORE TRANSFERS						
		552,944	10,003	-	562,947	46,313
Transfers between Funds		(139,341)	139,341	-	-	-
SURPLUS FOR YEAR		413,603	149,344	-	562,947	46,313
Unrealised (losses)/gains on investment assets	12	-	-	(3,298)	(3,298)	5,556
NET MOVEMENT IN FUNDS BEFORE ACTUARIAL GAIN/(LOSS) ON PENSION FUND						
		413,603	149,344	(3,298)	559,649	51,869
Actuarial gain / (loss) on pension fund	26	(275,000)	-	-	(275,000)	403,000
NET MOVEMENT IN FUNDS		138,603	149,344	(3,298)	284,649	454,869
Fund balances at 1st September 2013		7,406,680	94,240	263,623	7,764,543	7,309,674
FUND BALANCES AS AT 31ST AUGUST 2014		7,545,283	243,584	260,325	8,049,192	7,764,543

ARDINGLY COLLEGE LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST AUGUST 2014

	Notes	2014 £	2013 £
FIXED ASSETS			
Tangible assets	11	16,763,013	16,985,104
Investments	12	12,569	15,868
		<u>16,775,582</u>	<u>17,000,972</u>
CURRENT ASSETS			
Stocks		173,669	158,310
Debtors	13	1,105,924	571,189
Cash		2,978,996	2,708,875
		<u>4,258,589</u>	<u>3,438,374</u>
CREDITORS: due within one year	14	<u>(4,023,302)</u>	<u>(3,949,544)</u>
NET CURRENT ASSETS/ (LIABILITIES)		<u>235,287</u>	<u>(511,170)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		17,010,869	16,489,802
CREDITORS: due after more than one year	15	<u>(7,641,312)</u>	<u>(7,717,894)</u>
NET ASSETS EXCLUDING PENSION LIABILITY		9,369,557	8,771,908
Net pension liability		(1,320,000)	(1,007,000)
TOTAL NET ASSETS INCLUDING PENSION LIABILITY		<u>8,049,557</u>	<u>7,764,908</u>
CAPITAL AND RESERVES			
Called up share capital	18	100	100
FUNDS			
Endowed funds	19	260,325	263,623
Restricted funds	20	243,584	94,240
Unrestricted funds			
Designated funds	21	16,030	94,719
General reserve	21	7,529,518	7,312,226
EQUITY SHAREHOLDERS' FUNDS		<u>8,049,557</u>	<u>7,764,908</u>

Approved by the Board on 27th November 2014 and signed on its behalf by



Mr J Sloane CHAIRMAN
Company registration number 3779971

ARDINGLY COLLEGE LIMITED

COMPANY BALANCE SHEET AS AT 31ST AUGUST 2014

	Notes	2014 £	2013 £
FIXED ASSETS			
Tangible assets	11	16,763,013	16,985,104
Investments	12	12,571	15,870
		<u>16,775,584</u>	<u>17,000,974</u>
CURRENT ASSETS			
Stocks		36,936	36,960
Debtors	13	1,584,052	1,309,096
Cash		2,503,823	1,813,444
		<u>4,124,811</u>	<u>3,159,500</u>
CREDITORS: due within one year	14	<u>(3,889,891)</u>	<u>(3,671,037)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>234,920</u>	<u>(511,537)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		17,010,504	16,489,437
CREDITORS: due after more than one year	15	<u>(7,641,312)</u>	<u>(7,717,894)</u>
NET ASSETS EXCLUDING PENSION LIABILITY		<u>9,369,192</u>	<u>8,771,543</u>
Net pension liability		<u>(1,320,000)</u>	<u>(1,007,000)</u>
TOTAL NET ASSETS INCLUDING PENSION LIABILITY		<u>8,049,192</u>	<u>7,764,543</u>
CAPITAL AND RESERVES			
Called up share capital	18	100	100
FUNDS			
Endowed funds	19	260,325	263,623
Restricted funds	20	243,584	94,240
Unrestricted funds:			
Designated funds	21	16,030	94,719
General reserve	21	7,529,153	7,311,861
EQUITY SHAREHOLDERS' FUNDS		<u>8,049,192</u>	<u>7,764,543</u>

Approved by the Board on 27th November 2014 and signed on its behalf by



Mr J Sloane Chairman
Company registration number 3779971

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2014

1. ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently throughout the period and in the preceding year are:

a) **Basis of Accounting**

The accounts of the group have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' and with applicable accounting standards. They are drawn up on the historical cost accounting basis except that investments held as fixed assets are carried at market value.

b) **Going Concern**

The accounts have been prepared on a going concern basis. The Ardingly College Governing Board reviews the financial information for the charity and the group, and consider whether the group and charity are a going concern for a period of at least 12 months from the date of approval of the accounts. After making enquiries, the directors have a reasonable expectation that the group company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

c) **Group Accounts**

The financial statements consolidate the financial statements of the Company, and all its subsidiary companies, charitable trusts and funds with all inter-company balances being eliminated.

d) **Fees and Similar Income**

Fees receivable are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the College, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants. Fees in Advance are those fees received in advance of the following year's education and are shown as a short term liability until taken to income in accordance with this policy.

Advance Fees are those fees received in advance of education to be provided in future years under an Advance Fees Contract which are held as interest bearing liabilities until either taken to income in the term when used, or else refunded.

e) **Trading Activity and Ancillary Trading Activity**

Income from shop sales, holiday and sports hall lettings are recognised in the Statement of Financial Activities when the goods are sold or services provided.

f) **Donations & Appeals**

Donations subject to specific wishes of the donors are credited to relevant restricted funds or to endowed funds where the amount is required to be held as permanent capital. Donations received for the general purposes of the College are credited to other unrestricted funds, to distinguish them from direct College income.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST AUGUST 2014**

On occasions the College may set up appeals to raise finance at times when particular building projects are being undertaken. Monies received are treated in accordance with the terms of the appeal documentation and recognised as designated funds and shown under 'Unrestricted Funds' in the Statement of Financial Activities (SOFA), rather than as Restricted Funds. Appeal documentation explains that monies can be used for the general purposes of the College.

g) Expenditure

Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates. Bad debts are provided for in accordance with the group bad debt policy.

The cost of refurbishing and converting existing buildings is written-off in the year in which it is incurred except where the useful life has been extended.

h) Governance costs

Governance costs include the costs attributable to Ardingly College's compliance with constitutional and statutory requirements, including audit, strategic management and Governors' meetings and reimbursed expenses. Such costs include both direct and allocated support costs.

i) Finance and Other Costs

Other costs include amounts accrued in accordance with the terms of Advance Fee Contracts.

j) Pension Costs

The Company has a number of different pension schemes for Teaching and Support staff. See further details in note 26 to the financial statements.

The academic staff are able to participate in the Teachers' Pension scheme which is an unfunded Government scheme which provides benefits based on final pensionable pay. The funds of the scheme are separate from the company, although the company share of the scheme cannot be identified as the scheme is multi-employer schemes, and so the pension costs are accounted for on the basis of contributions payable.

The Company also operates its own defined benefits scheme for non-teaching staff. Contributions to the scheme are made in accordance with the recommendations of independent actuaries and are charged to the Statement of Financial Activities as they are incurred. In addition, under the provisions of FRS17, the actuarial liability of the scheme is reviewed annually and provision is made for any actuarial deficit arising.

The assets of the scheme are held separately from the company in an independently administered fund. Contributions to the defined contribution scheme are charged to the Statement of Financial Activities as they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST AUGUST 2014**

k) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. Individual capital items, or projects, with a value greater than £10,000 are capitalised. Assets in the course of construction are stated at cost less any provision for impairment. They are transferred to completed assets when substantially all of the activities necessary to get the asset ready for use are complete. Where appropriate cost includes our own labour costs in relation to construction, and directly attributable overheads.

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 is not depreciated

Freehold buildings:

with an expected life over 50 years - Nil

with an expected life under 50 years - Variable according to the building and written off over the expected useful life

Computer equipment - 33.33% on cost

Telephone system - 10% on cost

Fixtures and fittings - between 4% and 25% on cost

Motor vehicles - 25% on cost

The Company has reviewed its tangible assets, which comprise land, buildings and initial fixtures and fittings. Where the directors consider that the expected useful life is in excess of 50 years and the carrying value in the financial statements is not more than the estimated recoverable amount, no depreciation is charged and, in accordance with FRS11, the directors have and will continue to carry out annual reviews of impairment. The review is based on the directors' assessments of the market value and the future economic benefit derived from an asset versus its carrying value in the accounts. Impairment charges are made when events or changes in circumstances indicate that the carrying value may not be recoverable.

No depreciation is provided for in respect of investment properties in accordance with SSAP19. Such properties are held for their investment potential and not for consumption within the business. This is a departure from the Companies Act 2006 which requires all properties to be depreciated and the directors consider that to depreciate them would not enable the financial statements to give a true and fair view. Investment properties are stated at their market value at the balance sheet date.

l) Stocks

Stocks comprise raw materials, consumable stores and goods held for resale: they are valued at the lower of cost and net realisable value.

m) Investments

Investments are carried at market value in accordance with the Charities (Accounts and Reports) Regulations 2008 and The Statement of Recommended Practice 'Accounting and Reporting by Charities'.

Realised gains are the difference between sales proceeds and opening market value where the investment was held at the beginning of the year, or sales proceeds less cost of purchase

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST AUGUST 2014**

where the investment was acquired in the year.

Unrealised gains are the change in value of investments after taking into account any movements in investment holdings such as purchases and disposals of investments.

Realised and unrealised gains are accounted for within the Statements of Financial Activities on pages 23 and 24.

n) Leasing Commitments

Assets held under finance leases are capitalised in the balance sheet and are depreciated over their useful lives or the period of the lease whichever is the shorter. The interest element of the obligations is charged to the SOFA over the period of the lease. Rentals paid under operating leases are charged to expenditure as incurred over the term of the lease.

o) Fund Accounts

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

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

Designated funds comprise funds which have been set aside at the discretion of the directors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

p) Taxation

Ardingly College is a registered charity and as such is exempt from income tax and corporation tax under the provisions of section 478 of the Corporation Tax Act 2010. There is no similar exemption for VAT, which is included in expenditure or in the cost of assets as appropriate.

The College has a subsidiary company that is subject to taxes including corporation tax and VAT in the same way as any commercial organisation. The tax charged to the profit and loss account is based on the subsidiary company's profit for the year and takes into account tax arising because of timing differences between the treatment of certain items for tax and accounting purposes. The subsidiary company pays over its profits to Ardingly College under Gift Aid and tax liabilities are kept to a minimum.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2014

2. SCHOOL FEES

	2014 £	2013 £
a) The School fees income comprises:		
Gross fees	18,150,952	17,111,857
Less: Total scholarships, bursaries, etc	(2,337,578)	(1,944,282)
	<u>15,813,374</u>	<u>15,167,575</u>
b) Grants, awards and prizes paid for by Restricted Funds comprise:		
Scholarship, grants etc	9,620	1,215
Prizes and leaving awards	<u>9,620</u>	<u>1,215</u>

Three educational awards were made to individuals in the current year (2013: three)

3. INCOME FROM SUBSIDIARY'S TRADING ACTIVITIES

The Company owns the whole of the share capital of Ardingly Projects Limited, which lets the College premises and facilities, the Tuck shop and the College uniform shop.

- a) Its trading results for the year, as extracted from the audited accounts, are summarised below:

	2014 £	2013 £
Turnover	1,779,991	1,524,418
Cost of sales	(343,630)	(324,260)
Gross profit	<u>1,436,361</u>	<u>1,200,158</u>
Administration expenses	(574,329)	(536,844)
Operating profit	<u>862,032</u>	<u>663,314</u>
Gift aid donation	(862,569)	(664,409)
Loss on ordinary activities before interest	(537)	(1,095)
Other interest receivable and similar income	<u>537</u>	<u>1,095</u>
Retained profit/(loss) before taxation	<u>-</u>	<u>-</u>

- b) The subsidiary donates its taxable profits to the Company each year under the Gift Aid scheme. Trading Income in the Company Statement of Financial Activities is made up of the gift aid donation of £862,569 (2013: £664,409) and £467,420 (2013: £462,562) of recharges from the subsidiary.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2014

4. OTHER INCOME

Company & Group

	2014 £	2013 £
Other educational charitable activities		
Entrance and registration fees	49,064	38,157
Fees in lieu of notice	102,678	90,671
	<u>151,742</u>	<u>128,828</u>
Other ancillary trading activities		
Insurance commission	40,909	38,975
Rent Receivable	77,836	53,834
Sundry income	34,216	47,313
	<u>152,961</u>	<u>140,122</u>

5. APPEAL INCOME AND DONATIONS

	2014 £	2013 £
Appeal income and donations includes the following:		
Group and Company		
Unrestricted	<u>71,219</u>	<u>63,348</u>
Other donations		

6. EXPENDITURE

	2014 £	2013 £
Charitable activity expenditure includes:		
Company		
Refurbishment expenditure	1,258,483	1,361,097
Auditors' remuneration – audit fees	<u>11,956</u>	<u>18,804</u>
Group		
Refurbishment expenditure	1,258,483	1,361,097
Auditors' remuneration – audit fees	<u>13,700</u>	<u>20,529</u>

There were no non-audit fees in the year (2013: nil)

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2014

7. STAFF COSTS

	2014	2013
Company:	£	£
Total staff costs comprise:		
Wages and salaries	8,600,093	8,273,095
Social security costs	668,101	660,232
Pension contributions	891,286	795,860
	<u>10,159,480</u>	<u>9,729,187</u>

Group:		
Total staff costs comprise:		
Wages and salaries	8,944,221	8,617,775
Social security costs	694,406	685,993
Pension contributions	903,888	809,636
	<u>10,542,515</u>	<u>10,113,404</u>

The average monthly number of employees during the year was:

	2014	2013
Company:	Number	Number
Teaching staff	118	112
Others	<u>146</u>	<u>145</u>
	264	257
Group:		
Teaching staff	118	112
Others	<u>148</u>	<u>147</u>
	266	259

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

	2014	2013
	Number	Number
£60,001 - £70,000	2	2
£70,001 - £80,000	1	1
£80,000 - £90,000	-	-
£90,001 - £100,000	-	1
£100,001 - £110,000	-	-
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-

Contributions were made to the Teachers' superannuation Scheme, which is a defined benefits scheme, for five higher paid employees and contributions amounting to £36k (2013: £49k).

The 2013 pension contribution figure includes the expenditure relating to the pension equalisation liability (see note 28).

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2014

8. DIRECTORS

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

Travel expenses of £1,026 were reimbursed to four directors (2013: three were reimbursed a total of £632).

9. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff	Other costs	Depreciation	2014 Total	2013 Total
	£	£	£	£	£
Costs of generating funds					
Trading costs	383,035	84,385	-	467,420	462,562
Bank interest	-	404,735	-	404,735	297,632
Total for the College	383,035	489,120	-	872,155	760,194
Trading costs of subsidiary	-	450,539	-	450,539	398,542
Total for the Group	383,035	939,659	-	1,322,694	1,158,736
Charitable activities					
Teaching	7,125,376	1,209,996	112,329	8,447,701	8,074,131
Welfare	1,018,307	810,760	12,010	1,841,077	1,745,762
Premises	977,337	2,454,393	215,502	3,647,232	4,015,079
Support cost of schooling	1,038,460	966,132	-	2,004,592	1,823,183
College operating costs	10,159,480	5,441,281	339,841	15,940,602	15,658,155
Grants, awards and prizes		9,320	-	9,320	21,271
	10,159,480	5,450,601	339,841	15,949,922	15,679,426
Governance costs		170,986		170,986	171,662
Total resources expended					
Charity	10,542,515	6,110,707	339,841	16,993,063	16,611,282
Group	10,542,515	6,561,246	339,841	17,443,602	17,009,824

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2014

10. TAXATION

The Company is a registered charity and therefore no liability to taxation arises on its charitable activities.

11. TANGIBLE FIXED ASSETS

Group and company	Land & Buildings Freehold	Assets Under Construction	Computer Equipment	Furniture & Fittings	Total
	£	£	£	£	£
Cost					
At 1 st September 2013	15,862,145	-	761,437	2,584,128	19,207,710
Additions	-	72,773	70,244	114,828	257,845
Transfers	-	-	-	-	-
Disposals	(140,095)	-	-	-	(140,095)
At 31 st August 2014	15,722,050	72,773	831,681	2,698,956	19,325,460
Depreciation					
At 1 st September 2013	438,863	-	739,574	1,044,169	2,222,606
Additions	76,393	-	45,267	218,181	339,841
Disposals	-	-	-	-	-
At 31 st August 2014	515,256	-	784,841	1,262,350	2,562,447
Net book value at 31st August 2014	15,206,794	72,773	46,840	1,436,606	16,763,013
Net book value at 31 st August 2013	15,423,282	-	21,863	1,539,959	16,985,104

All assets are used for charitable purposes.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2014

12. INVESTMENTS

Group (at market value)	Total £
At 1 st September 2013	
Uninvested cash	15,867
Unrealised loss	(3,298)
Closing market value	-
At 31 st August 2014	<u>12,569</u>
Quoted investments	
UK equity	<u>12,569</u>
At 31st August 2014	<u>12,569</u>

At the 31st August 2014 one investment (2013:one)
had a carrying value equal to 5% or more of total investments
Barclays Bank plc Ordinary share

12,569

Original cost

14,188

Investment income of £1,520(2013:£420) was generated from UK quoted investments. All other
investment income arose from cash deposits.

Company

Quoted Investments

At 1 st September 2013	15,867
Unrealised gain	<u>(3,298)</u>

12,569

Investment in subsidiary company (Note 3)

2

at 1st September 2013 and 31st August 2014

12,571

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2014

13. DEBTORS

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Fee debtors	170,180	67,799	170,180	67,799
Trade debtors	646,862	297,945	-	-
Amounts owed by group undertakings	-	-	1,124,990	1,035,971
Other debtors	30,563	20,411	30,563	20,411
Prepayments and accrued income	258,319	185,034	258,319	184,915
	<u>1,105,924</u>	<u>571,189</u>	<u>1,584,052</u>	<u>1,309,096</u>

14. CREDITORS: Amounts falling due within one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdrafts (Note 16)	534,424	534,424	534,424	534,424
Trade creditors	411,000	287,029	342,490	213,340
Taxes and Social Security costs	238,329	231,100	198,590	197,114
Composition fees (Note 17)	204,433	203,139	204,433	203,139
Amounts due to Woodard Corporation	19,996	-	19,996	-
Other creditors	160,995	78,092	166,210	72,728
Accruals	328,247	676,147	297,870	672,397
Final term deposits	246,473	217,670	246,473	217,670
Deferred income - fees received in advance	1,879,405	1,721,943	1,879,405	1,560,225
	<u>4,023,302</u>	<u>3,949,544</u>	<u>3,889,891</u>	<u>3,671,037</u>

The bank overdraft is an amount currently drawn down on a standing facility of £1,500,000 and is secured on the freehold property to provide additional working capital as the need arises.

15. CREDITORS: Amounts falling due after more than one year

	Group and Company	
	2014	2013
	£	£
Bank loans and overdrafts (Note 16)	6,317,475	6,447,271
Deferred Income-fees in advance	147,885	180,990
Amounts owed to group undertakings	-	-
Final term deposits	1,034,370	929,697
Composition fees (Note17)	141,582	159,936
	<u>7,641,312</u>	<u>7,717,894</u>

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2014

16. BANK LOAN & OVERDRAFT

	Group and Company	
	2014	2013
	£	£
The bank loan is repayable by instalments		
Due after 5 years	4,179,779	4,308,480
Due within 2 to 5 years	1,603,272	1,604,367
Due within 1 to 2 years	534,424	534,424
	<hr/>	<hr/>
Due after more than one year (Note 15)	6,317,475	6,447,271
	<hr/>	<hr/>
Bank loan due within 1 year (Note 14)	534,424	534,424
Overdrafts due within 1 year (Note 14)	-	-
	<hr/>	<hr/>
	534,424	534,424
	<hr/>	<hr/>
	6,851,899	6,981,695
	<hr/>	<hr/>

17. COMPOSITION FEES

	Group and Company	
	2014	2013
	£	£
Parents may enter into a contract to pay school fees in advance; assuming pupils will remain in the College, Composition Fee Contracts will be applied as follows:		
Within 2 to 5 years	32,355	75,939
Within 1 to 2 years	109,227	83,997
	<hr/>	<hr/>
	141,582	159,936
	<hr/>	<hr/>
Within 1 year	205,704	203,139
As at 31st August 2014	<hr/>	<hr/>
	347,286	363,075
	<hr/>	<hr/>

The balance represents the accrued liability under the contracts.
The movements during the year were:

	Group and Company	
	2014	2013
	£	£
Liabilities at 1st September	363,075	261,588
New contracts and deposits received	185,849	370,495
Net interest accrued to contracts	1,501	9,625
College fees paid	(203,139)	(278,633)
	<hr/>	<hr/>
Liabilities at 31 August 2014	347,286	363,075
	<hr/>	<hr/>

The assets of the fund are represented in cash.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2014

18. SHARE CAPITAL

	Company	
	2014	2013
	£	£
Allotted, called up and fully paid		
100 Ordinary Shares of £1 each	100	100
	<u> </u>	<u> </u>

19. ENDOWED FUNDS

The endowed funds of the company are funds set up by donors as permanent capital. The income generated is restricted to funding bursaries, grants and prizes.

Company & Group

	Balance at 1 Sep 13	Incoming Resources	Resources Expended	Net gain on investments	Balance at 31 Aug 14
	£	£	£	£	£
Ardingly College Prize & Bursary fund					
Property Cost	283,573	-	-	-	283,573
Revaluation reserve	(19,950)	-	-	(3,298)	(23,248)
	<u>263,623</u>	<u>-</u>	<u>-</u>	<u>(3,298)</u>	<u>260,325</u>

20. RESTRICTED FUNDS

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

Company & Group

	Balance at 1 Sep 13	Incoming Resources	Resources Expended	Transfers	Balance at 31 Aug 14
	£	£	£	£	£
Ardingly College Prize & Donation Fund	94,240	13,809	(9,320)	-	98,729
Prep school Library	-	50,000	(36,573)	-	13,427
Student Hardship &	-	217	(150)	57,637	57,704
Mark Lawrence Bursary	-	390	(8,370)	81,704	73,724
Group	<u>94,240</u>	<u>64,416</u>	<u>(54,413)</u>	<u>139,341</u>	<u>243,584</u>

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2014

21. UNRESTRICTED FUNDS

The income funds of the company include the following designated funds which have been set aside.

	Balance at 1 Sep 13 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 Aug 14 £
Designated Fund:					
Specific Development Campaigns	94,719	3,015	-	(81,704)	16,030
	94,719	3,015	-	(81,704)	16,030
General reserves	8,318,861	17,488,579	(16,900,650)	(57,637)	8,849,153
	8,413,580	17,491,594	(16,900,650)	(139,341)	8,865,183
Pension fund	(1,007,000)		(38,000)	(275,000)	(1,320,000)
Company	7,406,580	17,491,594	(16,938,650)	(414,341)	7,545,183
Trading subsidiary	365	450,539	(450,539)	-	365
Group	7,406,945	17,942,133	(17,389,189)	(414,341)	7,545,548

Specific Development Campaigns are donations designated for specific projects for example the Solar car project & Astro pavilion.

The General reserves, in conjunction with the bank loan secured on the College premises, are retained to provide working capital.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2014

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

The company's net assets belong to the various funds as follows:

	Fixed Assets £	Investments £	Net Current Assets/ (Liabilities) £	Long term (Liabilities) £	Net pension liability	Total £
Share Capital	-	-	100	-	-	100
Endowed Funds	289,413	12,571	(41,659)	-	-	260,325
Restricted Funds	-	-	243,584	-	-	243,584
Unrestricted Funds	16,473,600	-	32,895	(7,641,312)	(1,320,000)	7,545,183
Company	16,763,013	12,571	234,920	(7,641,312)	(1,320,000)	8,049,192
Trading subsidiary	-	(2)	367	-	-	365
Group	16,763,013	12,569	235,287	(7,641,312)	(1,320,000)	8,049,557

23. RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Opening shareholders' funds	7,764,908	7,310,039	7,764,543	7,309,674
Net movements in funds	284,649	454,869	284,649	454,869
Closing shareholders' funds	<u>8,049,557</u>	<u>7,764,908</u>	<u>8,049,192</u>	<u>7,764,543</u>

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2014

24. COMMITMENTS UNDER OPERATING LEASES

At 31st August 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Group and Company	
	2014	2013
	£	£
Within one year	25,059	35,856
Within 1 -2 years	8,892	8,212
between two and five years	7,135	3,540
	41,086	47,608

25. CAPITAL COMMITMENTS

At 31st August 2014 the group had capital commitments as follows:

	2014	2013
	£	£
Expenditure contracted for but not provided in the accounts	1,616,199	-

26. PENSION SCHEME

Teachers' Pension Scheme

The College participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £649,160 (2013: £626,083).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 and, from 1 April 2014, 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 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.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2014

The Department of Education is also proposing that scheme administration costs will be devolved to scheme employers in the form of an administration charge. The Department provisionally estimates that the administration charge will be 0.08% of the employers' salary costs which would increase the 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.

Other non-teaching Staff pensions

The Group also runs a number of schemes for its non-teaching staff and pastoral staff.

The cost for the year represents the College's contributions to the schemes of £216,727 (2013: £195,553).

Ardingly College Retirement Benefit Scheme (A final salary pension scheme operated for Support staff)

Composition of the Scheme

A full FRS17 valuation was carried out for the Ardingly College Retirement Benefit Scheme as at 30 August 2014 by a qualified independent actuary. The assets of the scheme are held separately from those of the Employer. The major assumptions used by the actuary to value the assets and liabilities at the balance sheet date are:

	2014	2013
Inflation assumption	3.4%	3.6%
Rate of increase in salaries	4.4%	4.6%
The assumed rate of increase to pensions in deferment	3.4%	3.6%
The assumed rate of interest to pensions in payment	3.3%	3.5%
Assumed rate used to discount scheme liabilities	3.9%	4.8%
Expected returns on assets	4.9%	5.6%

Assumptions

The assumptions used are our recommended assumptions. The assumptions have been determined as follows:

- the discount rate is taken from a yield curve constructed from the iBoxx Sterling AA Corporate Bond Index at the effective date, for an appropriate duration for the liabilities;
- price inflation and inflation-linked pension increases are determined from the difference in the yields on fixed and index-linked UK government bond (gilts) at the effective date;
- demographic assumptions are those used for the valuation as at 1st September 2011. They are described in the report on the funding valuation dated 15th November 2012;

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2014

- The expected rate of return for FRS17 is determined by setting an assumed rate for each of the main asset classes, and calculating the weighted average based on the actual distribution at the effective date. The return for bonds and cash is the yield on the effective date. For other asset classes, the return is given by adding an appropriate risk premium to the gilt yield. The returns for each class are set out in the notes.

Assets and Liabilities at each year end in accordance with FRS17 were:

	2014	2013
	£	£
Total market value of assets	1,482,000	1,339,000
Present value of liabilities	(2,802,000)	(2,346,000)
Deficit	<u>(1,320,000)</u>	<u>(1,007,000)</u>

Analysis of amount recognised in Statement of Financial Activities

	2014	2013
	£	£
Current service cost	53,000	62,000
Interest on liabilities	113,000	92,000
Expected return on assets	(76,000)	(58,000)
Past service cost	0	387,000
Expenses paid from the Scheme	7,000	7,000
Total Cost	<u>97,000</u>	<u>490,000</u>

Changes in the present value of the defined benefit liabilities are:

	2014	2013
	£	£
Opening value of liabilities	2,346,000	2,203,000
Interest cost	113,000	92,000
Service cost (including member contributions)	61,000	71,000
Experience (gain) / loss	(69,000)	(56,000)
Change of assumptions (gain) / loss	384,000	(230,000)
Gain on settlements and curtailments and past service cost	-	387,000
Benefits paid	(33,000)	(121,000)
Closing value of liabilities	<u>2,802,000</u>	<u>2,346,000</u>

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2014

Changes in the fair value of the assets are as follows:

	2014 £	2013 £
Opening value of assets	1,339,000	1,221,000
Expected return	76,000	58,000
Asset gain /(loss)	40,000	117,000
Contributions by employer	59,000	62,000
Contributions by members	8,000	9,000
Benefits paid	(33,000)	(121,000)
Expenses paid from the scheme	(7,000)	(7,000)
Closing value of assets	<u>1,482,000</u>	<u>1,339,000</u>

The total value of the assets is divided between the main asset classes as follows:

	At 31.08.14	At 30.08.13
Equities	42.3%	48.5%
Gilts	9.1%	19.7%
Bonds	34.5%	19.7%
Property	8.6%	11.5%
Cash	5.6%	0.6%
Total	<u>100%</u>	<u>100%</u>

Amounts for the current and previous 4 periods (in thousands):

	2014 £	2013 £	2012 £	2011 £	2010 £
Present value of liabilities	(2,802)	(2,346)	(2,203)	(1,846)	(1,820)
Total market value of assets	1,482	1,339	1,221	1,309	1,143
Deficit	(1,320)	(1,007)	(982)	(537)	(677)
Experience gain /(loss) on assets	40	117	(8)	56	42
Experience loss /(gain) on liabilities	69	56	(15)	87	77

The actual return on assets over the period was a gain of approximately £116,000.

The total actuarial gain/loss for the period (being the sum of the liability experience gain/loss, the change of assumptions gain/loss and the asset gain/loss) was a loss of approximately £ 275,000.

The accumulated amount of actuarial gains and losses is a loss of £20,000 (2013: £254,000 gain).

The Employer expects to contribute approximately £54,000 to the scheme in the year from the end of the period.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31ST AUGUST 2014

27. RELATED PARTIES

The Company is wholly owned subsidiary of The Woodard Corporation, a registered charity number 1096270, which is incorporated in England and Wales. An amount of £109,736 was paid during the year to the Corporation by way of a levy to meet Corporation running costs.

The company also controls a subsidiary trading company Ardingly Projects Limited.