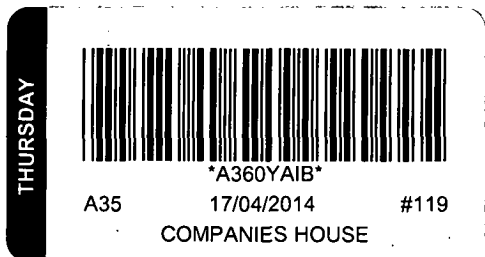


Charity Registration No. 1103321

Company Registration No. 05018628 (England and Wales)

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2013



ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

COMPANY INFORMATION YEAR ENDED 31ST AUGUST 2012

Directors	Prebendary H M Ball BA OBE (Chairman to 25 July 2013) R H Knight FRICS (Chairman from 25 July 2013) R Mansell ACIB (Deputy Chairman) J R Bridgeland MA (to 25 July 2013) Revd Canon B D Clover MA FRSA LTCL (to 19 Mar 2013) M G Copestake LLB (to 31 Dec 2012) Revd S C Davis MA MIET Mrs S A Fisher (to 25 July 2013) Mrs H M Graham (from 25 July 2013) M S Hedges MA, FCA, FRSA (from 25 July 2013) Mrs P A Norvall Dr P Stoate (to 25 July 2013) Major R M Wilson BMus(Hons)
Secretary	R J Beresford BSc(Hons) MSc ACMA
Charity No.	1103321
Company No.	05018628
Principal address and Registered Office	High Street Abbots Bromley Staffordshire WS15 3BW
Head	Mrs J L M Dowling MA(Cantab) PGCE (to 31 March 2013) Mrs AV Musgrave BA, MEd (Mgt) FRSA (from 1 April 2013)
Bursar	R J Beresford BSc(Hons) MSc ACMA
Auditors	Grant Thornton UK LLP Grant Thornton House 202 Silbury Boulevard Milton Keynes MK9 1LW
Bankers	Lloyds Bank plc Pride Hill Shrewsbury Shropshire SY1 1DG
Solicitors	Flint Bishop & Barnett St Michaels Court St Michaels Lane Derby DE1 3HQ
Investment Advisers	UBS Wealth Management (UK) Limited 1 Curzon Street London W1J 5UB
Insurance Brokers	SFS Group Limited Crossways House 54 – 60 South Street Dorking Surrey RH42HQ

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2013

The directors present their report and financial statements for the year ended 31st August 2013 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 on 19th January 2004 and is registered with the Charity Commission as charity number 1103321. The charity is a limited liability company and wholly owned subsidiary of The Woodard Corporation (charity number 1096270). A majority of the 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.

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. They 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 school community particularised in the ministry of the Chaplain.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Company is governed by Articles of Association as adopted by Special Resolution dated 20th March 2013, replacing those dated 15th January 2004 amended by Special Resolution(s) dated 25th January 2006, 28th April 2009 and 23rd June 2009. 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 Trustees 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 Company is fit for purpose and to determine and support its strategic direction in order to enable it to attain its stated objective. The body met three times during the year. The School Council operates a number of sub-committees, membership of which can be found on page 13.

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

The governing body includes Fellows of the Woodard Corporation and governors. Fellows and governors have the same status on the governing body but Fellows are responsible for election of the Woodard Corporation Board. Governors are recruited on the basis of nominations from school contacts and from selection when a post becomes available. The governing body look to ensure a mix of skills and select new governors on the basis of background, competence, specialist skills and, in the case of Fellows, Christian commitment. Governors are provided with induction training by the Head, Bursar and staff and a wider programme of training events is organised by the Woodard Corporation. The school also encourages governors to attend events run by the Association of Governing Bodies of Independent Schools (AGBIS).

Organisational Management

The school is governed by the governing body which delegates work to a number of committees. Membership of each committee is outlined on page 13. The directors determine the general policy of the company. The day to day management of the company is delegated to the Head and the Bursar, 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

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2013

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 Bursar oversees the recruitment of administrative and non-teaching support staff. The Head is invited to attend governors' meetings and the Bursar attends in his role as Clerk to the Governors. Other members of staff are invited to attend and give reports to the Council and sub-committees as required.

Finance and General Purposes Committee – the Finance and General Purposes Committee 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 and the financial regulations. It makes recommendations to the governing body for approval. The Finance and General Purposes Committee met three times during the year.

Estates Committee – the Estates Committee develops the school's estates strategy, including capital developments, maintenance of the buildings and operational management and resources of the School. It makes recommendations to the governing body and met three times during the year.

Education Committee – the Education Committee is responsible for oversight of the academic performance of the school and educational policy, including educational management and resources, making recommendations to the governing body. It met three times during the year.

Strategy and Marketing Committee – the Strategy and Marketing Committee makes recommendations to the governing body regarding the strategic direction of the school and is responsible for considering the strategic plan in detail; taking this forward to form a marketing plan and assessing the overall risks to the School. During 2012/13 a new Strategic Development Improvement Plan has been devised by the new Head and has been ratified by the Full Council.

Christian Character Committee – the Christian Character Committee is responsible for regularly reviewing the school's Christian character, practice and teaching. It reports its findings to the governing body on the school's Christian life and ethos.

Group Structure and Relationships

The school has a wholly owned non-charitable subsidiary, Abbots Bromley School Enterprises Limited, the activities and trading of which are described below.

The school has developed links with a wide range of organisations to ensure the widest possible access to our facilities and schooling. Through membership of GSA, ISC, BSA and ISBA and through networking with peer groups we ensure that we are able to attain the highest standards of quality and performance. We encourage our pupils to develop an awareness of the social context of the all-round education they receive at the school and they are engaged in a number of activities to enhance this understanding. We have a thriving alumni group, The Guild of S Mary and S Anne and a strong parental support group, the Friends of Abbots Bromley, who are generous in supporting the work of the school and whose support we greatly appreciate. The school also benefits considerably from the generosity and support of the S Mary and S Anne Abbots Bromley Foundation, both in regard to bursaries and future fund-raising activities.

We also cooperate with many local charities in our on going endeavours to widen public access to the schooling we can provide, to optimise the educational use of our cultural and sporting facilities and to awaken in our pupils, in the public interest, an awareness of the social context of the all round education they receive.

Risk Management

The governing body are responsible for the identification and management of risks. A formal review of the risk management processes is undertaken annually.

The principal risks to which the School is exposed include those affecting protection of pupils and security

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2013

and preservation of charitable assets both now and in the future. Significant risk areas:

- the market in which the school operates is highly competitive and we monitor developments in education to ensure that pupils always receive a first class, holistic and varied educational experience in our school.
- we strive to ensure that all staff are able to work in a safe and supportive environment and policies, procedures and training in Human Resource management and Health and Safety help to ensure that the school meets expectations.
- the school operates in a highly regulated sector, including in matters of child protection, and we appoint appropriate professional advisers to ensure that we can keep up to date with all requirements; school or individual membership of bodies being the constituent associations of the Independent Schools Council also ensure that we have access to up to date information and support.
- the school operates in an increasingly litigious environment and we appoint appropriate professional advisers and purchase insurance using specialist brokers and advisers to ensure that we can keep up to date with all requirements and meet all challenges.
- all organisations face difficult economic conditions and directors and senior managers in the school keep abreast of economic conditions locally, nationally and internationally to identify trends and develop plans to address issues.

The key controls used by the school include:

- formal agendas and minutes for all meetings of the governing body and committees
- comprehensive strategic planning, financial forecasting, budgeting and management accounting
- established and identifiable organisational structures and reporting lines
- comprehensive formal written policies
- clear authorisation limits
- vetting procedures as required by law, for protection of the vulnerable

The school plans strategically having due regard for risk. 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 school also records significant achievements and updates the governing body and Woodard on short, medium and long term plans.

The strategy is discussed between the governing body and the Woodard Board and protocols have been developed and agreed which outline the relationship between the two bodies.

Financial risk management objectives and policies

The school 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 group's operations.

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

- Liquidity risk – the school seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs by negotiating adequate facilities from banks and other lenders and by partaking in pooled banking organised via the Woodard Corporation.
- Interest rate risk – the school 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

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2013

OBJECTS

Charitable Objects

The charity's objects, as set out in the Memorandum of Association, are to advance education in accordance with the principles which govern the charity called the Woodard Corporation by carrying on Abbots Bromley School for Girls Limited.

In setting our objectives and planning our activities our 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 and on fee-charging. Abbots Bromley School for Girls Limited is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. Our fees are set at a level to ensure the financial viability of the school and at a level that is consistent with our aim of providing a first class education to all pupils. The school'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 schools 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.

Our school is academically non-selective in its intake and welcomes pupils from all backgrounds. The School ensures that it can meet the educational needs of prospective pupils and that they can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes.

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

Our school is a part of a wider community and we are keen that our staff and pupils participate. Our school also offers a resource to support a range of educational activities for the benefit of local children attending state schools and their teachers. Our governors are committed to developing our programme of cooperation and joint working with local maintained sector junior and secondary schools. The activities undertaken and the success of our programme are explained in the 'review of achievements and performance for the year' section of this report.

Access Policy

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

The school has developed formal and informal schemes in order to widen access to its facilities and teaching. These include formal events such as, netball tournaments and swimming galas all held at the school to which other schools including maintained sector schools were invited and informal events such as matinee performance of our drama and dance productions, to which local state schools have been invited. Having successfully launched our Arts Society in 2009/10, (which is open to staff, students and members of the public) 2012/13 proved to be another very successful year, with an increased number of activities and recitals.

Our concessions policies, including for bursaries, contribute to a widening of access to the education we offer and the facilities we enjoy. We are actively developing our bursary funds in order to widen the access to the education we offer and the facilities we enjoy.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2013

Bursary policy

Our School does not have an endowment and in funding our awards we have to be mindful that we must ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

The Governors view our bursary awards as important in helping to ensure children from families who would otherwise not be able to afford the fees can access the education we offer. The limited bursary awards we are able to offer are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk for example in the case of redundancy. In assessing means we use the methodology promulgated by the Independent Schools' Bursars Association, 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 hardship bursary awards made in 2012/13 range from 10% to 50% remission of fees. In 2012/13, for the first time we also took an HMC scholar from Bulgaria on a 100% award. We also have limited funds that supplement bursary awards to pay for co-curricular activities, equipment and school trips. Information about fee assistance through bursaries is provided on our school website. We also advertise the awards each summer in the local press. We run the Early Years Funding Scheme for all eligible pupils under 5, but have taken the decision to offer an additional 60% funding over and above the state backed funding in order to widen our access.

The success of our bursary scheme is explained in our review of activities and achievements section of this report.

Other Policies on Assistance:

Financial planning policy

Timely financial planning is often the key for many parents who are hoping to send their children to Abbots Bromley School for Girls and a school fees plan is available to help those who wish to fund educational costs through regular contributions.

Family discounts policy

To underline the value we place on continuity for families, we offer discounts where parents have more than one child at the School. We also have extended this to include multiple siblings and also to include those who have brothers at other Woodard Schools.

Promoting High Academic Standards: Scholarship policy

The purpose of our scholarship awards is to recognise high academic potential and/or the ability to excel in five specific talents: music, dance, equestrian, sport, art. Our scholarships are awarded on the basis of the individual's academic ability or evidence of exceptional abilities which will contribute to our extensive range of co-curricular activities. In addition, awards may be subject to conditions imposed by the original donor.

Scholarships and Exhibitions are awarded with a fixed remission of fees of either 20% or 10% respectively. Where further assistance is required, scholarship awards may be supplemented by a means tested bursary. We advertise the availability of scholarship awards each year in the local press. Further details of our scholarship policy are available on our website.

Assistance for our teaching staff

As part of our emphasis on attracting and retaining high calibre staff, we offer a discount scheme where staff members choose to educate their children at our school.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2013

AIMS, OBJECTIVES AND ACTIVITIES

Public Benefit Aims and Intended Impact

Within the objects, the school aims to create an environment to nurture children, to get the best from them and to allow them to develop and fulfil their potential. We provide them with a first class independent education and a wide range of sporting and artistic opportunities.

- to encourage high expectations in all members of the School Community so as to develop individual potential in a challenging yet supportive Christian environment;
- to offer dynamic teaching that will develop independence in thought and character;
- to offer a balanced academic and vocational curriculum alongside a wide-range of stimulating, creative and sporting activities, enabling students to nurture unique talents;
- to deliver a spiritual and moral awareness within each member of our caring community;
- to produce fully 'polished' individuals who value themselves and are confident, happy and inspired to make a difference in the world.

In the furtherance of these aims the Abbots Bromley School for Girls governors, as the charity trustees, have complied with the duty in s.4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act.

Woodard and its schools provide a significant benefit to the public. The school strives to ensure that measures of public benefit are appropriate, and that significant sections of the public are not excluded from the opportunity to benefit from the education and facilities offered due to the need to pay a fee. In addition to significant provision of bursaries and other forms of financial support, the school provides a wide range of opportunities for community benefit and facilities and events are often open to all. Further detail of the public benefit offered is included in the section entitled 'Review of Achievements and Performance for the Year' below.

It is a key requirement of evidencing public benefit that any private benefit to individuals or elements of the charity will be incidental to the charity's objectives. An example of private benefit may be the reimbursement of travelling expenses for trustees attending training courses: any private benefit to individuals or elements of Woodard are incidental to delivery of the charitable objectives.

Objectives for the Year

The review of the school structure, the education we provide and the resources required which was carried out in 2011/12, came into force in September 2012. The 2012/13 academic year was therefore seen as year of consolidation to put into practice the changes outlined during the review. The review focused on raising academic standards alongside extending the range of learning enrichment and co-curricular opportunities for all pupils; extending access to school facilities for the local community and to widening the access to the education provided by the school; continuing to build up the boarding numbers; increasing recruitment into Y7, Y9 and the sixth form; strengthening our preparatory school and continuing to review our carbon footprint and the impact we have on the environment.

Strategies to achieve this year's objectives

Implementation of the key objectives agreed during the whole school review, included the following which were implemented in 2012/13:

- restructured the school day so that pupils are taught in hour long periods and not 35 minute periods. This will result in increased teaching and learning time and less movement time for staff and pupils.
- grouped departments in faculties, so that best practice and expertise can be shared;
- moved assemblies and tutor times to after lunch, thus allowing teaching and learning to be the main focus when pupils arrive in school.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

DIRECTORS' REPORT

YEAR ENDED 31ST AUGUST 2013

- introduced dance and musical theatre and Duke of Edinburgh bronze award into the curriculum at appropriate year groups, thus broadening what we offer.

We have continued our refurbishment programme, increasing and enhancing boarding facilities; introduced a new compulsory enrichment programme for Y7 and Y8 to complement the newly established Y9 programme; continued to develop establishing a co-curricular enrichment programme with the support of the Friends.

Principal Activities of the Year

The principal activity of the school is the delivery of a high quality education to pupils ranging from 3 to 18 years of age. We also run a number of summer school activities and the school is open at other times for use by the local community.

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

	2012/2013		2011/2012	
Senior School	146	(60 boarders)	185	(72 boarders)
Preparatory School	37	(2 boarders)	43	(5 boarders)
Pre-Preparatory School	25		28	
	<hr/>		<hr/>	
Total	208	(62 boarders)	256	(77 boarders)
	<hr/>		<hr/>	

The number of boys and girls was as follows:

	2012/2013		2011/2012	
	Boys	Girls	Boys	Girls
Senior School	-	146	-	185
Preparatory School	-	37	-	43
Pre-Preparatory School	1	24	3	25
	<hr/>		<hr/>	
Total	1	207	3	253
	<hr/>		<hr/>	

Grant Making Policy

The school provided scholarships, grants prizes and other awards exceeding £120,000 from unrestricted funds. In common with other independent schools, Abbots Bromley School for Girls makes these awards based on the educational potential of the pupil subject to the particular conditions imposed by the original donor where the award is out of restricted funds. The school also provided bursaries of around £75,000 which are provided in cases of hardship where the pupil's education and future prospects would otherwise be at risk. The availability of all such awards for fee-assistance, together with the terms and conditions for each kind of award, is advertised on our website at www.abbotsbromley.net

Volunteers

The school has a number of volunteer groups and individuals helping to raise funds, assisting in school 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 which extends to an immeasurable amount of voluntary service. In turn the school would like to thank the governors for their unswerving support over many years, but in particular for the incredible time and effort they gave during 2012/13.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2013

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Operational Performance of the School

The Promotion of Education

During the year we educated an average of 208 children between the ages of 3 and 18. We also undertook a rigorous ISI inspection. Following the inspection, the School restructured both its Leadership Team and the Board of Governors. The school provides a very high standard of education and this is validated in view of the academic results and our measurements of added value. The school offers a broad curriculum and educates children with a wide range of ability. We can demonstrate particular excellence in Dance, Riding, Sport, Music, Art and Science. Our aim is to support pupils to reach their potential in all areas of their activity at the school. This includes academic subjects and is also reflected in external examination success in Art, Drama, Sport, Music or Dance. We produce 'well rounded' individuals who are able to make a positive contribution to society. The range of scholarships that we offer reflects our commitment to all round excellence.

Academic Results

As a non-selective school, we again achieved excellent results at both A level and GCSE. At A level, our overall pass rate was 90% (A*- E) and those pupils achieving the grades of A* to B was 63%. At GCSE, there was an overall pass rate of 100% with 92% of pupils achieving five or more subjects at A*-C and 76% achieving five or more subjects A*-C (including English & Maths). The school aims to provide a rounded education to help the pupils to make their way in adult life. A very large majority move on to higher education, and achieve their first choice destination.

Significant developments

During 2012/13 we continued with our refurbishment of the boarding facilities, including new bathrooms & showers, the redecoration of rooms and the introduction of Wi-fi for all boarders; we have also improved the security of the site by having a new access system fitted to the senior school and introducing I.D badges for all staff; we have introduced a new reception area to the senior school and have also redecorated the music wing.

Bursaries & Scholarships

A total of 83 girls were helped with scholarships, bursaries and fees remissions. This represented 10.6% of gross fees.

Bursaries - We aim to provide opportunities for a wide range of people to access benefits from the charity. One aspect is to provide means tested bursaries. This year the value of means tested bursaries totalled £46,815 and represented 1.6% of our gross fees. They provided assistance to 12 of our pupils.

Scholarships & Exhibitions – Scholarships and exhibitions are used to ensure that we are able to maintain the high standards in all areas of provision at the school. This year, the School awarded scholarships to 45 pupils, based on their educational merit and potential, totalling £123,000 and representing 4.2% of our gross fees. Of this number, 5 also qualified for means-tested bursary support and are included in the figures relating to bursary awards.

The progress of pupils receiving scholarships is reviewed annually to ensure their progress is in line with their abilities. No scholarships were withdrawn in the year as a result of reviews. The school includes details of the various concessions in its prospectus and on the website. All parents making enquiries about possible entry are provided with a description of the criteria for bursaries and scholarships.

Review - The Governors keep the Bursary and Scholarship Awards policies under constant review to ensure that able children can accept offers of places at our school through the availability of means tested fee assistance. Our policy is designed to widen access to our school. Currently families are given the opportunity to return their funding in order to improve our bursary support.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2013

Sport, Dance, DofE and Equestrian

In sport, the department received a Silver Award (Sainsbury's School Games) Kitemark, which recognised our commitment to develop competition across the school and into the community. Pupils from across the year groups achieved county honours in golf, hockey and netball. One pupil achieved a TASS (Talented Athlete Scholarship Scheme) for UK Eventing/ Equestrianism. We also ran a number of trips, including to Wimbledon, the 2012 Paralympics and the 2012 Schools Games.

We also held Prep School tournaments in hockey, netball, rounders and lacrosse, as well as a Prep School Swimming Gala was the biggest ever hosted with 17 Schools and 170 pupils taking part at U11 and U13.

In equestrian, numerous riders received awards both from the Pony Club and also The British Horse Society, in both the Progressive Riding Tests and Riding and Road Safety.

The exam results for BTEC Dance were outstanding with 18 A*'s at GCSE equivalent and 11A*'s at A Level equivalent. Leavers from AB were offered places at: The Royal Academy of Dance, Bird College Performers College, Laine Theatre Arts, London Millennium Performing Arts, London Studio Centre, Merseyside Dance and Performing Arts College, Oxford School of Drama and one offer for a Chinese student to study performing arts in Hong Kong.

During the year a Vocational Musical Theatre Course was also added to the curriculum in order to meet the demands of our students who want to widen their studies to include musical theatre. In addition to dance classes they study voice and dramatic performance skills. These students also take the BTEC qualifications using suitable units that reflect their range of performing skills.

Having completed a successful first year's probationary period, the School has now been approved as a Duke of Edinburgh's Award Directly Licensed Centre for the next three years. DofE continues to be a very popular option for girls in Y10 (Bronze), Y11 (Silver) and Y12/13 (Gold). By the end of the 2012/13 academic year, 27 students achieved their own personal goals across all three levels of the Award and will receive their Certificates and Badges accordingly. In November 2013 five AB girls will be attending St James' Palace in order to be presented with their Gold Awards from HRH Prince Philip.

Significant Events

In 2014 the School will celebrate its 140th Anniversary. Plans are well underway to commemorate this in a number of significant ways.

Alumni activities

Our Alumni association, The Guild of S Mary and S Anne, continues to flourish, holding reunions around the world. At the moment they are very busy, in conjunction with the school, planning a wide range of events to celebrate 140 years of Abbots Bromley School, starting on 25th April 2014 with Commemoration. The Guild are also in the process of recruiting a Guild Development Manager who will be based in school, increasing the already strong links the Guild has with the school.

Wider Education

We provided opportunities for former pupils to come back to school in order to gain valuable work experience. We have also developed strong links with Keele University.

We also enabled girls to broaden their experiences by participating in the following trips or projects: Spanish exchange; Indian Exchange; a cultural trip to London; a visit to the Paralympics in London; a sixth form trip to Paris and a trip to watch England play Netball in Liverpool.

The School has also forged a link with Unison World School in Dehradun, India and an annual exchange programme took place in the Michaelmas term of 2012. This exchange has continued into 2013/14.

The Woodard Corporation is involved in the development of academies as part of the government's initiative. In support of this project all Woodard schools have provided support, where asked, through provision of educational expertise, participation in governance, direct curriculum support etc. In particular Abbots Bromley School for Girls has been involved in consultations about a new Academy in Stoke on Trent.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2013

Community

Through development of, and provision of access to new facilities, the school remains at the heart of the community. The School is committed to increasing this access and during the year appointed a Commercial Manager to oversee all the external interfaces which the School has with the local community. Facilities made open to the public include:

- The school swimming pool, which is made available to local swimming clubs and other organised bodies (including the Village Swim Club and Parents & Toddlers sessions) as well as to local schools. This has enabled these partnerships to be widened, thus providing greater access for more individuals.
- Our Music and Dance facilities are made available to a wide range of local societies. During the past year, our girls participated in a number of charity concerts.
- Our sports pitches are recognised as being of particular quality and are regularly used by local clubs for training. The School has continued to provide a pitch and changing facilities which has enabled the reformed village senior football team to thrive in the local league. We have now signed a lease with the local cricket club, allowing them to develop a new multi-purpose sports pitch and changing area on part of the School's land. This will benefit the village community as a whole.
- Our theatre and other school facilities are used for many local events. The Cricket Club hold their annual dinner and Christmas concert in the school. Our main School Hall was also used for our expanded Winter Fayre and Bazaar when local enterprises as well as school enterprises raise money for charity. The chapel has been used during the year for a wedding and our equestrian centre opens up to other pony clubs and members of the local community and now has its own pony club accreditation.

Outreach

The school has continued links with a women's refuge which receives produce following our Harvest Festival. It has also begun a partnership with a local inner city special needs school in Stoke on Trent and the annual Sixth Form ball raised money this year for the Alzheimers Society charity.

The school is continuing to develop its community links, by widening educational access to our facilities, at rates which are below commercial levels. Subsidised arrangements are now in place for the village swim club who use our pool on a weekly basis, the Brownies and the local Pony Club.

Wider Charitable Activity

As well as supporting the local community, pupils & staff have continued to develop their special link with schools in South Africa. Two pupils from the School visited the South African Schools Project in November 2012 and a further two will be visiting in November 2013.

During the year we directly raised in excess of £5,000 to help numerous charities, local, national and international and also indirectly contributed over £6,000 by supporting and attending charity concerts and events.

Investment Performance Against Objectives

The school's investments are managed by UBS Wealth Management (UK) Limited and in the opinion of the advisers the performance is in accordance with expectations.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2013

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The net outgoing resources for the year amounted to £514,197 of which the loss on unrestricted activities was £521,574. The deficit is primarily as a result of falling pupil numbers and slightly lower than anticipated trading income. Gross fee income for the year was down by 16% on last year, reflecting the significant fall in pupil numbers.

The school is helped considerably each year by the support of the S Mary & S Anne Abbots Bromley Foundation, which provides grants towards scholarships and bursaries.

Our trading company continues to hire out Abbots Bromley School for Girls Limited facilities during vacations and school hours, as well as undertaking commercial activity on behalf of the school and externally. The company contributed £42,946 to the school's operating surplus. Group total funds, including revaluations, reduced by £477,585 for the year.

Parents of pupils at the school often make significant sacrifices to pay the fees. In educating 171 UK based pupils, parents help to relieve the state of the financial burden of paying for their children's education. The saving to the public purse is estimated to have a value in the last year of £967,518.

Unlike schools in the maintained sector, the school is unable to recover the VAT on most of the purchases that we make. During the past year, we paid an estimated £240,000 in VAT on goods and services.

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

RESERVES POLICY

The company's Endowed and Restricted Funds are invested in a portfolio of fixed interest and equity investments.

The company's Unrestricted Funds are also partly invested in a portfolio of fixed interest and equity investments but are primarily invested in tangible fixed assets which are all used for its direct charitable activities. In common with other independent schools, the Governors have invested substantial sums into 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 our school. The Governors consider that given the strength of the charity's balance sheet, the stable cash flow from full student rolls, the on going popularity of our school, and the available banking facility that can be called upon if need arises, that there is no need to build up a free reserve.

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

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.

Investment activities are managed in line with the requirements of the Trustee Act 2000. The Governors, in conjunction with the Woodard Board, have appointed UBS Wealth management (UK) Limited as investment manager. Our investment policy is to preserve the capital value of investments and maximise the return and income on all investments. The investments are monitored on the School's behalf by the Woodard Investment and Finance Committee.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2013

DIRECTORS

The directors who served during the year, and the committees of which they are members, are:

Prebendary H M Ball (Chairman)	Finance & General Purposes, Education, Estates
R Mansell (Deputy Chairman)	Finance & General Purposes, Estates, Marketing.
J R Bridgeland	Education
Revd Canon B D Clover	Christian Character
M G Copestake	Marketing
Revd S C Davis	Christian Character
Mrs S A Fisher	Marketing
Mrs P A Norvall	Education, Human Resources
Dr P Stoate	Education, Finance & General Purposes
Major R M Wilson	Estates
Mrs H M Graham	
R H Knight	
M S Hedges	

From 2013/14 the sub-committees have been re-defined, given the new structure of the School Council.

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

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2013

FUTURE PLANS

During 2012/13 a revised Strategic Development Improvement Plan was devised and adopted. The key objectives of the plan are:

<p>A focus on raising standards of achievement across all key stages</p> <p>Link to Education Sub-committee</p>	<ol style="list-style-type: none"> 1. To ensure the highest quality staff are retained as well as recruited and inducted. 2. To implement a rigorous and transparent performance management protocol for September 2013, with all staff undergoing training prior to introduction, to include formally graded (HMI) lesson observations. 3. To ensure good opportunities for continuing professional development are available to all staff to raise standards in learning and teaching across ALL key stages. 4. To implement a reorganisation of Leadership Roles to ensure that there are working parties committed to raising standards of Learning and Teaching across all key stages. 5. To implement a rigorous monitoring, tracking and assessment procedure for all pupils (6 times per year) and target setting protocols are understood and adhered to by all academic staff, with a central data base for easy access of information. This for all Key Stages 1-5. 6. To ensure that all students make three sub levels of progress per year and a minimum of three levels of progress per Key Stage. 7. To ensure clarity of reporting to parents (6 formal types of Progress Review/Full report per pupil per year).
<p>Develop the community of the School</p> <p>Link to F & G P Sub-Committee</p>	<ol style="list-style-type: none"> 1. To ensure the roles of Senior Leaders within the school are clearly understood by all staff and members of the community and all members of SLT are accountable for the implementation of their roles. 2. To enable staff of the School to have a voice through a formal staffing committee and working party structures. 3. The pupil voice to be a significant aspect of the life of the school with Council meetings being held weekly to look at all aspects of school life including learning and teaching. 4. Parental involvement in the school be enhanced through both parental questionnaires, open events, consultation evenings etc., to ensure that parents are more aware, not only about their child's progress but also any changes to the school which may impact. 5. To develop an international, national and local presence in order to put the school firmly 'on the educational map'.
<p>To ensure that AB is not simply a school but more a 'way of life'</p> <p>Link to Full School Council</p>	<ol style="list-style-type: none"> 1. Focus on boarding as a priority to consider an international boarding house. 2. Develop opportunities (within classrooms and in the form of extra-curricular activities) for all within the school – Gifted and Talented, Oxbridge, Scholars and any Vulnerable Groups including Learning Support, EAL etc. 3. With an increased focus on technology to support learning, support teaching and support boarding. 4. To adopt a more entrepreneurial approach to generating income, making use of the Marketing/PR skills available within the school, bidding for any available funding, opening school (during holiday periods) to lettings etc. 5. To consider the 'ambience' of the school and improve the environment for all members of the community. 6. To review the rewards and sanctions protocol for pupils within the school. People flourish with praise. 7. To strengthen links with the various groups within the community of the School; the Guild, the Parents, Abbots Bromley community around the school and its environs, thus enhancing links with the community and parents.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

DIRECTORS' REPORT YEAR ENDED 31ST AUGUST 2013

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.

ACCOUNTING AND REPORTING RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. 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
- 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.

Approved by the board of directors of The Woodard Corporation on the 5th March 2014 and signed on their behalf:


R H Knight FRICS


CHAIRMAN

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EXAMPLE COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2013

We have audited the group and charitable parent company financial statements (the 'financial statements') of Abbots Bromley School for Girls Limited for the year ended 31 August 2013 which comprise the principal accounting policies, the consolidated statement of financial activities, the charitable company statement of financial activities, the consolidated and 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 trustees and auditor

As explained more fully in the Trustees' Responsibilities statement (set out on page 14), the trustees' (who are also the directors of Abbots Bromley School for Girls Limited for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable parent company's affairs as at 31 August 2013 and of the group's and charitable parent company's incoming resources and application of resources, including its/the groups and the parent company income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF EXAMPLE COLLEGE LIMITED
YEAR ENDED 31ST AUGUST 2013**

Matters on which we are required to report by exception

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

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.



Steve Robinson

Senior Statutory Auditor for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Grant Thornton UK LLP
Grant Thornton House
202 Silbury Boulevard
Milton Keynes MK9 1LW

14 April 2014

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31ST AUGUST 2013

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed £	2013 £	2012 £
INCOMING RESOURCES						
Income from Charitable Activities						
School Fees	2	2,924,105	-	-	2,924,105	3,269,426
Other educational income	4	166,576	-	-	166,576	217,517
Other ancillary trading income	4	28,186	-	-	28,186	38,348
Incoming Activities from Generated Funds						
Activities for generating funds:						
Trading income	3a	147,987	-	-	147,987	136,414
Investment income		44	13,155	1,566	14,765	13,643
Appeal income and donations	5	-	-	-	-	-
Other incoming resources		-	-	-	-	-
TOTAL INCOMING RESOURCES		3,266,898	13,155	1,566	3,281,619	3,675,348
RESOURCES EXPENDED						
Costs of generating funds						
Fundraising trading	3a	107,624	-	-	107,624	97,977
Bank interest		47,650	-	-	47,650	65,486
Investment management		-	-	-	-	-
		155,274	-	-	155,274	163,463
Charitable Activities						
Schools and grant-making		3,603,640	3,590	3,754	3,610,984	3,943,850
Governance costs		29,558	-	-	29,558	19,203
TOTAL RESOURCES EXPENDED	9	3,788,472	3,590	3,754	3,795,816	4,126,516
NET INCOMING RESOURCES BEFORE TRANSFERS		(521,574)	9,565	(2,188)	(514,197)	(451,168)
Transfers between funds		-	-	-	-	-
NET INCOMING RESOURCES		(521,574)	9,565	(2,188)	(514,197)	(451,168)
Realised gains/(losses) on investment assets	12	-	(428)	1,621	1,193	(106,963)
SURPLUS / (DEFICIT) FOR YEAR		(521,574)	9,137	(567)	(513,004)	(588,131)
Unrealised gains/(losses) on investment assets	12	1,783	34,335	(699)	35,419	28,514
NET MOVEMENT IN FUNDS		(519,791)	43,472	(1,266)	(477,585)	(529,617)
Fund balances at 1st September 2012		91,423	336,038	31,737	459,198	988,815
FUND BALANCES AS AT 31ST AUGUST 2013		(428,368)	379,510	30,471	(18,387)	459,198

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The notes on pages 22 to 40 form part of these financial statements.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

CHARITY STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31ST AUGUST 2013

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed £	2013 £	2012 £
INCOMING RESOURCES						
Income from Charitable Activities						
School Fees	2	2,924,104	-	-	2,924,104	3,269,426
Other educational income	4	166,577	-	-	166,577	217,517
Other ancillary trading income	4	25,647	-	-	25,647	35,193
Incoming Activities from Generated Funds						
Activities for generating funds:						
Trading income	3a	42,946	-	-	42,946	41,636
Other		-	13,155	1,566	14,721	13,599
Appeal income and donations	5	-	-	-	-	-
TOTAL INCOMING RESOURCES		3,159,274	13,155	1,566	3,173,995	3,577,371
RESOURCES EXPENDED						
Costs of generating funds						
Bank interest		47,650	-	-	47,650	65,486
Investment management		-	-	-	-	-
		47,650	-	-	47,650	65,486
Charitable Activities						
Schools and grant-making		3,603,640	3,590	3,754	3,610,984	3,943,850
Governance costs		29,558	-	-	29,558	19,203
TOTAL RESOURCES EXPENDED	9	3,680,848	3,590	3,754	3,688,192	4,028,539
NET INCOMING RESOURCES BEFORE TRANSFERS		(521,574)	9,565	(2,188)	(514,197)	(451,168)
Transfers between funds		-	-	-	-	-
NET INCOMING RESOURCES		(521,574)	9,565	(2,188)	(514,197)	(451,168)
Realised gains/(losses) on investment assets	12	-	(428)	1,621	1,193	(106,963)
SURPLUS / (DEFICIT) FOR YEAR		(521,574)	9,137	(567)	(513,004)	(558,131)
Unrealised gains/(losses) on investment assets	12	1,783	34,335	(699)	35,419	28,514
NET MOVEMENT IN FUNDS		(519,791)	43,472	(1,266)	(477,585)	(529,617)
Fund balances at 1st September 2012		91,409	336,038	31,737	459,184	988,801
FUND BALANCES AS AT 31ST AUGUST 2013		(428,382)	379,510	30,471	(18,401)	459,184

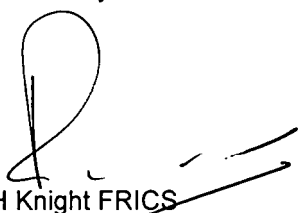
All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The notes on pages 22 to 40 form part of these financial statements.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST AUGUST 2013

	Notes	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	11		2,951,392		3,134,470
Investments	12		439,562		404,495
			<u>3,390,954</u>		<u>3,538,965</u>
CURRENT ASSETS					
Stocks		51,999		54,650	
Debtors	13	225,465		231,608	
Cash		59,987		11,344	
			<u>337,451</u>	<u>297,602</u>	
CREDITORS: due within one year	14	<u>(2,330,274)</u>		<u>(1,783,212)</u>	
NET CURRENT ASSETS (LIABILITIES)			<u>(1,992,823)</u>	<u>(1,485,610)</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES			1,398,131	2,053,355	
CREDITORS: due within after more than one year	15		(1,416,418)	(1,594,057)	
TOTAL NET ASSETS			<u>(18,287)</u>	<u>459,298</u>	
CAPITAL AND RESERVES					
Called up share capital	17		100		100
FUNDS					
Endowed funds	18		30,471		31,737
Restricted funds	19		379,510		336,038
Unrestricted funds	20		(428,368)		91,423
EQUITY SHAREHOLDERS' FUNDS			<u>(18,287)</u>	<u>459,298</u>	

Approved by the Board on 5 March 2014 and signed on its behalf by


 R H Knight FRICS CHAIRMAN


Company registration number 05018628

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

COMPANY BALANCE SHEET AS AT 31ST AUGUST 2013

	Notes	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	11		2,951,392		3,134,470
Investments	12		<u>439,662</u>		<u>404,595</u>
			3,391,054		3,539,065
CURRENT ASSETS					
Stocks		51,999		54,650	
Debtors	13	266,073		226,802	
Cash		11,723		3,242	
			<u>329,795</u>	<u>284,694</u>	
CREDITORS: due within one year	14	(2,322,732)		(1,770,418)	
			<u>329,795</u>	<u>284,694</u>	
NET CURRENT ASSETS (LIABILITIES)			(1,992,937)	(1,485,724)	
TOTAL ASSETS LESS CURRENT LIABILITIES			1,398,117	2,053,341	
CREDITORS: due within after more than one year	15		(1,416,418)	(1,594,057)	
TOTAL NET ASSETS			<u>(18,301)</u>	<u>459,284</u>	
CAPITAL AND RESERVES					
Called up share capital	17		100		100
FUNDS					
Endowed funds	18		30,471		31,737
Restricted funds	19		379,510		336,038
Unrestricted funds:					
Designated funds	20		160,671		157,845
General reserve	20		(589,053)		(66,436)
EQUITY SHAREHOLDERS' FUNDS			<u>(18,301)</u>	<u>459,284</u>	

Approved by the Board on 5 March 2014 and signed on its behalf by


R H Knight FRICS CHAIRMAN

Company registration number 05018628

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2013

1. ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently throughout the year 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 UK 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 group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Director's Report on pages 2 to 15 and in the notes on pages 22 to 40. In addition, Note 1 to the financial statements provides a summary of the group's accounting policies and the risks faced by the group are highlighted within the Directors Report.

As described in the directors' report, the school has experienced significant pressure on pupil numbers and the last two years have been extremely difficult for management and staff. The school undertook major restructuring in 2011-12 in order to adjust the deployment of resources, including staff, to reflect the demand in the local market. The Headmistress left the school in March 2013, and we are fortunate that Victoria Musgrave, the previous Head of Wymondham High School was able to step in to assist us as Executive Head at short notice. Victoria has previously lead extremely successful schools and has already made a significant impact on Abbots Bromley School for Girls. She will focus on delivering the new School Development Improvement Plan, which focuses on improving standards throughout the School.

The group reported an operating deficit for the year. The directors consider that the outlook presents significant challenges in terms of pupil numbers and fee income, as well as in controlling costs. Whilst the directors have instituted strategies to address the current issues, including restructuring the Board of Governors following the inspection which took place during 2012/13, the short term future is difficult; it will take time for the school to adjust to the new operational strategies and policies being adopted.

The directors have a number of options and they are working with the Woodard Corporation, the group parent, to explore those options and to deliver a plan to ensure the future success of the school and group. The school has significant capital assets and whilst there is no current plan to realise any specific asset, the long term recoverability of loans and support provided to the group is secure. The Woodard Corporation has already provided significant support through provision of assistance from the Director of Education, support from consultants and through assisting the school in seeking funding.

After making enquiries and considering the possibilities and uncertainties described above, along with the continued support of the Woodard Corporation, the directors have concluded that the group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31ST AUGUST 2013

d) Fees and Similar Income

Fees receivable and other educational income are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions by the school, but include contributions received from restricted funds for scholarships, bursaries and other grants. Advance Fee Contracts are those fees received in advance of education to be provided in future years under a specific contract. The fees are held as investments in interest bearing assets until either taken to income to match liabilities in the term when used, or else refunded. Any surplus of assets over liabilities is held within the fund as a buffer.

e) Trading Activity and Ancillary Trading Activity

Income from shop sales, holiday and sports hall lettings are recognised in the SOFA activities when the goods are sold or services provided.

f) Donations and Appeals

Donations, subject to the 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 school are credited to other unrestricted funds, to distinguish them from direct school income.

On occasions the school may set up an appeal to raise finance at times when particular projects are being undertaken. Monies received are treated in accordance with the terms of the appeal documentation and are recognised as Designated Funds and shown under 'Unrestricted Funds' in the SOFA, rather than as Restricted Funds. Appeal documentation explains that monies can be used for general purposes

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 Abbots Bromley School for Girls 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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31ST AUGUST 2013

j) Pension Costs

The school company participates in the Teachers' Pensions scheme, which is an unfunded government scheme, and The Pensions Trust scheme, both of which provide benefits based on final pensionable pay. The funds of the schemes are separate from the company, although the company's share of the schemes cannot be identified as the schemes are multi-employer schemes, and so the pension costs are accounted for as defined contribution schemes. The companies also contribute to other defined contribution pension schemes for non-teaching staff.

The company offers membership of the Pensions Trust Growth Plan to employees other than the full-time academic staff. The Pensions Trust Growth Plan is a multi-employer pension scheme where the scheme assets are pooled for investment purposes and cannot be attributed to individual employers. Benefits are paid from the total scheme assets. It is in most respects a money purchase arrangement, but has some guarantees. As a result it is not possible or appropriate to identify the assets and liabilities of the scheme which are attributable to the company, though, due to the guarantees inherent in the scheme, the companies remain potentially liable for a debt on withdrawal from the scheme. In accordance with Financial Reporting Standard 17 (FRS) therefore, the scheme is accounted for in a fashion which is similar to a defined contribution scheme. More detail is given in notes 25 and 26.

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.

Where tangible fixed assets have been acquired with the aid of specific grants they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

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

Leasehold land - Over the shorter of the economic life of the asset or the life of the lease

Leasehold enhancement - Over the economic life of the asset

Plant & Machinery - 10% on cost

Computer equipment - 25% 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'

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2013

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) 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 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 SOFAs on pages 18 to 19.

m) Stocks

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

n) Leasing Commitments

Assets held under finance leases and hire purchase contracts 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.

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

Abbots Bromley School for Girls is a registered charity and as such are 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 school 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 the majority of its profits to Abbots Bromley School for Girls under Gift Aid and tax liabilities are kept to a minimum.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2013

	2013	2012
2. SCHOOL FEES		
	£	£
a) The school fees income comprises:		
Gross fees	2,936,435	3,501,796
Less: Total scholarships, bursaries, etc	(312,331)	(372,370)
	<u>2,624,104</u>	<u>3,129,426</u>
Add back: Scholarships, Grants etc paid for by Other Funds	300,000	140,000
	<u>2,924,104</u>	<u>3,269,426</u>
b) Grants, awards and prizes paid for by Restricted Funds comprise:		
Prizes and leaving awards	<u>3,590</u>	<u>5,945</u>

3. INCOME FROM SUBSIDIARY'S TRADING ACTIVITIES

The company owns the whole of the share capital of Abbots Bromley Enterprises Limited, which lets the School premises and facilities.

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

	2013	2012
	£	£
Turnover	147,987	136,414
Cost of sales	(101,911)	(92,647)
Gross Profit	<u>46,076</u>	<u>43,767</u>
Administration expenses	(5,713)	(5,330)
Other operating income	2,539	3,155
Operating profit	<u>42,902</u>	<u>41,592</u>
Gift aid donation	(42,946)	(41,636)
Profit/(Loss) on ordinary activities before interest	<u>(44)</u>	<u>(44)</u>
Other interest receivable and similar income	44	44
Retained profit/(loss) before taxation	-	-
Tax on profit/(loss) on ordinary activities	-	-
Retained profit/(loss) after taxation	<u>-</u>	<u>-</u>

b) The subsidiary donates its taxable profits to the company each year under the gift aid scheme. The transfer to the "School" from "Other" Unrestricted Funds represents the amount of this donation.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2013

4. OTHER INCOME

	2013 £	2012 £
Other educational charitable activities		
Entrance and registration fees	5,198	6,600
Fees in lieu of notice	-	-
Equestrian Centre	65,617	60,841
Extra Subjects	95,761	150,076
	<u>166,576</u>	<u>217,517</u>
Other ancillary trading activities		
Insurance commission	2,539	3,155
Pupil Bussing	25,647	35,193
Sundry income	-	-
	<u>28,186</u>	<u>38,348</u>

5. APPEAL INCOME AND DONATIONS

	2013 £	2012 £
Appeal income and donations includes the following:		
Group and Company:		
Unrestricted	-	-
	<u>-</u>	<u>-</u>

6. EXPENDITURE

	2013 £	2012 £
Charitable activity expenditure includes:		
Company		
Refurbishment expenditure	15,440	15,274
Operating leases	60,141	60,141
Interest payable on finance leases	-	-
Auditors' remuneration – audit fees	8,706	8,453
– non-audit	-	-
	<u></u>	<u></u>
Group		
Refurbishment expenditure	15,440	15,274
Operating leases	60,141	60,141
Interest payable on finance leases	-	-
Auditors' remuneration – audit fees	10,738	10,709
– non-audit fees	-	-
	<u></u>	<u></u>

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2013

7. STAFF COSTS

	2013 £	2012 £
Total staff costs comprise:		
Wages and salaries	1,937,150	2,122,220
Social security costs	143,158	155,380
Pension contributions	167,758	185,813
	<u>2,248,066</u>	<u>2,463,413</u>

Number of employees:

The average monthly number of employees during the year was:

	2013 Number	2012 Number
Teaching staff	30	34
Others	48	46
	<u>78</u>	<u>80</u>

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

	2013 Number	2012 Number
£60,001 - £70,000	-	-
£70,001 - £80,000	1	2
£80,001 - £90,000	-	-
£90,001 - £100,000	1	-

Contributions were made to the Teachers' superannuation Scheme, which is a defined benefits scheme, for 1 higher paid employee.

8. DIRECTORS

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

Also travel expenses of £4,206 were reimbursed to 3 directors (2012, 3 were reimbursed a total of £2,975).

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2013

9. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff	Other Costs	Depreciation	2013 Total	2012 Total
	£	£	£	£	£
Costs of generating funds					
Bank interest	-	47,650	-	47,650	65,486
Investment management	-	-	-	-	-
Total for Charity	-	47,650	-	47,650	65,486
Trading costs of subsidiary	25,085	82,539	-	107,624	97,977
Total for Group	25,085	130,189	-	155,274	163,463
Charitable activities					
Teaching	1,524,213	112,424	1,141	1,637,778	1,961,179
Welfare	41,210	318,305	8,068	367,583	440,237
Premises	205,702	391,428	182,678	779,808	810,727
Support cost of schooling	451,856	366,215	-	818,071	720,247
School operating costs	2,222,981	1,188,372	191,887	3,603,240	3,932,390
Grants, awards and prizes	-	7,744	-	7,744	11,461
	2,222,981	1,196,116	191,887	3,610,984	3,943,851
Governance costs	-	29,558	-	29,558	19,203
Total resources expended :					
Charity	2,222,981	1,273,324	191,887	3,688,192	4,028,540
Group	2,248,066	1,355,863	191,887	3,795,816	4,126,516

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2013

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 £	Under Construction £	Motor Vehicles £	Computer Equipment £	Furniture & Fittings £	Plant & Equipment £	Total £
Cost							
At 1 st September 2012	2,585,560	-	18,730	38,128	247,609	1,296,951	4,186,978
Additions	-	-	-	8,808	-	-	8,808
At 31 st August 2013	<u>2,585,560</u>	<u>-</u>	<u>18,730</u>	<u>46,936</u>	<u>247,609</u>	<u>1,296,951</u>	<u>4,195,786</u>
Depreciation							
At 1 st September 2012	463,449	-	18,730	37,170	231,934	301,225	1,052,508
Charge for the Year	58,153	-	-	1,141	8,068	124,525	191,887
At 31 st August 2013	<u>521,602</u>	<u>-</u>	<u>18,730</u>	<u>38,311</u>	<u>240,002</u>	<u>425,750</u>	<u>1,244,395</u>
Net book value at 31 st August 2013	<u>2,063,958</u>	<u>-</u>	<u>-</u>	<u>8,625</u>	<u>7,607</u>	<u>871,201</u>	<u>2,951,391</u>
Net book value at 31 st August 2012	<u>2,122,111</u>	<u>-</u>	<u>-</u>	<u>958</u>	<u>15,675</u>	<u>995,726</u>	<u>3,134,470</u>

All assets are used for charitable purposes.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2013

12. INVESTMENTS

Group	Unrestricted	Restricted	Endowed	Total 2013	Total 2012
Opening market value at 1 September 2012	49,980	300,926	33,020	383,926	465,803
Additions	0	19,049	11,624	30,673	245,170
Disposals	0	(8,457)	(11,760)	(20,217)	(248,598)
Realised gains	0	(428)	1,621	1,192	(106,963)
Unrealised gains	1,783	34,335	(699)	35,419	28,514
Closing market value at 31 August 2013	51,763	345,424	33,806	430,993	383,926
Uninvested cash	6,578	728	1,263	8,569	20,569
	<u>58,341</u>	<u>346,153</u>	<u>35,068</u>	<u>439,562</u>	<u>404,495</u>

Investments at cost 393,532 358,910

Analysis of investments :

UK Fixed Interest	137,335
UK Cash	8,569
UK Equity	254,507
Non UK Equity	<u>39,151</u>
	<u>439,562</u>

At 31st August 2013, 5 investments (2012:5) had a carrying value equal to 5% or more.

iShares PLC FTSE 100 Fund	49,510
JO Hambro Cap Management UK Equity Inc – Retail	59,454
Threadneedle Inv UK Equity	43,300
Threadneedle Inv Funds	37,605
Artemis Income Fund Units	53,019
M&G Investment Fund Corporate Bonds Funds	37,250
IShares GBP Corporate Bond Funds	<u>55,400</u>
	<u>335,538</u>

The investments are held in trust by Woodard Schools (Midland Division) Limited who in turn have instructed UBS Wealth Management (UK) Ltd to manage these investments, on behalf of Abbots Bromley School for Girls Limited.

Investment income of £14,753 from UK quoted investments and £546 from non-UK quoted investments.

Company

Investments	439,562
Investment in subsidiary company at 31 August 2013 (see note 3)	<u>100</u>
at 31 August 2013	<u>439,662</u>

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2013

13. DEBTORS

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Fee debtors	112,591	184,040	112,591	184,040
Trade debtors	14,739	4,806	-	-
Amounts owed by group undertakings	12,371	-	67,718	-
Other debtors	19,432	17,312	19,432	17,312
Prepayments and accrued income	66,332	25,450	66,332	25,450
	<u>225,465</u>	<u>231,608</u>	<u>266,073</u>	<u>226,802</u>

14. CREDITORS: Amounts falling due within one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank Overdrafts	1,397,670	779,240	1,397,670	779,240
Trade Creditors	60,512	25,196	60,512	25,196
Amounts owed to group undertakings	-	796	-	5,762
Taxes and Social Security Costs	45,382	66,329	40,233	51,141
Deposits Held	190,495	156,184	190,495	156,184
Other Creditors	285,361	148,627	285,361	148,627
Accruals	13,199	70,123	10,806	67,551
Bank Loan	170,000	170,000	170,000	170,000
Deferred Income – fees received in advance	167,655	366,717	167,655	366,717
	<u>2,330,274</u>	<u>1,783,212</u>	<u>2,322,732</u>	<u>1,770,418</u>

Bank loans and overdrafts are secured by an unlimited all moneys guarantee as part of an overdraft facility under a pooled banking arrangement organised by the Woodard Corporation. Woodard and seven other subsidiaries subscribe to the pooled banking arrangement and overdraft facility with Lloyds TSB Bank plc. As a result of this arrangement Woodard and the subscribers are able to obtain borrowings at a lower rate of interest

In September 2011 the School agreed a 10 year loan with Lloyds TSB Bank plc, for the amount of £1.7 million secured against the School buildings.

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

	Group and Company	
	2013	2012
	£	£
Bank loan	1,275,000	1,445,000
Deposits received in advance	141,418	149,057
	<u>1,416,418</u>	<u>1,594,057</u>

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2013

16. BANK LOAN

	Group and Company	
	2013	2012
	£	£
The bank loan is repayable by instalments		
Due after 5 years	595,000	765,000
Due within 2 to 5 years	510,000	510,000
Due within 1 to 2 years	170,000	170,000
Due after more than one year (Note 16)	1,275,000	1,445,000
Due within 1 year (Note 15)	170,000	170,000
	<u>1,445,000</u>	<u>1,615,000</u>

17. SHARE CAPITAL

	Company	
	2013	2012
	£	£
Authorised		
100 Ordinary Shares of £1 each	100	100
	==	==
Allotted, called up and fully paid		
100 Ordinary Shares of £1 each	100	100
	==	==

18. ENDOWED FUNDS

The endowed funds of the company include a number of individual trust and prize funds set up by donors as permanent capital. The income generated is restricted to funding scholarships, bursaries, grants and prizes.

Company & Group	Movements in funds			
	Balance at 1 Sep 12	Incoming Resources	Resources Expended	Balance at 31 Aug 13
	£	£	£	£
Special Endowment Fund	31,737	1,566	(3,754)	30,471
	<u>31,737</u>	<u>1,566</u>	<u>(3,754)</u>	<u>30,471</u>

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2013

19. 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.

	Movements in funds				
	Balance at 1 Sep 12	Incoming Resources	Resources Expended	Transfers	Balance at 31 Aug 13
	£	£	£	£	£
Revaluation Reserve	27,071	-	-	34,335	61,406
Benefit Fund	231,536	9,295	(1,583)	(428)	238,820
Scholarship Fund	68,081	2,853	(2,007)	-	68,927
Minor Funds	9,350	1,007	-	-	10,357
Company	336,038	13,155	(3,590)	33,907	379,510
Subsidiary Charity	-	-	-	-	-
Group	336,038	13,155	(3,590)	33,907	379,510

The purpose of the Benefit Fund, which is held in Trust by Woodard Schools (Midland Division) Limited under a Declaration of Trust dated 22 March 1960 and Amended Rules dated 5 December 1975, is to assist pupils either by contributing towards the school fees of their children or dependents or in such manner (being exclusively charitable) as the Trustees consider for their benefit. The Fund has been built up by voluntary contributions. The School Council has the power to determine on behalf of the Trustees which former pupils shall receive benefit and the nature and extent of such benefit.

The Scholarship Fund is made up of the Bridgeman Bequest and the Mary & Charlotte Lowe Exhibition. The purpose of the Bridgeman Bequest, which was set up from the proceeds of the sale of certain books left to the School, is to fund expenditure of the School Library. The Mary & Charlotte Lowe Exhibition is a bursary fund bequeathed in 1897, the beneficiary of which is to be a girl, whose parents are residents in Abbots Bromley.

Minor Funds represent grants and donations to provide prizes for the pupils at the School.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2013

20. UNRESTRICTED FUNDS

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

	Movements in funds				
	Balance at 1 Sep 12	Incoming Resources	Resources Expended	Transfers	Balance at 31 Aug 13
	£	£	£	£	£
Designated Fund:					
Revaluation Reserve	(9,680)	-	-	1,783	(7,897)
Appeal Fund	1,191	-	(262)	-	929
Bursary Fund	166,334	1,607	(302)	-	167,639
Total Designated Fund	157,845	1,607	(564)	1,783	160,671
General reserves	(66,436)	3,157,667	(3,680,284)	-	(589,053)
Company	91,409	3,159,274	(3,680,848)	1,783	(428,382)
Trading subsidiary	14	107,624	(107,624)	-	14
Group	91,423	3,266,898	(3,788,472)	1,783	(428,368)

The purpose of the Bursary Fund, which was established from the Harden Legacy and the Brenda Bower St Elphin's Trust, is to provide or contribute towards the provision of education at the School; scholarships, bursaries and prizes for pupils at the School; and in such other manner (being exclusively charitable) as the School Council shall consider to be for the benefit of the School.

The Appeal Fund is designated for Special Projects.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2013

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

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

	Fixed Assets £	Investment s £	Net Current Assets/ (Liabilities) £	Long term (Liabilities)) £	Total £
Share Capital	-	-	100	-	100
Endowed Funds	-	31,737	(1,266)	-	30,471
Restricted Funds	-	336,038	43,472	-	379,510
Unrestricted Funds	2,951,392	71,887	(2,035,243)	(1,416,418)	(428,382)
Company	2,951,392	439,662	(1,992,937)	(1,416,418)	(18,301)
Trading subsidiary	-	(100)	114	-	14
Subsidiary Charity	-	-	-	-	-
Group	<u>2,951,392</u>	<u>439,562</u>	<u>(1,992,823)</u>	<u>(1,416,418)</u>	<u>(18,287)</u>

22. RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Opening shareholders' funds	459,198	988,815	459,184	988,801
Net movements in funds	(477,585)	(529,617)	(477,585)	(529,617)
Closing shareholders' funds	<u>(18,387)</u>	<u>459,198</u>	<u>(18,401)</u>	<u>459,184</u>

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2013

23. COMMITMENTS UNDER OPERATING LEASES

At 31st August 2013 the company had annual commitments under non-cancellable operating leases as follows:

	2013 £	Other 2012 £
Expiry date:		
Within one year	-	-
Between two and five years	-	27,254
After more than five years	-	-
	<u>-</u>	<u>27,254</u>

24. CAPITAL COMMITMENTS

At 31st August 2013 the group had capital commitments as follows:

	2013 £	2012 £
Expenditure contracted for but not provided in the accounts	-	-
	<u>-</u>	<u>-</u>

25. PENSION SCHEME

Teachers' Pension Scheme

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

The pension charge for the year includes contributions payable to the TPS of 246,153 (2012: £275,536).

On 4 July 2012 the Chief Secretary to the Treasury confirmed that the Government would be taking forward legislation based on the reformed scheme design for the Teachers' Pension Scheme to be introduced in 2015 as set out in the Teachers' Pension Scheme - Proposed Final Agreement ("the TPS Agreement"). The TPS Agreement sets out the main parameters for both the provision of future pension benefits and the structuring of the future contributions to the TPS including the basis for increasing average employee contribution rates up to 2015.

On 31 January 2013, the Department for Education published the outcome of the consultation on further contributions increases that will apply to members of the TPS in financial year 2013-14 as well as the removal of provisions governing scheme valuations and cap and share arrangements. A revised eight tier salary and employee contribution rate structure has been introduced from 1 April 2013 with employee rates varying between 6.4% and 11.2%. Employer contributions will continue for this period at the current rate 14.1%.

On 25 April 2013 the Public Service Pensions Act 2013 was enacted and provides the arrangements for managing the future TPS costs, including a requirement for scheme regulations which must set an employer cost cap which will be required to be in accordance with Treasury directions.

In light of the new arrangements for setting contribution rates the Government has concluded that there is now no need to carry out the currently suspended TPS actuarial review or the cap and share processes.

The Company's contribution represents a minor proportion of the payments into the scheme.

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2013

Pensions Trust Growth Plan

The company participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted-out of the State scheme. The Plan is a multi-employer pension plan. Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

The rules of the Plan allow for the declaration of bonuses and/or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis. Bonuses/investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee.

The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.

If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The rules of the Plan state that the proportion of obligatory contributions to be borne by the member and the member's employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.

Abbots Bromley School for Girls Ltd paid contributions at the rate of 6-11% during the accounting period. Members paid contributions at the rate of 5-6% during the accounting period. As at the balance sheet date there were 14 active members of the Plan employed by Abbots Bromley School for Girls Ltd. Abbots Bromley School for Girls Ltd continues to offer membership of the Plan to its employees.

It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Plan is a multi-employer scheme, where the assets are co-mingled for investment purposes, and benefits are paid out of the Plan's total assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.

The valuation results at 30 September 2011 were completed in 2012 and have been formalised. The valuation of the Plan was performed by a professionally qualified Actuary using the Projected Unit Method. The market value of the Plan's assets at the valuation date was £780 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £148 million, equivalent to a funding level of 84%.

ABBOTS BROMLEY SCHOOL FOR GIRLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST AUGUST 2013

The financial assumptions underlying the valuation as at 30 September 2008 were as follows:

	% p.a.
Rate of return pre retirement	4.9
Rate of return post retirement:	
Active/Deferred	4.2
Pensioners	4.2
Bonuses on accrued benefits	0.0
Inflation: Retail Price Index (RPI)	2.9
Inflation: Consumer Price Index (CPI)	2.4

In determining the investment return assumptions the Trustee considered advice from the Scheme Actuary relating to the probability of achieving particular levels of investment return. The Trustee has incorporated an element of prudence into the pre and post retirement investment return assumptions; such that there is a 60% expectation that the return will be in excess of that assumed and a 40% chance that the return will be lower than that assumed over the next 10 years.

The Scheme Actuary has prepared a funding position update as at 30 September 2012. The market value of the assets at that date were £790 million and the Plan's Technical Provisions (i.e. past service liabilities) were £984 million. The update therefore revealed a shortfall of assets compared with the value of liabilities of £194 million, equivalent to a funding level of 80%.

If an actuarial valuation reveals a shortfall of assets compared to liabilities, the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

The Pensions Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example, the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the Plan liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Plan (which would effectively amend the terms of the recovery plan). A copy of the recovery plan in respect of the September 2011 valuation was forwarded to The Pensions Regulator on 2 October 2012, as is required by legislation.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Plan and The Pensions Act 2012 has more recently altered the definition of Series 3 of the Growth Plan so that a liability arises to employers from membership of any Series except Series 4. (Our recent correspondence to all employers refers.) The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up. The debt for the Plan as a whole is calculated by comparing the liabilities for the Plan (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Plan. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Plan's liability attributable to employment with the leaving employer compared to the total amount of the Plan's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time. See note 26 for further details.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31ST AUGUST 2013

26. CONTINGENT LIABILITIES

The Company, together with seven fellow subsidiaries, subscribes to a pooled banking arrangement and overdraft facility with Lloyds TSB Bank plc. This facility is secured by an unlimited all moneys guarantee from the Woodard Corporation and the subscribers to the facility. This facility includes an omnibus letter of set-off covering all monies due both present and future from the Woodard Corporation and the subscribers to the facility.

When an employer withdraws from a multi-employer defined benefit pension scheme which is in deficit, the employer is required by law to pay its share of the deficit, calculated on a statutory basis (known as the buy-out basis), as outlined in Note 25. The calculation basis that applies to the Growth Plan was amended due to a change in the definition of money purchase contained in the Pensions Act 2011 but the regulations that will determine exactly how the change will apply in practice are still awaited.

As the law stands, it is not yet clear whether the statutory calculation should include or exclude Series 3 liabilities. However, based upon current advice, the most likely interpretation is that Series 3 liabilities will have to be included in the calculation of an employer's debt on withdrawal.

Owing to this situation, we have included 2 figures/calculations, namely:

- The cost of withdrawal if we include Series 3 liabilities in the calculation
- The cost of withdrawal if we exclude Series 3 liabilities from the calculation

If an employer withdraws from the Growth Plan prior to the implementation of the regulations, the debt will be calculated on both bases and The Pensions Trust would request payment of the higher amount with any adjustment being made when the regulations are implemented.

The Company has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2012. As of this date the estimated employer debt for the Company was £369,329 (2012: £303,616), including Series 3 liabilities, and £418,050, excluding Series 3 liabilities.

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 £21,914 was paid during the year to the Corporation by way of a levy to meet Corporation running costs. An amount of £144,678 (2012: £138,457) was paid during the year to an employee of Woodard Corporation to cover salary, NI and Pension costs. This is then invoiced monthly and re-paid back to the School. An amount of £12,371 was still owing to the School at year end.

The company also controls a subsidiary trading company. Abbots Bromley School Enterprises Limited (registered number 05181898), the results of which are detailed in Note 3.