

Charity Commission Copy – Reg No: 306214

**REPORT OF THE GOVERNORS, STRATEGIC REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016**

FOR

CLAYESMORE SCHOOL

CLAYESMORE SCHOOL
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for the year ended 31 August 2016

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CLAYESMORE SCHOOL

COMPANY INFORMATION

GOVERNORS

- * Mr J I Andrews LLB - Chairman
- *†^ Mr D M Green MA (Cantab) FRSA - Vice Chairman
- * Mr P Dallyn FRICS FAAV – Vice Chairman
- *Ω Mr A G Beaton
- †^ Mrs F Deeming BA (Hons) PGCE
- ^ Mrs D E Geary BA CertEd
- † Mr D C Haywood MA (Cantab)
- Ω* Mr T Ingram MA MBA FCIB
- *†^ Mrs R A P Stiven MA
- Ω Maj Gen J D Stokoe CB CBE
- ^ Mr S R Symonds BA ED (Hons)
Dr R J Willis MA (Oxon) BM BCh

- * **Member of Finance and General Purposes Committee**
- † **Member of Senior School Committee**
- ^ **Member of Prep School Committee**
- Ω **Member of Development Committee**

KEY MANAGEMENT PERSONNEL

HEAD Mr M G Cooke BEd (Hons) FColIP

HEAD OF PREP Mr W Dunlop BA PGCE

**SECRETARY & CLERK TO
COUNCIL/BURSAR** Mr M J M Dyer

REGISTERED OFFICE Clayesmore School
Iwerne Minster
Blandford Forum
DT11 8LL

REGISTERED NUMBER 359779

**CHARITY REGISTRATION
NUMBER** 306214

AUDITORS Fawcetts
Chartered Accountants
and Statutory Auditors
Windover House
St Ann Street
Salisbury
SP1 2DR

BANKERS Lloyds Bank plc
Beech House
28/30 Wimborne Road
Poole
BH15 2BL

The above information relates to the date of approval of these financial statements

CLAYESMORE SCHOOL
REPORT OF THE GOVERNORS
for the year ended 31 August 2016

Clayesmore School governors present their annual report, which includes their strategic report, for the year ended 31 August 2016 under the Charities Act 2011, together with the audited financial statements for the year, and confirm that the latter comply with the requirements of the Act, the Trust Deed and the Charities SORP.

REFERENCE AND ADMINISTRATIVE INFORMATION

Clayesmore School is registered with the Charity Commissioners for England and Wales (registration number 306214). It is incorporated and registered in England and Wales under the Companies Act as a company limited by guarantee and not having a share capital (company number 359779), its current Memorandum and Articles of Association being dated 12 June 2010.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Council

The structure of the Charity consists of a Governing Council, the key details of which are explained on Page 1. Other (sub) committees exist or are formed as necessary to deal with Health and Safety, Remuneration etc.

Recruitment and Training of Governors

New governors are appointed to the Council on the recommendation of the existing governors and/or the Senior Management Team. As and when vacancies on the Council become available, the main criterion in the search for suitable candidates is the need to maintain the best possible balance of relevant skills, expertise and experience on the School's Governing Council. Training for governors includes briefings and discussions on topical subjects and takes place at Council meetings or on Seminar days organised for governors. External training courses, for example through the Association of Governing Bodies of Independent Schools (AGBIS), the Independent Association of Prep Schools (IAPS) or by other parties are made available to governors under the direction of the Chairman.

Organisational Management

Clayesmore School governors, as the trustees of the Charity, are legally responsible for the overall management and control of Clayesmore School, and meet at least three times a year. Council provides direction on any issue, which is then carried out by the Finance and General Purposes (F&GP) committee. The Chairman of the Governing Council is a member of the F&GP Committee.

The other key committees are the Senior School Education Committee and the Prep School Education Committee. These two committees deal with academic, pastoral and teaching staff issues and meet termly. The day to day running of the School is delegated to the Head, supported by the Executive Management Team (EMT), the Head of Prep and the Bursar. The EMT attends all of the key governors' meetings and the Bursar is also Clerk to the Governing Council. Additional committees are established for specific purposes as required, including the Development Committee, the Clayesmore Society Committee, and various Friends and Parents Associations.

Pay Policy for Senior Staff

All trustees give of their time freely. Expenses were paid in the year only as detailed in the financial statements. No governors received bursary benefit. The governors consider the Council of the School and the EMT to comprise the key management personnel of the School in charge of and directing and controlling the running of the Charity on a day-to-day basis. The pay of senior staff is reviewed annually by Council and benchmarked as required against pay levels in other schools through annually updated information provided by the Association of Governing Bodies of Independent Schools (AGBIS).

Risk Management

The Governing Council is responsible for the management of risks. A nominated governor and the Bursar compile a detailed consideration of risk in a risk register each term. Risks are identified, assessed, and EMT establishes regular risk control throughout the year. The F&GP committee and the Governing Council undertake a formal review of the Charity's risk management processes on a termly basis. Risks fall into four main categories: strategic, operational, financial and compliance, and each category is reviewed at F&GP and Council.

CLAYESMORE SCHOOL
REPORT OF THE GOVERNORS
for the year ended 31 August 2016

Risk Management (continued)

The key controls used by the Charity include:

- Formal agendas, minutes and reports for all Committee and Council activity
- Detailed terms of reference for all Committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structures and lines of reporting
- Formal written policies, reviews and appraisals
- Clear authorisation and approval policies, and
- Vetting procedures as required by law for the protection of the vulnerable
- Detailed checks of essential compliance issues reported at F&GP

Through the risk management processes established for the School, the governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

OBJECTS, AIMS, OBJECTIVES

Objects and Aims

The Charity's Objects, as set out in its Articles of Association, are the advancement of education, including the provision of boarding and day schooling for children of both sexes from the ages of three to eighteen.

The School's principal operating aim is to excel in the provision of an inclusive education for day and boarding pupils throughout a wide ability range. It works to foster self-confidence, good citizenship, a desire to fulfil potential and to serve the wider community. We also aim to initiate an enthusiastic approach to life and work, together with a sound understanding of how to live healthily and safely in the modern world. These are aims, which reflect closely the five outcomes of the 'Every Child Matters Agenda'.

Objectives

As always, our primary objective has been to ensure that Clayesmore offers its pupils the highest standard of education in its widest sense and to look after our pupils pastorally to the best of our ability. We enable all pupils to engage in a wide range of activities both academic and extra-curricular.

In setting objectives and planning our activities the 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.

Strategies to achieve our objectives

- To continue to provide excellent education and pastoral care in the broadest sense.
- To continue to cater for pupils within a wide ability range, to offer support to young people with dyslexia and related learning difficulties and to motivate and stretch the more able.
- To continue to enable the curriculum to evolve to meet the educational, spiritual, moral and cultural needs of the pupils, to help them to prepare more effectively for the world of work, and to achieve personal and economic well-being.
- To continue to invest in facilities, resources and staffing to ensure the pupils' needs can be met in full.
- To provide continuing support for the pupils already in receipt of fee assistance through bursaries.
- By provision of means tested bursary places across the School to ensure access to pupils from all backgrounds up to and including the provision of 100% Bursaries.
- To maintain a hardship fund to help pupils meet the cost of school trips, examination entrance fees and similar expenses not covered by a Bursary award.
- To continue and further develop our links with local schools, local residents, clubs, charities and organisations.

CLAYESMORE SCHOOL
REPORT OF THE GOVERNORS
for the year ended 31 August 2016

POLICIES

Admission

Clayesmore School welcomes pupils from all backgrounds. If required, entrance interviews and assessments are undertaken to satisfy parents and the School that potential pupils will benefit from the education and environment provided. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes for admission.

Bursary Awards

The education offered is not restricted to those who can afford the fees. The School makes scholarship awards on the basis of academic, artistic, musical and sporting talent and bursaries are awarded to enable pupils to continue their education or allow children from lower income families to join the School.

The School has a long tradition of providing support to families of HM Forces personnel. Information about fee assistance given through bursaries is provided to all who apply. Scholarships and bursaries are advertised as required.

Our Bursary and Scholarship Awards policies are designed to ensure that suitable children can accept offers of places at our School through the availability of means tested fee assistance. This assists to ensure that the objective of wider access continues to be achieved.

Our School does not have endowment funds and has very limited donations for Bursary and Scholarship awards. In funding the majority of awards from income, the School has to be mindful to 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 School always considers providing special terms to parents struggling with funding fees, particularly during times of national or personal economic difficulty.

Equal Opportunities

The School is an equal opportunity organisation and is committed to a working environment that is free from any form of discrimination. We will make reasonable adjustments to meet the needs of staff, pupils or other visitors who are or become disabled.

Safeguarding and Promoting Welfare

Our School is committed to safeguarding and promoting the welfare of our pupils and ensuring that all staff and volunteers share this commitment. Appropriate policies and training are in place to underpin this commitment.

Parents are given regular information about their children's social and academic progress through parent evenings, in addition to the end of term and year reports. We maintain regular contact with parents throughout the year through informal contacts and through our newsletters.

STRATEGIC REPORT

ACHIEVEMENTS AND ACTIVITIES OF THE YEAR

Senior School

The School continued to prosper during the year with pupil numbers around 480 overall as at June 2016. The principal activity remains the education and pastoral care of our pupils. Clayesmore is a school with a wide ability range, which prides itself on offering support to young people suffering from dyslexia and other specific learning difficulties as well as challenge to those with average and high ability.

At A-level and BTEC, 87 students studied towards 257 A level and BTEC courses. The overall pass rate was 98%, with 30% achieving ABB and 29% achieving A* or A grades (or equivalent). Considering we do not select for entry into the Sixth Form and that some of these students would have had very modest GCSE results, this is a very pleasing outcome indeed. At GCSE 104 students studied towards 900 GSE papers. 46% of grades were achieved at A* or A grade, and the overall pass rate was 86%. In the context of Clayesmore's all-ability intake this is a quite outstanding performance. 10 students achieved a full set of GCSEs at grades A* or A.

CLAYESMORE SCHOOL
REPORT OF THE GOVERNORS
for the year ended 31 August 2016

Senior School (continued)

The introduction of BTEC courses instead of some chosen practical A-levels has continued to be a considerable success and remains popular amongst students, parents and staff.

The strong cultural ethos continues to exert an important impact with the usual flurry of excellent drama and music activities. Art remains an outstanding strength with the annual art exhibition amazing parents and visitors alike. The cultural life of the School has been enhanced by Modern Foreign Language trips and lectures and the opportunity to welcome pupils to join the School from other countries. Our Sixth Form students have continued to benefit from a wide ranging and lecture programme.

Sports of all kinds have continued to be a dominant feature of the Clayesmore scene and we have maximized the opportunities for all pupils to be involved at every level. Fixtures both at home and away abound, with many pupils playing at county and district level. The Combined Cadet Force has again had an excellent year with much enjoyable and challenging activity, and the Duke of Edinburgh Award Scheme has continued to be popular with excellent number of students achieving their Gold Award during the year.

Last year governors were pleased to be able to agree a substantial extension to our Design and Technology (DT) department in addition to commissioning major refurbishment in other parts of the campus. This new facility for DT was commissioned in the Spring 2016 and has been warmly welcomed by staff and pupils, resulting in ever more ambitious and exciting DT plans for projects now being executed. Further redevelopment plans for the campus, both major and minor are in the pipeline as the School says farewell to a long serving head and welcomes in a new era.

Preparatory School

The School began the year with 220 pupils, rising to 236 by the end of the year. Educational progress continues to be very pleasing. All 57 Year 8 pupils passed Common Entrance to their first choice senior school (which in all but five cases was Clayesmore Senior School). Between them they achieved five academic scholarships, six sport scholarships, one art, one drama, one DT and one music scholarship, a choral award and an all-rounder exhibition. The School continues to provide a high level of support for pupils with specific learning difficulties, most notably dyslexia and dyspraxia, but also children with other needs such as Asperger's Syndrome. Throughout the year a number of pupils were admitted who have not had their needs met in other schools; all are making improved progress.

The School continues to offer widespread cultural opportunities. The final year of the Prep School's partnership with the children's author Ali Sparkes was dedicated to the production of an interactive story, *The Clayesmore Quest*, in which every pupil in Years 3, 4 and 5 was represented. Every pupil in Reception and Years 1 and 2 took part in a production of *The Landlord's Cat*, while every pupil in Years 3, 4 and 5 took part in a production of *Robin and the Sherwood Hoodies*. All those in Years 6, 7 and 8 had the opportunity to take part in a production of *Oliver!*, with over half the children volunteering; all those who wanted to took part. Every child in Reception to Year 6 took part in a cross-curricular project based on Rubens's *A Roman Triumph*. Musical opportunities were offered to the wider community through a primary schools' choral day, hosted and organised by Clayesmore, which brought 130 children from five local primary schools together to perform as a large choir. The School also hosted a large orchestral event, Festival in the Field, which brought together musicians from six primary schools to play with Clayesmore musicians and professionals from the Bournemouth Symphony Orchestra to perform four pieces from the BBC's Ten Pieces project.

Sport continues to develop well with every pupil in Years 3 to 8 representing the School. The key marker for sporting success is held to be a positive experience of sport that will encourage children to remain active well into adult life. The School continues its close relationship with Shroton Cricket Club to develop their junior section, which has now completed its second season. The involvement of school coaches enabled the club to cater for a junior membership of over 50 children; winter nets take place in the Sports Centre and for the first time the club played some of their junior matches at the School. A highly successful cricket and rounders day gave 220 children from local primary schools the opportunity to receive a high level of coaching and to enjoy a non-competitive tournament.

Pupils have developed their understanding of charitable work through a wide variety of fundraising and awareness activities. The most significant was a sponsored "zumbathon" in which the whole of the Prep School took part, raising £3,614.22 for Julia's House, a local hospice. Fundraising activities always include an element of education to help children understand the work of the charity involved.

CLAYESMORE SCHOOL
REPORT OF THE GOVERNORS
for the year ended 31 August 2016

Following the success of partnership work with schools in Bangladesh and Croatia in recent years, the School has recently embarked upon another collaborative project with Gogar Primary School in Rongai, Kenya.

Charitable Activities

In the last report it was stated that there were likely to be changes to the Charity Commission guidance and reporting procedures. To date we have received no notification of any such changes, although it is still entirely possible that such measures may be issued at any time. However, at Clayesmore we continue to gather our contributions to the Public Benefit and are confident of our continued commitment to meeting our responsibilities in this area.

The Sports Centre remains the most obvious and visible contribution and has been continuously used by our local maintained schools, organizations and individuals. Such activity includes the sports hall and the provision of fitness classes, the swimming pool where teaching lessons have been provided, as well as regular use by canoe and swimming clubs. The Astro Pitch is also in regular use by external schools and organisations and continues to be in demand at low or no charge.

Clayesmore mini-buses continued to be available to be used by local primary schools and charitable organizations. Indeed, without such support some of these organisations would not have been able to participate in some of the exciting opportunities that Clayesmore has been able to offer, such as the Prep School Cricket and Rounders Festival and a recent West End Theatre Workshop. Further similar activities are planned for 2017, are extremely popular and are of course wonderful advertisements for Clayesmore.

A 'free' Toddler Group for local parents has been introduced at the Prep School and initial response would indicate that the initiative is meeting with a pleasing level of success. The local Brownie pack have also been able to use our Home Economics Department to provide the girls with experience of cooking.

This summer also saw us assisting a new organisation, Dorset Young Carers. They are an organization that supports young people between the ages of 5 and 18 throughout Dorset who have a caring role for a family member within the household, taking on the day-to-day chores of running a household: washing, cleaning, cooking, looking after siblings after-school, preparing lunches etc. As a result of their caring role, many become quite isolated from their peers in and out of school, have difficulty making friends and attending after-school activities. Their school attendance is often poor as the family and the support that they provide comes first. This year Clayesmore allowed this organisation to borrow a minibus to take the children on a 4-day residential 'holiday to Cornwall'.

Finally, closer to home the School continues to support the local village and parish council in a variety of ways including the maintenance of the village cricket field.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The School's operating surplus of £177,686 was achieved against a continued background of rising operating costs and significant building/facilities projects. We consider this to be a sound performance.

As a charity, the parents of pupils have the assurance that almost all income is applied to educational purposes. As an educational charity, the School enjoys tax exemption on activities and an 80% reduction on business rates on property. The financial benefits received from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our bursary policies and wider charitable objectives.

As an educational charity the School is exempt for VAT purposes and so unable to reclaim VAT input tax on costs. The School pays tax as an employer through the National Insurance contributions we make. In addition to the very substantial benefits Clayesmore brings to our pupils and to our local community through the education we offer, our bursary programme and our work with local schools create a significant social asset without cost to the Exchequer.

Reserves Policy

The School's policy is that any surpluses generated from the running of the School will be invested in developing the buildings, equipment and resources of the School.

CLAYESMORE SCHOOL
REPORT OF THE GOVERNORS
for the year ended 31 August 2016

Investment Policy

The School's investment policy is as decided by the Governing Council in accordance with its Memorandum and Articles of Association.

FACILITIES DEVELOPMENT AND FUTURE PLANS

The Governors aim to maintain and enhance the quality of the site and facilities continuously. Significant sums are spent annually on both routine and improvement projects of all kinds for academic faculties, boarding, sports or administrative facilities. During the year significant improvements were made to a wide range of infrastructure, the continued enhancement of ICT, including better broadband access, network equipment and associated security protection. The general improvement of the site continues, both in terms of access for the public where necessary and improvements to health and safety issues and the enhancement of the environment, including provision for wildlife. As reported above, a major extension of the Design and Technology Department was completed in the Spring. Such developments are partially funded by private contribution and the parent associations. They all continue to demonstrate the success of the School and the Governing Council's continued confidence in the future.

EMPLOYEE INFORMATION

The School follows all legislative requirements relating to recruitment and employment and works to policies for:

- Safeguarding including Prevent
- Discipline and Grievance
- Accessibility
- Health and Safety
- Whistleblowing
- Discrimination

A regular appraisal programme is in place for all academic staff and the School supports the personal and professional development of all staff.

RELATED AND CONNECTED PARTY TRANSACTIONS

The School had no related or connected party transactions during the financial year except as reported elsewhere by the auditors.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the governors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each governor has taken all the steps that he or she ought to have taken as a governor in order to make himself or herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The governors (who are also directors of the company and trustees of the charity) are responsible for preparing the Report of the Governors (which includes the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

CLAYESMORE SCHOOL
REPORT OF THE GOVERNORS
for the year ended 31 August 2016

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

ON BEHALF OF THE COUNCIL OF GOVERNORS

The governors (in their capacity as directors of the company and trustees of the charity) approve the Report of the Governors and the Strategic Report for the year ended 31 August 2016.

Approved and authorised for issue by the Governing Council of Clayesmore School during March/April 2017 and signed on its behalf by:

Mr J I Andrews – Chairman

20 April 2017

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CLAYESMORE SCHOOL

We have audited the financial statements of Clayesmore School for the year ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of governors and auditor

As explained more fully in the Statement of Governors' Responsibilities set out on pages 7 and 8, the governors (who are also the directors of the charitable company for the purposes of company law and trustees of the charity) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Governors (which includes the Strategic Report) to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Report of the Governors (which includes the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Simon Ellingham BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Fawcetts Chartered Accountants and Statutory Auditors
Windover House
St Ann Street
Salisbury
SP1 2DR

Dated: 20 April 2017

CLAYESMORE SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)
for the year ended 31 August 2016

	Notes	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
INCOME AND ENDOWMENTS FROM:					
Charitable activities					
Fees receivable	2	13,460,383	-	13,460,383	13,045,537
Other income	3	42,995	-	42,995	30,363
Donations and legacies		-	55,556	55,556	81,196
Other trading activities:					
Trading income		236,265	-	236,265	227,204
Holiday lettings		83,202	-	83,202	96,715
Clayesmore Society		-	43,579	43,579	52,539
Total income		<u>13,822,845</u>	<u>99,135</u>	<u>13,921,980</u>	<u>13,533,554</u>
RESOURCES EXPENDED					
Charitable activities:					
School operating costs		13,129,574	39,943	13,169,517	12,835,100
Other costs:					
Trading expenses		135,366	-	135,366	117,868
Finance and other costs		386,918	-	386,918	218,733
Clayesmore Society		-	52,493	52,493	60,893
		<u>522,284</u>	<u>52,493</u>	<u>574,777</u>	<u>397,494</u>
Total resources expended	7	<u>13,651,858</u>	<u>92,436</u>	<u>13,744,294</u>	<u>13,232,594</u>
NET INCOME FOR THE YEAR		<u>170,987</u>	<u>6,699</u>	<u>177,686</u>	<u>300,960</u>
Realised gain on disposal of investments		-	-	-	278
NET MOVEMENTS IN FUNDS		<u>170,987</u>	<u>6,699</u>	<u>177,686</u>	<u>301,238</u>
Fund balances brought forward at 1 September 2015		<u>6,698,815</u>	<u>373,164</u>	<u>7,071,979</u>	<u>6,770,741</u>
FUND BALANCES CARRIED FORWARD AT 31 AUGUST 2016		<u><u>6,869,802</u></u>	<u><u>379,863</u></u>	<u><u>7,249,665</u></u>	<u><u>7,071,979</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

The notes form part of these financial statements

CLAYESMORE SCHOOL
Company No. 359779

BALANCE SHEET
31 August 2016

	Note	2016		2015	
		£	£	£	£
FIXED ASSETS:					
Tangible assets	8		16,093,857		13,717,527
CURRENT ASSETS:					
Stocks	9	94,219		93,772	
Debtors	10	3,958,314		4,335,842	
Cash at bank and in hand		<u>1,544,454</u>		<u>1,758,017</u>	
		5,596,987		6,187,631	
CREDITORS: Amounts falling due within one year					
	11	<u>7,443,338</u>		<u>7,291,745</u>	
NET CURRENT LIABILITIES:			<u>(1,846,351)</u>	<u>(1,104,114)</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES:			14,247,506	12,613,413	
CREDITORS: Amounts falling due after more than one year					
	12		<u>6,997,841</u>		<u>5,541,434</u>
			<u>7,249,665</u>		<u>7,071,979</u>
FUNDS:					
Unrestricted funds	15		6,869,802		6,698,815
Restricted funds	16		<u>379,863</u>		<u>373,164</u>
			<u>7,249,665</u>		<u>7,071,979</u>

Approved and authorised for issue by the Governing Council of Clayesmore School and signed on its behalf by:

Mr J I Andrews - Chairman

Date: 20 April 2017

The notes form part of these financial statements

CLAYESMORE SCHOOL

CASH FLOW STATEMENT
for the year ended 31 August 2016

	Notes	2016 £	2015 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash (used in)/provided by operating activities	22	1,244,758	1,693,367
Cash flows from investing activities:			
Dividends, interest and rents from investments			
Purchase of tangible fixed asset		(2,877,261)	(466,398)
Sale of tangible fixed assets		100	-
Proceeds from sale of investments		-	478
Net cash (used in)/provided by investing activities		<u>(2,877,161)</u>	<u>(465,920)</u>
Cash flows from financing activities:			
Repayments of borrowings		(340,633)	(295,155)
Finance lease repayments		(40,527)	(60,503)
Cash inflows from new borrowings		<u>1,800,000</u>	-
Net cash (used in)/provided by financing activities		<u>1,418,840</u>	<u>(355,658)</u>
Change in cash and cash equivalents in the reporting period		(213,563)	871,789
Cash and cash equivalents at 1 September 2015		1,758,017	886,228
Cash and cash equivalents at 31 August 2016	23	<u>1,544,454</u>	<u>1,758,017</u>

The notes form part of these financial statements

CLAYESMORE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2016

1. ACCOUNTING POLICIES

The principal accounting policies adopted and consistently applied, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Accounting convention

The financial statements are prepared in accordance with Accounting and Reporting by Charities: the Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102) and the Companies Act 2006. They are drawn up on the historical cost accounting basis. There are no material uncertainties about the school's ability to continue as a going concern. The school meets the definition of a public benefit entity under FRS 102.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the financial statements, the governors have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 (date of transition 1 September 2014) the restatement of comparative items was required.

At the date of transition in applying the requirement to recognise liabilities in respect of certain complex financial instruments, a liability was recognised for the interest rate swaps that the School has entered into with Lloyds Bank plc. The initial liability recognised at the date of transition was £164,887. No other restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances is provided:

	1.9.14	31.8.15
	£	£
Fund balances as previously reported	6,935,628	7,198,684
Restatements in respect of interest rate swaps	<u>(164,887)</u>	<u>(126,705)</u>
Fund balances as restated	<u>6,770,741</u>	<u>7,071,979</u>

Fees and similar income

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

Donations, legacies and other voluntary incoming resources

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the school is considered probable.

Resources Expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. 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.

Tangible fixed assets

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated to write off the cost of tangible fixed assets, less their estimated residual values, over the expected useful lives of the assets concerned. The principal annual rates used for this purpose are:

The notes form part of these financial statements

CLAYESMORE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2016

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets

Land is not depreciated. Buildings are depreciated at rates between 1% and 10% per annum on cost.

The all weather pitch is depreciated at 10% per annum on cost, fixtures, fittings and equipment at rates between 20% and 33% and motor vehicles at 20%.

Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Debtors

Debtors are measured at their recoverable amount.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter. The interest element of these obligations is charged to the income and expenditure account over the relevant period. The capital element of the future payments is treated as a liability. Rentals paid under operating leases are charged to the income and expenditure account on a straight line basis over the period of the lease.

Pensions

The School contributes to the Teachers' Pension scheme. This is a multi-employer pension scheme. It is not possible to identify the school's share of the underlying assets and liabilities of the scheme on a consistent and reliable basis and therefore, as required by FRS 102, the school accounts for the scheme as if it were a defined contribution scheme. Contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The School contributes to a Group Personal Pension Scheme for non-teaching staff. Contributions are charged in the period in which the salaries to which they relate are payable.

Funds

The School's funds consist of unrestricted and restricted amounts. The School may use unrestricted amounts at its discretion. Restricted funds can only be used for a particular purpose as specified by the donor.

Hedging arrangements

Interest rate swaps are held to manage the interest rate exposures of borrowings and are included in the financial statements at fair value. Movements in fair value are recognised in the statement of financial activities.

The notes form part of these financial statements

CLAYESMORE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2016**

2. INCOMING RESOURCES

The income and net incoming resources are attributable to the one principal activity of the company.

Fees receivable consist of:

	2016	2015
	£	£
Gross fees	17,963,487	17,235,702
Less: Total scholarships, bursaries and allowances	<u>(4,503,104)</u>	<u>(4,190,165)</u>
	<u>13,460,383</u>	<u>13,045,537</u>

3. OTHER INCOME

	2016	2015
	£	£
Sundry income	18,450	16,893
Fees in lieu of notice	<u>24,545</u>	<u>13,470</u>
	<u>42,995</u>	<u>30,363</u>

4. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	7,491,525	7,008,996
Social security costs	703,186	616,630
Other pension costs	<u>1,034,500</u>	<u>847,669</u>
	<u>9,229,211</u>	<u>8,473,295</u>

The average number of employees during the year, calculated on a full time equivalent basis was as follows:

	2016	2015
Teaching	124	118
Others	<u>176</u>	<u>168</u>
	<u>300</u>	<u>286</u>

On a head count basis the average number of employees was: Teaching 158 (2015 150), Others 249 (2015 235).

The notes form part of these financial statements

CLAYESMORE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2016**

4. STAFF COSTS Continued

	2016 No.	2015 No.
The number of employees whose emoluments exceeded £60,000 were:		
£60,001 - £70,000	2	2
£80,001 - £90,000	2	2
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-

The number with retirement benefits accruing in:

- Defined benefit schemes was	4	4
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The number with retirement benefits accruing in:

- Money Purchase schemes was	1	1
for which the contributions amounted to	£9,047	£8,063

During the year a total of £1,726 was paid to five governors (2015 - £488 paid to four governors) as reimbursed travel and accommodation expenses. With this exception, none of the governors nor any persons connected to them, received remuneration or benefits from the School. The governors are the trustees of the charity.

Key management personnel (as defined on page 1) received remuneration and employee benefits totalling £340,389 during the year (2015 £319,912).

5. EXPENDITURE

Expenditure includes:

	2016 £	2015 £
Depreciation - owned assets	429,710	414,835
Depreciation - assets on hire purchase or finance leases	71,221	100,570
(Profit)/Loss on disposal of fixed assets	(100)	-
Operating lease rentals - plant and machinery	182,504	155,372
Auditors' remuneration - audit fee	13,937	13,401
- other services	-	-
	-	-

6. EXCEPTIONAL ITEM

There were no exceptional items during the year.

The notes form part of these financial statements

CLAYESMORE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2016

7. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff salaries and costs £	Other £	Depreciation £	Total £
Charitable activities:				
School operating costs:				
Teaching costs	6,001,327	648,727	76,306	6,726,360
Welfare	1,530,001	686,628	13,447	2,230,076
Premises	948,446	1,272,441	334,871	2,555,758
Management and administration	729,138	834,981	76,307	1,640,426
Governance costs	-	16,897	-	16,897
	<u>9,208,912</u>	<u>3,459,674</u>	<u>500,931</u>	<u>13,169,517</u>
Other Costs:				
Trading costs	20,299	115,067	-	135,366
Finance and other costs	-	386,918	-	386,918
Clayesmore Society	-	52,493	-	52,493
	<u>20,299</u>	<u>554,478</u>	<u>-</u>	<u>574,777</u>
Total resources expended	<u><u>9,229,211</u></u>	<u><u>4,014,152</u></u>	<u><u>500,931</u></u>	<u><u>13,744,294</u></u>

8. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	All weather pitch £	Fixtures, fittings and equipment £	Motor vehicles £	Totals £
COST					
At 1 September 2015	14,028,971	413,446	4,336,821	108,286	18,887,524
Additions	2,358,252	2,464	516,545	-	2,877,261
Disposals	-	-	-	(7,400)	(7,400)
At 31 August 2016	<u>16,387,223</u>	<u>415,910</u>	<u>4,853,366</u>	<u>100,886</u>	<u>21,757,385</u>
DEPRECIATION					
At 1 September 2015	1,382,508	147,969	3,569,338	70,182	5,169,997
Charge for the year	164,284	41,837	281,363	13,447	500,931
Eliminated on disposal	-	-	-	(7,400)	(7,400)
At 31 August 2016	<u>1,546,792</u>	<u>189,806</u>	<u>3,850,701</u>	<u>76,229</u>	<u>5,663,528</u>
NET BOOK VALUE					
At 31 August 2016	<u><u>14,840,431</u></u>	<u><u>226,104</u></u>	<u><u>1,002,665</u></u>	<u><u>24,657</u></u>	<u><u>16,093,857</u></u>
At 31 August 2015	<u><u>12,646,463</u></u>	<u><u>265,477</u></u>	<u><u>767,483</u></u>	<u><u>38,104</u></u>	<u><u>13,717,527</u></u>

CLAYESMORE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2016**

8. TANGIBLE FIXED ASSETS Continued

Included in the net book value of fixtures, fittings and equipment held at 31 August 2016 was £nil (2015 - £46,292) in respect of assets held under finance leases.

Included in freehold land and buildings is land valued at £1,257,500 (2015 - £1,257,500) which is not depreciated.

The School has elected, in accordance with Section 35.10(d) of FRS102, to use the carrying value on 1 September 2014, the date of transition to FRS102, of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost.

9. STOCKS

	2016	2015
	£	£
Maintenance, domestic and catering stock	15,036	14,382
Goods for resale	<u>79,183</u>	<u>79,390</u>
	<u><u>94,219</u></u>	<u><u>93,772</u></u>

**10. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2016	2015
	£	£
Trade debtors	3,743,640	4,184,066
Other debtors	110,451	85,556
Prepayments	103,327	65,790
VAT	<u>896</u>	<u>430</u>
	<u><u>3,958,314</u></u>	<u><u>4,335,842</u></u>

**11. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2016	2015
	£	£
Loans and overdrafts (see note 13)	475,417	355,417
Finance leases (see note 14)	2,509	43,036
Trade creditors	691	1,016
Other creditors	856,041	1,092,394
Payroll taxes	207,457	176,466
Accruals and deferred income	5,472,842	5,246,787
Advance fees	<u>428,381</u>	<u>376,629</u>
	<u><u>7,443,338</u></u>	<u><u>7,291,745</u></u>

The notes form part of these financial statements

CLAYESMORE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2016**

**12. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2016	2015
	£	£
Finance leases (see note 14)	-	-
Building loans (see note 13)	6,122,470	4,783,103
Advance fees	<u>875,371</u>	<u>758,331</u>
	<u><u>6,997,841</u></u>	<u><u>5,541,434</u></u>

13. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2016	2015
	£	£
Amounts falling due within one year or on demand:		
Bank overdraft	-	-
Building loans	<u>475,417</u>	<u>355,417</u>
	<u><u>475,417</u></u>	<u><u>355,417</u></u>
Amounts falling due between one and two years:		
Building loans	<u>475,417</u>	<u>355,417</u>
Amounts falling due between two and five years:		
Building loans	<u>1,426,251</u>	<u>1,066,250</u>
Amounts falling due after five years:		
Building loans	<u>4,220,802</u>	<u>3,361,436</u>

The building loan with amounts falling due after more than five years is being repaid by instalments of £475,417 per year.

The overdraft and loans are secured by a fixed charge on the freehold property of the company.

The notes form part of these financial statements

CLAYESMORE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2016

14. OBLIGATIONS UNDER LEASING AGREEMENTS

	Finance leases	
	2016	2015
	£	£
Gross obligations repayable:		
Within one year	2,700	45,833
Between one and five years	-	-
More than five years	-	-
	<u>2,700</u>	<u>45,833</u>
Finance charges repayable:		
Within one year	191	2,797
Between one and five years	-	-
More than five years	-	-
	<u>191</u>	<u>2,797</u>
Net obligations repayable:		
Within one year	2,509	43,036
Between one and five years	-	-
More than five years	-	-
	<u>2,509</u>	<u>43,036</u>

The finance leases are secured on the individual assets to which the agreements relate.

The total future minimum payments due on leases expiring:

	Operating leases	
	2016	2015
	£	£
Expiring:		
Within one year	88,433	16,335
Between one and five years	309,312	265,059
Over five years	<u>53,827</u>	<u>-</u>

The notes form part of these financial statements

CLAYESMORE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2016**

15. ALLOCATION OF THE CHARITY NET ASSETS

	Unrestricted funds £	Restricted funds £	Total funds £
Fund values at 31 August 2016 are represented by:			
Tangible fixed assets	15,823,100	270,757	16,093,857
Current assets	5,487,881	109,106	5,596,987
Liabilities	<u>(14,441,179)</u>	<u>-</u>	<u>(14,441,179)</u>
	<u>6,869,802</u>	<u>379,863</u>	<u>7,249,665</u>

16. RESTRICTED FUNDS

	At 1.9.15 £	Income £	Expenditure £	At 31.8.16 £
Upkeep of the Chapel	-	9,961	(9,961)	-
Scholarship Fund	-	85	(85)	-
Development of the School / Capital Buildings	276,495	4,129	(2,644)	277,980
Cricket pavilion	23,000	4,500	-	27,500
Old Clayesmorian Support Fund	10,960	-	(1,600)	9,360
Devine House	204	-	(204)	-
Teaching	1,819	10,805	(8,826)	3,798
Sports facilities	5,215	1,224	(300)	6,139
Bursary	-	1,046	(1,046)	-
Long jump/High jump	8,583	-	(1,000)	7,583
Other	502	8,470	-	8,972
Design and Technology extension	150	38	(188)	-
Annual unrestricted fund	5,636	8,002	(9,303)	4,335
Annual Teaching and Learning	500	410	-	910
Annual Bursaries and Scholarships	-	4,386	(4,386)	-
Pupil Projects	-	2,500	(400)	2,100
Clayesmore Society	<u>40,100</u>	<u>43,579</u>	<u>(52,493)</u>	<u>31,186</u>
	<u>373,164</u>	<u>99,135</u>	<u>(92,436)</u>	<u>379,863</u>

Except for The Clayesmore Society which is explained below, the restricted funds consist of donation income and subsequent expenditure that have been restricted to those particular purposes at the wishes of the donor.

The Clayesmore Society exists to promote through social and cultural events and activities:-

- the aims and objectives of Clayesmore
- the preservation of friendship and communication amongst all members
- support for the work of the School

Income is derived from subscriptions charged to pupils at the School over a period of six terms which provides lifelong membership to the Society. Expenditure represents the costs of events staged to promote the school and achieve the aims of the Society.

The notes form part of these financial statements

CLAYESMORE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2016

17. PENSION COMMITMENTS

The teaching staff have the option to be members of a defined benefit pension scheme operated by the Teachers' Pension Agency. For other employees the company contributes to a Group Personal Pension Scheme operated by Scottish Widows.

The charge for the year in respect of all pension commitments was £1,034,500 (2015 - £847,669) of which £228,656 (2015 - £184,373) related to the Group Personal Pension Scheme. At the year end there were outstanding contributions of £nil (2015 - £nil) in respect of contributions due for the month of August paid over to the pension scheme administrators in September.

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) for its teaching staff. The pension charge for the year includes contributions payable to the Teachers' Pension Scheme of £805,844 (2015 £663,296).

The Teachers' Pension Scheme is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pension Scheme Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report in respect of the Teachers' Pension Scheme was prepared at 31 March 2012 and the valuation report, which was published in June 2014, confirmed that the employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%.

The employer rate will be payable until the outcome of the next actuarial valuation, which is being prepared as at 31 March 2016, is known with any resulting changes to the employer rate expected to take effect from 1 April 2019. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

18. STATUS

The company, which is limited by guarantee and has no share capital, is registered in England.

19. CAPITAL COMMITMENTS

	2016	2015
	£	£
Contracted but not provided for for in the accounts	<u>364,878</u>	<u>872,995</u>

20. CONTINGENT LIABILITIES

The company has a legal liability to bear the cost of the Wolverton Chapel repairs. However, the Chapel continues to be maintained in a good state of repair and the directors are of the opinion that no further provision need be made in these financial statements.

The notes form part of these financial statements

CLAYESMORE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2016

21. RELATED PARTY TRANSACTIONS

During the year the School paid £20,495 (2015 £26,469) for school management software to Atech Media Ltd. Adam Cooke, son of the headmaster, is a director and sole shareholder of Atech Media Ltd. In reaching the decision to use Atech Media Ltd, the governing body were fully aware of this conflict of interest, the headmaster took no part in the decision and other potential suppliers were assessed in the same manner.

22. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net (expenditure)/income for the year as per the Statement of Financial Activities	177,686	300,960
Profit on disposal of fixed assets	(100)	-
Realised gain on disposal of investments	-	(278)
Depreciation charges	500,931	515,405
Increase in stocks	(447)	5,743
Decrease in debtors	377,528	112,312
Increase in creditors	<u>189,160</u>	<u>759,225</u>
Net cash inflow from operating activities	<u>1,244,758</u>	<u>1,693,367</u>

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash at bank and in hand	1,544,454	1,758,017
Overdrafts	<u>-</u>	<u>-</u>
	<u>1,544,454</u>	<u>1,758,017</u>

The notes form part of these financial statements