

Financial Statements

St Ives (Haslemere) Limited

For the year ended 31 August 2016

Company No. 00724728
Charity registration No. 312080

Report of the directors: legal and administrative information

Company registration number: 00724728

Charity registration number: 312080

Address of registered office: Worldwide House
Thorpe Wood
Peterborough
PE3 6SB

The Head: Mrs K Goldsworthy

Directors: Mrs F J Boulton
Mrs S Clarke
Mrs A J Greenwood
Mr G Harvey-Browne - Chairman
Mr I Hazell
Dr N J Lee
Mrs C L Laver (resigned 28 June 2016)
Dr A G Peddle

Auditor: Grant Thornton UK LLP
Grant Thornton House
202 Silbury Boulevard
Milton Keynes
MK9 1LW

Bankers: Lloyds Bank plc

Contents

| | Page |
|--|-------------|
| Report of the Directors | 3 - 7 |
| Report of the independent auditor | 8 - 9 |
| Statement of Financial Activities | 10 |
| Balance Sheet | 11 |
| Notes to the financial statements | 12 - 20 |

Report of the Directors

The Board of Directors present their annual report for the year ended 31 August 2016 under the Companies Act 2006 and the Charities Act 2011, together with the audited financial statements for the year and confirm that the latter comply with the requirements of the Companies Act 2006, the Company's Memorandum & Articles of Association and the Charities SORP 2005.

Reference & Administrative Information

St Ives (Haslemere) Limited (the Company) was incorporated in 1962 as a company limited by guarantee, charity registration number 312080, and company registration number 00724728. The Registered Office of the Company is disclosed below, and the principal address of the Company is at St Ives School, Three Gates Lane, Haslemere, Surrey, GU27 2ES.

Directors

The present Directors of the Company, who are also the Charity Trustees, the Governors of the School and the School's Committee of Management, and others, who served during the year as indicated, are:

Mrs F J Boulton
Mrs S Clarke
Mrs A J Greenwood
Mr I Hazell
Mr G Harvey-Browne - Chairman
Dr NJ Lee
Mrs C A Laver (resigned 28 June 2016)
Mr A G Peddle

Governance, Management and Structure

Members

United Church Schools Trust ("UCST") is the sole member of the Charitable Company.

Governing Document

The Charitable Company is governed by its Memorandum and Articles of Association, dated 22 May 1962, amended on 16 September 1996 and on 15 July 2013.

Governing Body

The Directors, are elected at a full Directors' Meeting on the basis of proposals and recommendations from amongst the Directors who take into account eligibility, personal competence, specialist skills and local availability. In accordance with the Articles of Association one third of the Directors – normally those longest in office since their last election or appointment – retire from office at the Annual General Meeting, but are eligible for re-election.

Trustee Training

New Directors are instructed on the workings of the School and also of the Charitable Company as a registered charity, including Board Policy and Procedures. Copies of the Company's Memorandum and Articles of Association, Directors' Reports and Audited Financial Statements, School Policies, Management Accounts and Budgets are made available. New Directors are supplied with a copy of 'Guidelines for Governors' published by the Independent School's Council. The School may also arrange attendance at trustee training workshops as appropriate.

Organisational Management

The Directors, who meet as a Board usually six times a year, determine the general policy of the Charitable Company and review its overall management and control, for which they are responsible. The Head and the School Business Manager, assisted by Governors with specialist skills as required, carry out the work of implementing the Board's policies. The day-to-day running of the School is delegated to the Head and the Business Manager supported by other members of the Senior Management Team of the School.

The Contribution of Teaching

The Head teacher is an active member of Independent Association of Prep Schools (IAPS), which is an organisation for the promotion and maintenance of preparatory schools generally. The School takes part in peer group studies for the evaluation of quality and performance improvement methods. Regular training days are held before the start of each term covering new ideas and developments relevant to the improvement of teaching standards. All staff also undertake individual training as continuing professional development relevant to the subjects they teach. The Independent Schools Inspectorate (ISI) Inspection Report (undertaken during summer 2015) reported that: "The high quality of teaching supports the aims of the school to strive for academic excellence and to nurture individual abilities and potential." Furthermore, "Teaching makes a significant contribution to pupils' achievement and progress, and stimulate their positive attitudes to learning." The school was graded as excellent in seven areas and good for Governance and Leadership. The Early Years Foundation Stage (EYFS) Inspection carried out by Independent Schools Inspectorate (ISI) in June 2015 stated the overall quality and standards in the EYFS are good. The personal development of all children is outstanding. "Children are able to share, take turns and be highly independent. They develop good relationships with their friends and the adults who care for them. They are beginning to show respect for each other and know right from wrong. Excellent support systems enable children to build trusting relationships with staff."

Risk Management

The Directors, with assistance from the Senior Management Team, maintain and monitor a Risk Assessment register, which is intended to identify potential risks, assess the possible impact and the probability of occurrence and establish the key controls designed to mitigate them. This document is formally reviewed at least once a year and is subject to more frequent updating as appropriate, based on the practical experience of staff members and the Directors.

Objectives

The principal objective of the Charitable Company, as set out in its Memorandum of Association, is the "advancement of education". For this purpose, the Charitable Company's sole activity continues to be the provision of a preparatory day school for pupils aged 4 to 11 years old, together with a pre-school nursery for pupils, for which the starting age is 2 years.

Principal Objectives and Activities

Strategic Aim

The School's strategic aim is to maintain a position as the leading provider of specialist, preparatory school education in Haslemere and the surrounding area. For this purpose the School offers a well-rounded education with the aim of building confidence and nurturing ability in a culture of strong pastoral care. Through this it is intended that the pupils should attain their potential in terms of academic achievement, sporting success and the fullest possible involvement in a wide variety of extra-curricular activities. All this is intended to draw out their abilities and academic potential, awaken and develop wider interests and motivate them for a successful outcome at their chosen senior school and in later life.

Principal Objectives and Activities (continued)

Community Involvement

Alongside its emphasis on providing each pupil with an excellent education, the School looks to introduce pupils with a sense of moral responsibility, self-awareness, concern for others and active citizenship. An important aspect of this is to develop pupil ties with the School's local community and to take part in a variety of charitable and fund-raising opportunities for local and international charities. Key highlights of this over the past year have included hosting a Harvest Festival at St Bart's Church where food boxes were distributed locally; raising money for the Phyllis Tuckwell Hospice through their Hats for Hospices Autumn Bonnet Day; and organising successful annual coffee mornings for Macmillan and Wear It Pink. At Christmas, the School took part in the annual Haslemere Christmas Market, pupils visited two local residential homes, Redcot and Chestnut View, to sing Christmas Carols and the term ended with a sponsored Elf Run for Phyllis Tuckwell Hospice. Year 5 visited Rt Hon Jeremy Hunt MP at his constituency surgery in Hindhead and, with his encouragement, became involved in the 'Clean for the Queen' initiative. In addition, to celebrate the Queen's 90th Birthday, St Ives ran a cream tea stall for the celebrations in Haslemere. Other community initiatives involving our pupils included the whole school having their art on display at an exhibition at Haslemere Museum, the hosting of a Grandparents afternoon tea and a Year 5 war time visit around the local area visiting various sites in Haslemere. The annual St Ives luncheon for dignitaries in the local area was well attended once again.

Joint Initiatives with Other Schools

The School have attended a range of events with other local schools and through being part of United Learning. The School attended a United Learning musical celebration held at the Lyceum Theatre in London with over 40 schools taking part. Year 2 invited local schools to take part in a Bollywood Themed Activity Day. Year 6 joined Rowan Prep and other United Learning Schools for a 'S' discussion. Year 5 attended a Musical Workshop at Prior's Field School, and Reception Class invited other schools to join them for an Autumn Teddy Bears Picnic.

Scholarships and Bursaries

The School continues to offer scholarships for academic, art, music and sport at entry to the School in Year 3 (aged 7 years) and has adopted a policy whereby means-tested bursaries may be offered to pupils in some situations where demonstrable financial hardship would otherwise preclude their attendance at the School. A bursary fund was established in the fiscal year ended 31 August 2009 into which parents and others can make voluntary contributions. During this fiscal year a limited number of bursaries have been awarded.

The Directors confirm that they have complied with the requirement to have due regard to the Charity Commission's general guidance on public benefit.

Operational Review

Principal Activity

The Charitable Company's principal activity continues to be the provision of a day school for pupils aged from 2 to 11 years, incorporating the Ives Nursery. Excluding the Nursery, the School finished the year with 79 pupils (2015: 121) on roll. It is worth noting that the Nursery had 30 (2015: 38) children throughout the fiscal year.

Financial Review

Total Incoming Resources decreased in 2016 by 5.2%, Fees receivable decreasing by 2.8% this year compared to last; overall Costs increased by 4% compared to last year. The School suffered a deficit of £275,381 (2015:£ 184,006) for the year.

During the year the Charitable Company paid interest of £38,037 on the bank loan, taken out to pay for the 2007 re-development. At 31 August 2016 the Charitable Company had no free reserves. The unrestricted reserves are in deficit by (£556,639) represented by the School's land, buildings and other fixed assets less liabilities, net of current liabilities. The Charitable Company will need to generate surpluses of income in future years in order to fund the repayment of the intercompany loan.

On 28 October 2016, as part of its ongoing commitment to the School, UCST repaid in full the bank loan held by the Charitable Company. This significant investment continues UCST's support of the School which, combined with the significant educational resources it provides, gives the School the secure base in which to operate.

Investment Policy and Objectives

The Charitable Company has absolute power of investment over its reserves. The Board's policy is currently to put all available monies, other than those required for day-to-day cash management, on deposit.

Going concern

After making appropriate enquiries the Directors have a reasonable expectation that the Charitable Company has adequate resources with the support of its parent UCST to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

Future Plans

The Directors continue to focus on plans to increase pupil numbers, particularly in the pre-prep school and onward to Year 3. In this regard the School has embarked on a number of initiatives to raise St Ives' profile and publicise more widely the School's considerable strengths as a prep school entirely focused on prep school aged education.

With the financial backing of United Church Schools Trust, the Directors are determined to maintain St Ives' high standards and, over time, to build pupil numbers so as to maximise the utilisation of the School's new facilities.

Statement of Directors' Responsibilities

The Trustees (who are also Directors of St Ives (Haslemere) Limited for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing these financial statements, the Trustees 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charitable Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

- so far as that Trustee is aware there is no relevant audit information of which the Charitable Company and Group's auditor are unaware;
- the Trustee has taken all steps that they ought to have taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charitable Company and Group's auditor is aware of that information.

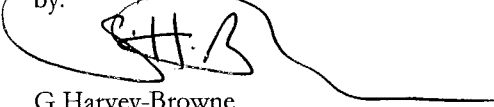
The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Company financial statements may differ from legislation in other jurisdictions.

Auditor

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 Charitable Company receives notice under section 488(1) of the Companies Act 2006.

This report has been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies' regime.

Approved by the Board of Directors at its meeting on 26 May 2017 and signed on its behalf by:


G Harvey-Browne
(Chairman)

Independent auditor's report to the Members of St Ives (Haslemere) Limited

We have audited the financial statements of St. Ives (Haslemere) Limited for the year ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is Companies Act 2006 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 "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 its members as a body, for our audit work, or for the opinions we have formed.

Respective responsibilities of Directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on pages 6 - 7, the Directors (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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.

Independent auditor's report to the Members of St Ives (Haslemere) Limited

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepaid 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;
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Grant Thornton on behalf

William Devitt
(Senior Statutory Auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Milton Keynes

30 May 2017

Statement of Financial Activities

| | Note | Unrestricted and total funds 2016 £ | Unrestricted and total funds 2015 £ |
|--|------|---|---|
| Incoming resources | | | |
| Incoming resources from charitable activities | | | |
| - fees receivable | | 817,211 | 839,843 |
| - educational related income | | 51,478 | 76,542 |
| Total incoming resources | | <u>868,689</u> | <u>916,385</u> |
| Resources expended | | | |
| Charitable activities | 4 | 1,144,070 | 1,100,391 |
| Total resources expended | | <u>1,144,070</u> | <u>1,100,391</u> |
| Net outgoing resources | 3 | (275,381) | (184,006) |
| Total funds brought forward at 1 September 2015 | | <u>(281,258)</u> | <u>(97,252)</u> |
| Total funds carried forward at 31 August 2016 | | <u><u>(556,639)</u></u> | <u><u>(281,258)</u></u> |

The Statement of Financial Activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing operations.

Balance Sheet

| | Note | 2016 £ | 2015 £ |
|--|------|--------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | 8 | 1,859,462 | 1,902,125 |
| Current assets | | | |
| Stock | 9 | 19,670 | 10,986 |
| Debtors | 10 | 181,966 | 237,034 |
| Cash at bank and in hand | | <u>71,531</u> | <u>47,875</u> |
| | | 273,167 | 295,895 |
| Creditors: amounts falling due within one year | 11 | <u>(2,310,955)</u> | <u>(2,100,966)</u> |
| Net current liabilities | | <u>(2,037,788)</u> | <u>(1,805,071)</u> |
| Total assets less current liabilities | | (178,326) | 97,054 |
| Creditors: amounts due after more than one year | 12 | <u>(378,313)</u> | <u>(378,312)</u> |
| Total net liabilities | | <u>(556,639)</u> | <u>(281,258)</u> |
| Unrestricted funds | 15 | (556,639) | (281,258) |
| Restricted funds | 15 | <u>-</u> | <u>-</u> |
| Total charity funds | | <u>(556,639)</u> | <u>(281,258)</u> |

The financial statements were approved by the Directors on 26 May 2017 and signed on its behalf by:



G Harvey-Browne (Chairman)

Notes to the financial statements

1 Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by 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) (Charities SORP (FRS 102)), the Charities Act 2011 and the Companies Act 2006.

St Ives (Haslemere) Limited constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling (£).

Going concern basis of accounting

In July 2014 United Church Schools Trust became the sole member of St Ives (Haslemere) Limited and this enables St Ives (Haslemere) Limited to access the financial and other resources of United Church Schools Trust and the resources of other schools that form part of the UCST Group including Guildford High School.

After making appropriate enquiries, the Directors have a reasonable expectation that the Charitable Company has adequate resources, with the support of its parent UCST, to continue in operational existence for the foreseeable future. The Board of UCST has confirmed in writing to the Directors that they intend to support the Charitable Company to enable it to meet its liabilities as they fall due and will not recall the intercompany loans due for at least 12 months from the date of approval of the statutory financial statements, and for this reason the Charitable Company continues to adopt the going concern basis in preparing the financial statements.

Accordingly, the Directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis. If any of the financial support should be withdrawn, the going concern basis may be invalid and adjustments would have to be made to the value of assets and to provide for any other liabilities that might arise. No such adjustments have been made in these financial statements.

Incoming Resources

- i) All income is recognised once the Charitable Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.
- ii) All donations and voluntary income are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.
- iii) All other income is accounted for gross, on a receivable basis.

Notes to the financial statements

Accounting policies (continued)

Resources Expended

- i) Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.
- ii) Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent and depreciation charges allocated on the portion of the asset's use.
- iii) Charitable expenditure and Governance costs are costs incurred on the educational operations, including teaching costs, household costs, school administration costs, depreciation of related assets and costs relating to the governance of the Charitable Company.
- iv) All expenditure is shown inclusive of any VAT, which cannot be recovered.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost of each asset over its expected useful life and is calculated in full in the first year of purchase as follows:

| | | |
|------------------------|---|----------------------|
| Freehold buildings | - | over 50 years |
| Fixtures and equipment | - | 12.5% straight line |
| Motor vehicles | - | 25% straight line |
| Computers | - | 33.33% straight line |

Accounting policies (continued)

Leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Pension costs

The School participates in a multi-employer scheme, the Government's Teachers' Pension Scheme (TPS), for its teaching staff. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Charitable Company in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The School makes contributions to defined contribution (money purchase) schemes for the benefit of certain employees. These contributions are also charged to the Statement of Financial Activities in the period in which they are paid.

Fund Accounting

Funds held by the School as a charity are unrestricted funds. These are funds that can be used in accordance with the charitable objects at the discretion of the Directors.

Stock

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

Debtors

Short term debtors are measured at transaction price, less any impairment.

Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised costs using the effective interest method.

2 Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgments and estimates. The items in the financial statements where these judgments and estimates have been made are as follows:

Trade Debtors

An allowance for doubtful debts is maintained for estimated losses resulting from the inability or refusal of the Charitable Company's customers to make required payments.

Stock

An allowance for obsolete stock is maintained to reduce the carrying amount of stock to the net realisable value which is an estimate of the selling price less costs to complete and sell.

3 Net outgoing resources

This is stated after charging:

| | 2016 £ | 2015 £ |
|--|---------------|---------------|
| Auditor's fees | | |
| - audit services | 5,500 | 3,075 |
| Depreciation of tangible fixed assets, owned | <u>67,013</u> | <u>71,003</u> |

4 Analysis of total resources expended

Charitable activities

| | 2016 £ | 2015 £ |
|--|------------------|------------------|
| Cost of activities in furtherance of charity's objectives | | |
| Teaching costs | 719,432 | 710,842 |
| Household costs | 88,251 | 87,694 |
| Administration of the School | 192,429 | 153,741 |
| Depreciation | 67,013 | 71,003 |
| Marketing expenditure | 38,908 | 33,412 |
| Interest on bank and other loans | <u>38,037</u> | <u>43,699</u> |
| | <u>1,144,070</u> | <u>1,100,391</u> |

Governance costs included within administration costs above:

| | 2016 £ | 2015 £ |
|-----------|--------------|--------------|
| Audit fee | <u>5,500</u> | <u>3,075</u> |

5 Taxation

The Company is a charity entitled to exemption offered by Section 505 of the Income and Corporation Taxes Act 1988.

6 Directors' expenses and remuneration

None of the Directors receive any form of remuneration. Expenses reimbursed amounted to £nil (2015 £nil).

7 Employee emoluments

| | 2016 £ | 2015 £ |
|--------------------|----------------|----------------|
| Wages and salaries | 566,840 | 547,952 |
| Social security | 40,220 | 37,117 |
| Pension costs | 57,460 | 47,243 |
| | <u>664,520</u> | <u>632,312</u> |

There was one employee (2015: no employees) who was paid in the range £60,001- £70,000 per annum.

The average number of full time equivalent employees during the year was:

| | 2016 No | 2015 No |
|----------------|------------|------------|
| Teachers | 18 | 14 |
| Administration | 2 | 3 |
| Household | 17 | 13 |
| | <u>37</u> | <u>30</u> |

8 Tangible fixed assets

| | Freehold buildings £ | Fixtures & fittings £ | Computers £ | Motor vehicles £ | Total £ |
|--------------------------------------|----------------------------|-----------------------------|----------------------|------------------------|-------------------------|
| Cost | | | | | |
| At 1 September 2015 | 2,468,098 | 110,906 | 67,859 | 33,978 | 2,680,841 |
| Additions | 17,455 | 6,895 | - | - | 24,350 |
| Disposals | - | - | - | (21,000) | (21,000) |
| At 31 August 2016 | <u>2,485,553</u> | <u>117,801</u> | <u>67,859</u> | <u>12,978</u> | <u>2,684,191</u> |
| Depreciation | | | | | |
| At 1 September 2015 | 611,924 | 83,740 | 49,074 | 33,978 | 778,716 |
| Charge for the year | 50,378 | 7,356 | 9,279 | - | 67,013 |
| Disposals | - | - | - | (21,000) | (21,000) |
| At 31 August 2016 | <u>662,302</u> | <u>91,096</u> | <u>58,353</u> | <u>12,978</u> | <u>824,729</u> |
| Net book amount at 31 August 2016 | <u><u>1,823,251</u></u> | <u><u>26,705</u></u> | <u><u>9,506</u></u> | <u><u>-</u></u> | <u><u>1,859,462</u></u> |
| Net book amount at 31 August 2015 | <u><u>1,856,174</u></u> | <u><u>27,166</u></u> | <u><u>18,785</u></u> | <u><u>-</u></u> | <u><u>1,902,125</u></u> |

Included within Freehold Buildings is freehold land at a cost of £1,000 (2015: £1,000) which is not subject to depreciation.

9 Stock

| | 2016 £ | 2015 £ |
|---------------|---------------|---------------|
| Uniform stock | <u>19,670</u> | <u>10,986</u> |

10 Debtors

| | 2016 £ | 2015 £ |
|---|----------------|----------------|
| Debtors for fees and recoverable expenses | 171,532 | 230,716 |
| Prepayments and accrued income | <u>10,434</u> | <u>6,318</u> |
| | <u>181,966</u> | <u>237,034</u> |

11 Creditors: amounts falling due with one year

| | 2016 | 2015 |
|----------------------------------|------------------|------------------|
| | £ | £ |
| Bank loans | 648,048 | 709,384 |
| Trade creditors | 11,978 | 46,037 |
| Deferred income | 235,201 | 240,432 |
| Amounts owed to group entities | 1,341,355 | 1,054,703 |
| Other creditors and accruals | 62,923 | 36,473 |
| Tax and social security | 11,450 | 10,272 |
| Amounts due under finance leases | - | 3,665 |
| | <u>2,310,955</u> | <u>2,100,966</u> |

Bank loans and overdrafts are secured by a First Legal Charge over the freehold property held by the Charitable Company.

12 Creditors: amounts falling due after more than one year

| | 2016 | 2015 |
|--------------------------------|----------------|----------------|
| | £ | £ |
| Amounts owed to group entities | | |
| Due after 5 years | <u>378,313</u> | <u>378,312</u> |

13 Commitments

| | 2016 | 2015 |
|---|---------------|---------------|
| | £ | £ |
| The Charitable Company had total commitments under non-cancellable operating leases for equipment as detailed below:- | | |
| Operating leases which expire:- | | |
| Within two to five years | <u>18,278</u> | <u>25,023</u> |

14 Pension

Teachers' Pension Scheme (TPS)

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £47,372 (2015: £38,812).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Defined contribution scheme

The Charitable Company also makes contributions to defined contribution (money purchase) schemes on behalf of certain other employees. The charge to the Statement of Financial Activities representing contributions payable in the year amounted to £8,920 (2015 - £6,592).

An amount of £7,416 (2015: £5,305) is payable at the year-end in respect of both schemes.

15 Analysis of net assets between funds

| | Tangible fixed assets £'000 | Net current liabilities £'000 | Creditors due after one year £'000 | Total £'000 |
|-------------------|-----------------------------------|-------------------------------------|---|------------------|
| Unrestricted fund | <u>1,859,462</u> | <u>(2,037,788)</u> | <u>(378,313)</u> | <u>(556,639)</u> |

The unrestricted funds are general funds, which are available for use at the discretion of the Directors in furtherance of the general objectives of the charity and have not been designated for other purposes.

16 Post Balance Sheet event

On 28 October 2016, the bank loan was repaid in full.

17 Ultimate parent undertaking and controlling party

The Directors consider that the controlling related party of this Charitable Company is United Church Schools Trust as it is a result of being the sole member. The ultimate parent undertaking is United Church Schools Foundation Limited. Consolidated accounts are available from Worldwide House, Thorpe Wood, Peterborough, PE3 6SB.

18 Related party transactions

As a wholly owned subsidiary of United Church Schools Foundation Limited, the Charitable Company is exempt from the requirements of FRS 102 to disclose transactions with other members of the group headed by UCSF Limited.

Key Management Personnel comprise the Directors and Headteacher. Remuneration paid to Key Management Personnel amounted to £77,152 (2015:£68,460).

19 First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on Funds or the deficit for the year.