

**West Hill School Trust Limited**

Report and Financial Statements

Year ended 31 July 2018

Company Number: 633736

Charity Number: 307343

# **West Hill School Trust Limited**

## **Annual report and financial statements for the year ended 31 July 2018**

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# **West Hill School Trust Limited**

## **Reference and administrative information**

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### **Company Registration Number**

633736

### **Charity number**

307343

### **Governors and Directors**

The Governors of West Hill Park School ("the School") are also Directors of West Hill School Trust Limited ("the Company") and Trustees of the charity under charity law. The following served as Governors during the year and subsequently except where shown:

A M Bell – from 6 March 2018

R S Jempson

Mrs C M Jonas – from 21 September 2018

Mrs S E Mostyn – until 6 March 2018

K M Murphy (Chairman from 1 January 2018)

A Sears

Mrs G C E Sommers – from 21 September 2018

P A B Taylor

M A Waldron

Mrs B Worsley (Chairman until 31 December 2017)

Dr E R Wozniak – until 6 March 2018

Miss M Young

The above individuals are the members of the company.

### **Company Secretary and Clerk to the Governors**

T M Rogerson, BSc (Hons), FCA

### **Headmaster**

A P Ramsay, MSc, BEd (Hons)

### **Auditors**

BDO LLP, Arcadia House, Maritime Walk, Ocean Village, Southampton, SO14 3TL

### **Bankers**

NatWest Bank PLC, 52 West Street, Fareham, PO16 0JX

### **Registered office**

West Hill Park School, West Hill Park, Titchfield, Hampshire, PO14 4BS

### **School Web Site**

[www.westhillpark.com](http://www.westhillpark.com)

# West Hill School Trust Limited

## Report of the Governors for the year ended 31 July 2018

The Governors of West Hill School Trust Limited present their Annual Report together with the audited financial statements for the year ended 31 July 2018. The reference and administrative information shown on page 1 forms part of this Report.

### OBJECTIVES, MANAGEMENT AND ACTIVITIES

West Hill School Trust Limited exists in order to deliver a range of charitable activities to the community. Its principal activity is the management of West Hill Park School.

#### Management of the School

Day-to-day management of West Hill Park School is undertaken by the Headmaster and the Senior Management Team, supported by the Head of Finance and Estate Manager. The school aims to provide an outstanding and broad preparatory education for girls and boys from the age of two and a half to thirteen. Boarding facilities are provided for children from the age of seven.

There are three subcommittees of the Board, which meet at least once each term. Reports from all three subcommittees are presented to the Full Board, which meets at least once each term. The Governors identify key management personnel (and set the salaries for these posts) as the Headmaster and his wife, the Deputy Headmaster and the Head of Finance (who is also Clerk to the Governors). During the year, in preparation for the process of appointing a new Headmaster, the Governors formed a Strategy subcommittee.

#### Risk Management – Summary of risks and strategies to manage them

In addition to its other roles, the Board of Governors has responsibility for the identification, assessment, management and recording of risk. The Estate Manager acts as the School's Health and Safety Officer and chairs a Health and Safety Committee which meets at least once each term with Governors present and reports to the Board through the Finance and General Purposes Committee. The effectiveness of the policies and controls in place is considered regularly and all School activities, whether taking place on or off site, are subject to risk assessment. Financial and business risks are managed by the Finance and General Purposes Committee and overseen by the full Board of Governors. In common with most independent schools, the most significant risk currently facing the charity is the ongoing recruitment of pupils which the School is managing by maintaining the excellence of the education offered by the School and actively marketing the benefits thereof.

#### Policy Documents

The Board issues a large number of formal policy documents which direct the management of the School. These require that:

- staff have the appropriate qualifications, talents and commitment to deliver its broad academic and pastoral policies;
- the growth of intellectual curiosity and creativity is fostered in all pupils;
- there is an understanding of, and empathy for, different cultures both within and outside the School;
- there is an open and collaborative partnership with parents;
- the School provides a safe, secure and well-supported environment where staff and pupils can work and learn together;
- the School equips pupils to move confidently to their next School by supporting parents in their choice and the children in their exam preparation. Where appropriate, children are helped to prepare for scholarship exams.

#### Volunteers

The Governors are grateful to the large number of volunteers associated with the School. These include local residents, who assist young children by listening to them read, members of the Friends of West Hill Park, a fundraising committee run by parents which organises social events to raise money for the benefit of pupils at the School, and the Old Westhillians, a group of former parents and pupils who aim to keep in contact with former pupils of the School. All Governors are also volunteers.

#### Public Benefit

The Governors confirm that they have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their power and duties.

The School wishes to ensure that, wherever possible within the context of the School's own financial position, no child is refused entry for financial reasons. Means tested bursaries are available for parents who face financial difficulties or have limited financial means. The School continues to assess how financial assistance can be extended within the constraints of the charitable company's income and expenditure. Across the whole School approximately half of all pupils were in receipt of some form of fee reduction during the year, the total of which amounted to £713,969 (2017: £721,487), representing 17.0% (2017: 16.7%) of gross fee income. The Board of Governors is committed to meeting its responsibilities with regard to the provision of benefit to the wider public.

# West Hill School Trust Limited

## Report of the Governors for the year ended 31 July 2018 (continued)

### OBJECTIVES, MANAGEMENT AND ACTIVITIES (continued)

#### Public Benefit (continued)

In addition to offering financial assistance to pupils in the form of bursaries, the School undertakes a range of activities in pursuit of its social and charitable goals. These include:

- making the School's sports hall, swimming pool, sports pitches, and other facilities available to sports clubs, other schools, music festivals and individuals from the wider community for a variety of activities. In some cases a small charge is made, in others the School makes them available free of charge;
- making the School's grounds and sporting facilities available to "Super Camps" during School Holidays so that local children can be provided with stimulating and diverting activities during their parents' working day;
- running a Community Choir to enable adults from the locality to share in the enjoyable pastime of making music together, taking advantage of the facilities available in the school and the expertise of those who teach it. The Community Choir has achieved notable successes in Music Festivals and has been on tour to a number of European countries. It also undertakes "outside" engagements by singing at events such as weddings, church fêtes and carol concerts, often to assist local charities in fundraising ventures;
- making the School's minibuses available to local Primary Schools, Scout Groups and other Community organisations for trips and visits;
- inviting pupils and teachers from other local schools (both independent and maintained) to take part in musical events such as workshops at the School. These are provided without any charge being made;
- encouraging both children and parents to be active in raising money for charities through a number of activities each year. Pupils join in these activities enthusiastically, which raises their awareness of their social responsibility. Charities supported during the year include Meningitis Now, Southampton Children's Hospital, Comic Relief, Rowans Hospice, Disaster Emergency Committee (East Africa), Fareham Basics Bank, Church of England Children's Society, St Peter's Church, Titchfield, The Haven, Wessex, and The RBL Poppy Appeal;
- providing accommodation, catering facilities and rehearsal spaces for choirs singing daily services in Portsmouth or Chichester Cathedrals. Such choirs feature a significant proportion of young singers who benefit greatly from the experience;
- encouraging staff to take a full and active part in the local community. To this end, the Headmaster is also a Governor of Fareham College whilst the Head of Finance is a Governor of Peter Symonds College, Winchester, and Treasurer of a number of Charities. Three members of staff, including the Deputy Headmaster, act as Foster Parents providing temporary care for children who, for various reasons, are unable to live with their families. The Registrar is accredited to work with Pets as Therapy and spends time each week visiting Southampton General Hospital with her dogs offering comfort to children with serious or in some cases terminal illnesses. In all cases, the school offers flexible working to these and other staff taking part in activities in the wider community and fully supports them in their roles.

### ACHIEVEMENTS AND PERFORMANCE

The School's most recent Independent School's Inspectorate report, which was published following an inspection that took place in 2017, and the OFSTED report on the boarding provision judged the School's offering to be 'excellent'.

#### Academic Achievements

While West Hill Park School aims to offer a far broader educational experience than can be measured by the award solely of academic distinctions, it is nevertheless proud of its pupils' achievements which, this year, included a total of 13 scholarship and other awards to Year 8 leavers to Dauntsey's, King Edward VI Southampton, Mayfield, Meoncross, Millfield, Portsmouth Grammar, Ryde. All remaining Year 8 pupils were successful at Common Entrance to Schools that were their first choice. Two scholarships were also awarded to pupil who left at the end of Year 6. During the year many pupils took part in a large number of competitions and workshops featuring particular subjects and achieved some excellent results.

#### Music

In addition to timetabled music lessons, the majority of pupils have additional individual music lessons either for singing or to learn to play an instrument and a growing number have been preparing for LAMDA exams. There were 69 entries for the examinations of the Associated Board of the Royal School of Music, with 62% being awarded Merit or Distinction. A large number of performances by choirs and orchestral ensembles took place during the year, some of which included visiting professional musicians. In addition to the various school choirs, the Community Choir, made up of parents, staff and local residents, continues to rehearse weekly during term time and undertakes "outside" engagements by singing at events such as weddings, church fêtes and carol concerts.

# West Hill School Trust Limited

## Report of the Governors for the year ended 31 July 2018 (continued)

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### ACHIEVEMENTS AND PERFORMANCE (continued)

#### Drama and LAMDA

The School prepared and entered a number of pupils for LAMDA exams of whom 63% achieved either a Distinction or Merit. A Poetry and Prose event was held during the Summer Term at which pupils from Years 1 to 7 presented a wide variety of performances. Children in the Early Years classes performed a Nativity Play and three other drama productions were staged during the year:

- the upper year groups presented *A Grimm Night for Hans Christian Anderson*;
- the middle year groups presented *Robin and the Sherwood Hoodies*;
- the youngest pupils performed *The Advent Christmas*.

#### Extra-curricula Activities

All children in Years 3 to 8 attend school on Saturday mornings for around 24 weeks each year and take part in a wide range of activities run either by members of staff or outside specialists. Children in Years R to 2 have the opportunity to take part in a range of activities each day after the end of the school day.

#### Trips and Visits

The School has an outdoor classroom which all pupils use as part of a Forest School programme. In addition all pupils are involved in trips and visits to museums, theatres and other venues relevant to some of the subjects that they are studying. Pupils in Year 8 take part in the Leavers' Experience, which is a four-week long programme of activities aimed at giving pupils experiences that they would not normally encounter in the school day including driving, surfing, visiting the Somme battlefields, a canoeing expedition to the River Wye, learning basic first aid, and watching a professional show in a Theatre.

#### Outdoor Education

A new initiative this year was the introduction of an Outdoor Education Programme for pupils in Years 3 to 8. In addition to regular half or whole day activities based in or close to the school, each year group had an overnight stay and some activities during the year. The Year 3 activity was based in the school's grounds, whilst Year 4 stayed at a Water Sports Centre, Year 5 visited the New Forest, Year 6 learned sailing on the Isle of Wight, whilst Year 7 went mountain walking in Wales.

#### Sporting Achievements

Pupils at the School take part in Football, Rugby, Hockey, Netball, Cricket, Athletics, Gymnastics, Swimming and Rounders as part of their weekly timetable of games lessons. Individual pupils also take part in other sporting activities including Horse-riding, Sailing, Cross-Country Running, Tennis, and Skiing. A large number of pupils achieved significant individual and team successes in a wide variety of sports and some achieve considerable success playing sports at County Level.

#### School Facilities

As in recent years a number of in-house development projects and improvements were undertaken during the year, including:

- refurbishment of the bedrooms in the girls' boarding house;
- the on-going replacement and upgrading of IT equipment including the purchase of additional interactive screens;
- replacement of windows with double-glazed units in a number of classrooms;
- upgrading of electrical equipment;
- replacement of the lighting in the Sports Hall;
- improvements to staff accommodation on site;
- replacement of the carpets and flooring in a number of classrooms and corridors;
- replacement and upgrading of kitchen equipment;
- replacement of the washing machines used by the boarding house;
- installation of "smart" control systems for parts of the heating systems around the school;
- installation of CCTV and ANPR systems;
- replacement of four central heating boilers and the main hot water boiler with more efficient devices;
- the ongoing repainting of large areas of internal and external paintwork.

#### Fundraising

The School does not currently engage in any active fundraising beyond its immediate parent and alumni bodies.

# **West Hill School Trust Limited**

## **Report of the Governors for the year ended 31 July 2018 (continued)**

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### **FINANCIAL REVIEW**

The School's net fee income decreased in the year to £3,463,738 from £3,563,849 in 2017, reflecting a small decrease in pupil numbers. The financial result is a surplus of £197,306 compared with £271,109 in the previous year. The School's major expenditure remains its staffing costs which increased slightly to £2,626,642 (2017: £2,651,974) and which represented 67.7% of total expenditure (2017: 68.3%). The School's net cash position at the end of the year had increased by £171,724 (compared with an effective increase of £126,170 in the year to July 2017).

At 31<sup>st</sup> July 2018 the School's unrestricted funds were £1,321,013 (2017: £1,046,735), which were wholly represented by premises and equipment meaning that the School had no free reserves (as defined by the Charity Commission). Day-to-day working capital requirements continue to be met by careful management of short-term liquid resources. The Governors believe that the School's assets are sufficient to meet its obligations given that the market value of its Land and Buildings is significantly higher than the depreciated historical cost shown in the accounts. The Governors consider that free reserves of £950,000 (broadly equivalent to three months' expenditure) would be appropriate and it is their intention that free reserves should be increased in the long term to this level by returning modest financial surpluses each year.

### **PLANS FOR FUTURE PERIODS**

The Governors are committed to maintaining and improving the School's premises and equipment, so that it can offer the best standard of educational and other services to pupils and those members of the community who benefit from its facilities in other ways, whilst at the same time ensuring that the finances are secure.

### **STRUCTURE AND GOVERNANCE**

West Hill School Trust Limited is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 29 July 1959 as amended by special resolution on 25 February 1997. The company is also a registered charity. The Trust is managed by a Board of Governors, who also are the members of the Company and its Directors for the purpose of company law. The appointment of new Governors is by election by a majority of the existing Governors. Care is taken to ensure that there is a wide range of appropriate professional, educational and business skills amongst the members of the Board. Opportunities are provided for all Governors to attend School events in addition to the formal meetings so that they gain an insight into the operational workings of the School. Appropriate briefings and training courses are provided, with particular attention being given to new Governors.

### **STATEMENT OF GOVERNORS' RESPONSIBILITIES**

The Governors are responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Governors are also responsible for preparing the financial statements in accordance with 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping adequate accounting records that show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity, and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **West Hill School Trust Limited**

## **Report of the Governors for the year ended 31 July 2018 (continued)**

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### **STATEMENT OF GOVERNORS' RESPONSIBILITIES (continued)**

Where financial statements are published on the charity's website, they are done so in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Governors. The Governors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

### **AUDITORS**

The Governors have taken all of the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Governors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

Approved by the Governors on 27<sup>th</sup> November 2018 and signed on its behalf by:



**K M Murphy**  
Chairman of the Governors



# West Hill School Trust Limited

## Independent auditor's report to the Members of West Hill School Trust Limited

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### Opinion

We have audited the financial statements of West Hill School Trust Limited ("the Charitable Company") for the year ended 31 July 2018 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 July 2018 and of its incoming resources and application of resources 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.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: the Reference and administrative information and the Report of the Governors for the year. The Governors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Governors, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which is included in the Report of the Governors, has been prepared in accordance with applicable legal requirements.

# West Hill School Trust Limited

## Independent auditor's report to the Members of West Hill School Trust Limited (Continued)

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Report of the Governors.

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

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

### Responsibilities of Governors

As explained more fully in the Statement of the Governors' responsibilities, the Governors (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, and for such internal control as the Governors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our Report

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.

BDO LLP

David I'Anson (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
Southampton

Date: 3 December 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# West Hill School Trust Limited

## Statement of financial activities for the year ended 31 July 2018

	Note	Unrestricted funds £	Restricted funds £	2018 £	2017 £
<b>Income from:</b>					
<i>Donations and legacies</i>					
Grants and donations		3,216	32,465	35,681	26,483
<i>Charitable activities:</i>					
School fees receivable	2	3,463,738	-	3,463,738	3,563,849
Other educational income		393,277	-	393,277	396,076
<i>Other trading activities</i>					
Trading turnover – school shop		47,715	-	47,715	43,933
Rents and lettings		133,849	-	133,849	125,276
<i>Investments</i>					
Investment income		622	-	622	836
<b>Total income</b>		<u>4,042,417</u>	<u>32,465</u>	<u>4,074,882</u>	<u>4,156,453</u>
<b>Expenditure on:</b>					
<i>Raising funds</i>					
Cost of goods sold and other costs		40,262	-	40,262	30,120
<i>Charitable activities</i>					
School operating costs		3,817,068	20,246	3,837,314	3,855,224
<b>Total expenditure</b>	3	<u>3,857,330</u>	<u>20,246</u>	<u>3,877,576</u>	<u>3,885,344</u>
<b>Net income and movement in funds</b>	4	<u>185,087</u>	<u>12,219</u>	<u>197,306</u>	<u>271,109</u>
Balance brought forward as at 1 August		<u>1,135,926</u>	<u>12,503</u>	<u>1,148,429</u>	<u>877,320</u>
<b>Balance carried forward as at 31 July</b>		<u><u>1,321,013</u></u>	<u><u>24,722</u></u>	<u><u>1,345,735</u></u>	<u><u>1,148,429</u></u>

All amounts relate to continuing activities.

There are no recognised gains or losses other than the result for the year.

This statement incorporates the Income and Expenditure account for the purposes of the Companies Act 2006.

The notes on pages 12 to 19 form part of these financial statements.

# West Hill School Trust Limited

Balance sheet as at 31 July 2018

Company registration number : 633736

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	6	<u>1,779,631</u>	<u>1,763,427</u>
<b>Current assets</b>			
Stocks		31,262	36,753
Debtors	7	185,993	252,111
Cash		<u>505,654</u>	<u>333,930</u>
		722,909	622,794
<b>Creditors: amounts falling due within one year</b>	8	<u>931,770</u>	<u>988,985</u>
<b>Net current liabilities</b>		<u>(208,861)</u>	<u>(366,191)</u>
<b>Total assets less current liabilities</b>		<b>1,570,770</b>	<b>1,397,236</b>
<b>Creditors: amounts falling due after more than one year</b>	9	<u>225,035</u>	<u>248,807</u>
<b>Net assets</b>		<u><b>1,345,735</b></u>	<u><b>1,148,429</b></u>
<b>Represented by:</b>			
Unrestricted funds:			
General		1,321,013	1,046,735
Designated		-	89,191
	11	<u>1,321,013</u>	<u>1,135,926</u>
Restricted funds	12	<u>24,722</u>	<u>12,503</u>
<b>Total funds</b>		<u><b>1,345,735</b></u>	<u><b>1,148,429</b></u>

The financial statements were approved by the Governors and authorised for issue on 27<sup>th</sup> November 2018 and were signed on their behalf by:



**K M Murphy**, Chairman

The notes on pages 12 to 19 form part of these financial statements.

# West Hill School Trust Limited

## Statement of Cash Flows for the year ended 31 July 2018

	2018 £	2018 £	2017 £	2017 £
<b>Cash flows from operating activities:</b>				
Cash inflow from operations (below)		409,354		466,310
Interest element of finance lease rental payments	-		(1,152)	
Interest paid	(4,345)		(16,154)	
		(4,345)		(17,306)
<b>Net cash inflow from operations</b>		<b>405,009</b>		<b>449,004</b>
<b>Cash flows from investing activities</b>				
Interest received	622		836	
Payments for tangible fixed assets	(210,376)		(253,574)	
<b>Net cash provided by investing activities</b>		<b>(209,754)</b>		<b>(252,738)</b>
<b>Cash flows from financing activities</b>				
Bank loan repayments	(23,531)		(236,754)	
Capital element of finance lease rental payments	-		(33,387)	
		(23,531)		(270,141)
<b>Increase/(decrease) in cash and cash equivalents in the year</b>		<b>171,724</b>		<b>(73,875)</b>
Cash and cash equivalents at 1 August 2017		333,930		407,805
<b>Cash and cash equivalents at 31 July 2018</b>		<b>505,654</b>		<b>333,930</b>

### Reconciliation of net incoming resources to net cash provided by operating activities

	2018 £	2018 £	2017 £	2017 £
<b>Net income</b>		<b>197,306</b>		<b>271,109</b>
Adjustments:				
Investment income	(622)		(836)	
Financing costs	4,395		14,854	
Interest payable on finance lease rentals	-		1,152	
Depreciation	191,789		195,544	
Decrease/(increase) in debtors	66,118		(60,240)	
(Decrease)/increase in creditors	(61,906)		41,445	
Decrease in stock	5,491		2,075	
Increase in confirmation fees	4,400		1,207	
Loss on disposal of fixed assets	2,383		-	
		212,048		195,201
<b>Net cash inflow from operations</b>		<b>409,354</b>		<b>466,310</b>

# West Hill School Trust Limited

## Notes forming part of the financial statements for the year ended 31 July 2018

### I Accounting policies and company information

The Charitable company is limited by guarantee, registered in England and Wales (company number 633736) and registered with the Charity Commission for England and Wales (charity number 307343). Its registered office is West Hill Park, Titchfield, Fareham, PO14 4BS.

Under the provision of section 405 of the Companies Act 2006, the company has not prepared consolidated financial statements as the inclusion of the company's dormant subsidiary is not considered material. These financial statements therefore present information about the company as an individual undertaking and not about its group.

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

#### *Basis of preparation*

The financial statements have been prepared in accordance with 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) (effective 1 January 2017) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. West Hill School Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The financial statements have also been prepared in accordance with the small companies regime.

#### *Going concern*

The charitable company had net current liabilities of £221,306 at 31 July 2018 (2017: £366,191). The Trustees have prepared cash flow forecasts for future periods which demonstrate that the charitable company is able to continue to operate within its current banking facilities, which include a loan of £248,680 and which is being repaid in instalments until 2028. It manages its working capital as fees for each term are paid in advance. The Trustees therefore consider it appropriate to prepare the financial statement on the going concern basis.

#### *Income*

Fees receivable and charges for services and use of premises are accounted for in the year in which the service is provided. Fees receivable are stated after deducting allowances granted by the School. Voluntary income is recognised when received or when it becomes receivable.

#### *Expenditure*

Expenditure is accounted for on an accruals basis. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, either by reference to staff time or space occupied, as appropriate. The irrecoverable element of VAT is included with the item of expense to which it relates.

#### *Depreciation*

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold property	- over 50 years or 25 years on a straight line basis
Plant and equipment	- over 4 years or 10 years on a straight line basis
Motor vehicles	- 30% of net book value (reducing balance basis)

Items costing less than £1,000 are written off as an expense as incurred.

#### *Stocks*

Stocks are stated at the lower of cost and net realisable value.

#### *Pensions*

The School contributes to the Teachers' Pension Defined Benefit Scheme at rates set by the Scheme Actuary. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School and so the scheme is accounted for as a defined contribution scheme. The School also operates defined contribution schemes for non-teaching staff. Contributions to all schemes are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the schemes.

# West Hill School Trust Limited

## Notes forming part of the financial statements for the year ended 31 July 2018 (continued)

### 1 Accounting policies (Continued)

#### Fund accounting

Unrestricted funds are available for use at the discretion of the Governors in furtherance of the general objectives of the charitable company.

Designated funds are unrestricted funds earmarked by the Governors for particular purposes.

Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

#### Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the Statement of Financial Activities. Lease payments are analysed between capital and interest components. The interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

#### Key estimates and Judgements

The Trustees consider that the only material areas of judgement or estimation uncertainty concern the impairment of the Charity's fixed and current assets. Fixed assets are considered to be impaired if they are no longer able to be used for the purpose for which they were acquired, whilst provisions are made against current assets to the extent that the Governors do not believe that the full amount will be realised.

### 2 Fees

Fees consist of charges for the School for the year ended 31 July 2018, less bursaries and allowances. All income is derived from operations within the United Kingdom.

3 Expenditure	2018 £	2017 £
Raising Funds – cost of goods sold	40,262	30,120
Charitable activities		
Staff costs	2,625,442	2,651,974
Staffing expenses	45,915	12,748
Teaching costs	180,242	161,849
Support and welfare costs	412,877	397,288
Premises costs	351,582	403,008
Financing costs	9,221	17,530
Depreciation	191,789	195,544
<b>Subtotal – unrestricted funds</b>	<b>3,857,330</b>	<b>3,870,061</b>
Expenditure from restricted funds (including £1,200 (2017: £nil) of staff costs)	20,246	15,283
<b>Total</b>	<b>3,877,576</b>	<b>3,885,344</b>

All of these amounts relate to the operation of West Hill Park School.

# West Hill School Trust Limited

## Notes forming part of the financial statements for the year ended 31 July 2018 (continued)

<b>4</b>	<b>Net incoming resources</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	These are stated after charging:		
	Auditors' remuneration (audit services)	9,085	8,286
	Depreciation of tangible fixed assets	191,789	195,544
	Bank and loan interest	4,395	10,107
	Bad debt charge	30,000	40,000
	Hire purchase interest	-	1,152
	Hire of motor vehicles	25,547	18,334
	Hire of plant and equipment	6,529	19,195
		<hr/>	<hr/>
<b>5</b>	<b>Staff costs</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	Wages and salaries	2,211,442	2,215,556
	National Insurance	191,445	206,715
	Pension costs	223,755	229,703
		<hr/>	<hr/>
	<b>Total</b>	<b>2,626,642</b>	<b>2,651,974</b>
		<hr/>	<hr/>

Neither the Governors nor any person connected with them received any remuneration in either the current year or comparative period. One Governor (and persons connected to him) received expenses amounting to £612 (2017: £nil). One employee received emoluments of between £100,000 and £110,000 (2017: one between £100,000 and £110,000). Contributions amounting to £18,117 (2017: £17,450) were made to a defined benefit pension scheme on this employee's behalf. Aggregate employee benefits of key management personnel amounted to £271,486 (2017: £246,282).

<i>Staff numbers</i>	<b>2018</b>	<b>2017</b>
Teaching	65	65
Support	9	10
Welfare	6	7
Premises	14	14
Catering	8	9
	<hr/>	<hr/>
	<b>102</b>	<b>105</b>
	<hr/>	<hr/>

Staff numbers as full time equivalents are estimated to be 77 (2017: 78).



# West Hill School Trust Limited

## Notes forming part of the financial statements for the year ended 31 July 2018 (continued)

### 6 Tangible fixed assets

	Freehold property £	Plant and equipment £	Motor Vehicles £	Total £
<i>Cost</i>				
At 1 August 2017	2,538,432	1,612,625	-	4,151,057
Additions	25,531	151,477	33,368	210,376
Disposals	(-)	(23,554)	(-)	(23,554)
<b>At 31 July 2018</b>	<b>2,563,963</b>	<b>1,740,548</b>	<b>33,368</b>	<b>4,337,879</b>
<i>Depreciation</i>				
At 1 August 2017	1,206,308	1,181,322	-	2,387,630
Provided during the year	82,489	99,290	10,010	191,789
Eliminated on disposals	(-)	(21,171)	(-)	(21,171)
<b>At 31 July 2018</b>	<b>1,288,797</b>	<b>1,259,441</b>	<b>10,010</b>	<b>2,558,248</b>
<i>Net book value</i>				
<b>At 31 July 2018</b>	<b>1,275,166</b>	<b>481,107</b>	<b>23,358</b>	<b>1,779,631</b>
At 31 July 2017	1,332,124	431,303	-	1,763,427

Included in freehold property is freehold land with a cost of £100,437 (2017: £100,437), which is not depreciated. The freehold property is secured by a legal charge.

7 Debtors	2018 £	2017 £
Trade debtors	101,612	187,327
Prepayments and accrued income	53,272	58,727
Other debtors	31,109	6,057
	<b>185,993</b>	<b>252,111</b>

All amounts fall due for payment within one year.

8 Creditors : amounts falling due within one year	2018 £	2017 £
Bank loan	23,645	23,404
Trade creditors	101,108	245,058
Taxation and social security	45,108	47,715
Other creditors	80,793	66,467
Fees in advance	153,005	220,403
Confirmation fees	102,442	98,042
Accruals and deferred income	425,669	287,896
	<b>931,770</b>	<b>988,985</b>

The bank loan is secured by a legal charge over the freehold property of the company.

# West Hill School Trust Limited

## Notes forming part of the financial statements for the year ended 31 July 2018 (continued)

<b>9</b>	<b>Creditors : amounts falling due after more than one year</b>	<b>2018 £</b>	<b>2017 £</b>
	Bank loan	<b>225,035</b>	248,807
		<u>          </u>	<u>          </u>
		<b>Bank loan 2018 £</b>	<b>Bank loan 2017 £</b>
	In 1 year or less, or on demand	<b>23,645</b>	23,404
		<u>          </u>	<u>          </u>
	In more than 1 year but less than 2 years	<b>24,061</b>	23,643
	In more than 2 years but less than 5 years	<b>74,751</b>	73,452
	In more than 5 years	<b>126,223</b>	151,712
		<u>          </u>	<u>          </u>
		<b>225,035</b>	248,807
		<u>          </u>	<u>          </u>

The bank loan is secured by a legal charge over the freehold property of the company.

The bank loan is repayable by instalments by 2028. Interest is charged at the rate of 1.25% above National Westminster Bank Plc's Base Rate.

<b>10</b>	<b>Financial Instruments</b>	<b>2018 £</b>	<b>2017 £</b>
	<b>Financial Assets</b>		
	Financial assets that are debt instruments measured at amortised cost	<b>638,375</b>	527,314
		<u>          </u>	<u>          </u>
	<b>Financial Liabilities</b>		
	Financial liabilities measured at amortised cost	<b>737,873</b>	859,867
		<u>          </u>	<u>          </u>

Financial assets measured at amortised cost comprise cash, trade debtors and other debtors. Financial liabilities measured at amortised cost comprise bank overdraft and loans, trade creditors, obligations under finance lease and hire purchase contracts and other creditors.

# West Hill School Trust Limited

Notes forming part of the financial statements for the year ended 31 July 2018 (continued)

## 11 Unrestricted and designated funds

	Balance at 1 August 2017 £	Transfer £	Net movement in Resources:		Balance at 31 July 2018 £
			Incoming £	Outgoing £	
General Fund – unrestricted	1,046,735	89,531	4,042,077	(3,857,330)	1,321,013
Bursary fund – designated	89,191	(89,531)	340	(-)	-
	<u>1,135,926</u>	<u>-</u>	<u>4,042,417</u>	<u>(3,857,330)</u>	<u>1,321,013</u>
	Balance at 1 August 2016 £		Net movement in Resources:		Balance at 31 July 2017 £
			Incoming £	Outgoing £	
General Fund – unrestricted		777,256	4,139,540	(3,870,061)	1,046,735
Bursary fund – designated		88,471	720	(-)	89,191
		<u>865,727</u>	<u>4,140,260</u>	<u>(3,870,061)</u>	<u>1,135,926</u>

The Bursary Fund was built up by payments from parents. Those who contributed were eligible to have their child's fees paid if the principal income-earner died whilst the child was at the School. The scheme was discontinued some years ago and all pupils entered into it have now left the School so the balance on the fund has been transferred to unrestricted general funds.

## 12 Restricted funds

	Balance at 1 August 2017 £	Net movement in Resources:		Balance at 31 July 2018 £
		Incoming £	Outgoing £	
Old Westhillians' Association Fund	5,062	2,614	(1,653)	6,023
Piano Fund	1,639	713	(1,900)	452
Community Choir Fund	-	16,693	(16,693)	-
Friends of West Hill Park Fund	-	12,445	(-)	12,445
Donations Fund	5,802	-	(-)	5,802
	<u>12,503</u>	<u>32,465</u>	<u>(20,246)</u>	<u>24,722</u>
	Balance at 1 August 2017 £	Net movement in Resources:		Balance at 31 July 2017 £
		Incoming £	Outgoing £	
Old Westhillians' Association Fund	5,161	880	(979)	5,062
Piano Fund	-	1,639	(-)	1,639
Community Choir Fund	-	13,674	(13,674)	-
Donations Fund	6,432	-	(630)	5,802
	<u>11,593</u>	<u>16,193</u>	<u>(15,283)</u>	<u>12,503</u>

# West Hill School Trust Limited

Notes forming part of the financial statements for the year ended 31 July 2018 (continued)

## 12 Restricted funds (continued)

The Old Westhillians' Association Fund comprises donations from former pupils. Use of the fund is determined by the Old Westhillians' Association.

The Donations and Piano Funds represent monies received for specific purposes.

The Friends of West Hill Park Funds represent amounts raised by the Parents' Association. Use of the fund is determined by the Committee of the Friends of West Hill Park.

The Community Choir Fund represents income generated by the West Hill Park Community Choir.

## 13 Analysis of net assets between funds

	Undesignated unrestricted funds £	Designated unrestricted funds £	Restricted funds £	Total £
<b>2018</b>				
Tangible fixed assets	1,779,631	-	-	1,779,631
Net current liabilities	(233,583)	-	24,722	(208,861)
Long term liabilities	(225,035)	-	-	(225,035)
	<u>1,321,013</u>	<u>-</u>	<u>24,722</u>	<u>1,345,735</u>
<b>2017</b>				
Tangible fixed assets	1,763,427	-	-	1,763,427
Net current liabilities	(467,885)	89,191	12,503	(366,191)
Long term liabilities	(248,807)	-	-	(248,807)
	<u>1,046,735</u>	<u>89,191</u>	<u>12,503</u>	<u>1,148,429</u>

## 14 Capital commitments

There were no capital commitments at 31 July 2018 or 31 July 2017.

## 15 Commitments under operating leases

As at 31 July 2018, the company had the following minimum lease payments under non-cancellable operating leases:-

	Motor vehicles and plant and equipment	
	2018	2017
Annual payments for leases which expire:-	£	£
Within one year	17,271	24,091
Within two to five years	35,058	23,359
In more than five years	473	-
	<u>52,802</u>	<u>47,450</u>

# West Hill School Trust Limited

## Notes forming part of the financial statements for the year ended 31 July 2018 (continued)

### 16 Pension commitments

#### *Teachers*

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £206,411 (2017: £215,649) and at the year-end £27,241 (2017: £25,380) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The latest actuarial valuation of the TPS was prepared as at 31 March 2012 the valuation report, which was published in June 2014, confirmed an 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%. This employer rate will be payable until the outcome of the next actuarial valuation, which is due to be prepared as at 31 March 2016 and completed in 2018, 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.

#### *Other staff*

The School also makes contributions to certain employees' individual defined contribution pension schemes. The assets of these schemes are held separately from those of the School in independently administered funds.

The pension charge under these schemes amounted to £17,343 (2017: £14,054). Contributions amounting to £1,803 were outstanding at 31 July 2018 (2017: £2,195).

### 17 Related party transactions

#### *Controlling parties*

The company is controlled by its directors, who are also Trustees for the purposes of charity law and Governors of West Hill Park School.

#### *Related party transactions*

There were no transactions requiring disclosure in either the current or comparative years.

### 18 Subsidiary undertakings

During the year the company formed a wholly owned subsidiary, West Hill Park School Limited, which did not trade between the date of its incorporation and the year end. At the end of the year the net assets of the subsidiary were £1.