

REGISTERED IN ENGLAND COMPANY No 910421
CHARITY REGISTRATION No 310490

**OLD BUCKENHAM HALL
(BRETtenham) EDUCATIONAL TRUST
LIMITED
(A Charitable Company
limited by guarantee)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2012



**OLD BUCKENHAM HALL (BRETtenham) EDUCATIONAL TRUST
LIMITED
REPORT OF THE COUNCIL OF MANAGEMENT**

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OLD BUCKENHAM HALL (BRETTHENHAM) EDUCATIONAL TRUST LIMITED

REPORT OF THE COUNCIL OF MANAGEMENT

The Council presents its annual report and audited financial statements for the year ended 31 August 2012 under the Companies Act 2006, the Company's Memorandum & Articles of Association and the Charities SORP 2005

Reference and administrative information

Professional advisers

Auditors Larking Gowen
Chartered Accountants
Statutory Auditors
King Street House
15 Upper King Street
Norwich
NR3 1RB

Solicitor Darbys Solicitors LLP
52 New Inn Hall Street
Oxford
OX1 2DN

Bankers Barclays Bank PLC
52 Abbeygate Street
Bury St Edmunds
Suffolk
IP33 1LL

Status

The Trust is incorporated as a company, is limited by guarantee and does not have a share capital. It is registered with the Charity Commissioners as a Charitable Institution. The liability of each member is limited to £1.

The Trust operates under the working name Old Buckenham Hall.

Charity number 310490
Company number 910421

Members of Council

Members of the Council who served during the year and to the date of this report were

M St J Shallow (Chairman)
S J Buckmaster (Deputy Chairman)
M D Angela
Mrs J C Bennett (Resigned 7th July 2012)
J K Buckle (Resigned 7th July 2012)
C M P Bush
Mrs M R L Dowie
C D Ross-Stewart
D J E Sewell
E L Shelley (Appointed 1st December 2011)
Mrs R J Walker (Resigned 7th July 2012)
M Spinney
Mrs C E A Crawshay (Appointed 23rd November 2012)
H G B Derrick (Appointed 23rd November 2012)

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REPORT OF THE COUNCIL OF MANAGEMENT

All the Members of the Council are also Members of the Trust and directors of the company and are liable to contribute a sum not exceeding £1 each if required, in the event of the Trust being wound up. Members are appointed by election by the Council.

The Trust's memorandum of association does not permit the payment of a dividend.

Address and registered office

Old Buckenham Hall School
Brettenham Park
Ipswich
Suffolk
IP7 7PH

Key Executives

Headmaster Mr J Brett

Structure, governance and management

Governing document

The Company is governed by its Memorandum and Articles of Association.

Governing body

The Council Members are elected on the basis of nominations received from various sources, with a view to ensuring as wide a mix as possible of relevant expertise. Members usually serve for a term of nine years and are eligible to stand for re-election.

All Council Members give of their time freely and no remuneration or expenses were paid in the year. No Council Member or person connected with a Council Member received any benefit from either means tested bursaries or scholarships awarded to our pupils.

Trustee training

New Members are inducted into the workings of the School, and also of the Company as a registered Charity, including Board Policy and Procedures. Training courses are attended as required.

Organisational management

The Members meet as a Board at least three times a year to determine the general policy for the Company and review its overall management and control, for which they are legally responsible, supported by the Finance Committee, which meets before each meeting of the full Governing Board and on other occasions, specifically to review budgets and accounts, and to make recommendations to the Council. The day-to-day running of the School is delegated to the Head, supported by other members of the Senior Management Team. New committees have been appointed with designated Members of the Board and staff to review and set policies for Governance and Education.

Risk management

The Council continues to review the School's activities and consider the major opportunities available to the School and the risks to which it is exposed in each of the principal areas of the School's operations. They have identified certain areas to be of particular importance:

- Health and Safety
- Fire
- Security
- Safeguarding children

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REPORT OF THE COUNCIL OF MANAGEMENT

Through the risk management processes established for the School, the Council is satisfied that the major risks identified have been adequately mitigated where necessary. All staff are subject to the appropriate police and employment checks. School staff continue to receive regular training on child protection issues where appropriate. Individual School governors have been appointed with responsibility for safeguarding children, Health and Safety and Estates (including Security).

Objects, aims, objectives and principal activities

The Objects of the Trust are -

- To advance the education of the pupils of Old Buckenham Hall School by providing and assisting in the provision of facilities for education and accommodation at the School
- For the public benefit to promote the education (including social and physical training) of people under the age of 19 years in such ways as the Charity trustees think fit, including by
 - awarding to such persons scholarships, bursaries, maintenance allowances or grants,
 - providing their education (including the study of music or other arts), to prepare them for entry to any other educational establishment, occupation, trade or profession

Strategic Aims

The School's strategic aim is to provide a first class all round education to boys and girls aged between 3 and 13 years. Through its creative curriculum OBH seeks to develop qualities for life, such as independent thinking, tolerance, discernment and self-respect. The School's ethos is firmly rooted in Christian family values of service and kindness to others. OBH has an ambitious development programme which aims to see the School become a centre of learning and a beacon of excellence in the East Anglian region.

The School is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. Our fees are set at a level to ensure the financial viability of the School and at a level that is consistent with our aim of providing a first class education. Our School welcomes pupils from all backgrounds. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment process.

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

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

Key aims and objectives

- To provide a safe, happy & nurturing environment for children
- To promote the idea of health and well-being as being fundamental to children's development
- To ensure that all our teaching and learning processes and outcomes support the needs of all our pupils
- To provide the highest possible quality of pastoral care for all pupils at OBH by ensuring that all pupils feel valued, supported and listened to
- To provide an academic framework within which scholarship and creativity can happily and successfully coexist
- To provide a broad range of learning experiences and opportunities both in and out of the classroom

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

REPORT OF THE COUNCIL OF MANAGEMENT

- To promote and encourage strong Christian family values of respect, tolerance, good manners and service
- To develop and maintain strong links with the local community
- To promote strong and positive relationships between pupils and teachers based on mutual trust and respect
- To build a reputation as a sector leading boarding School with an approach to prep School boarding that caters for the needs of modern families as well as those with a more traditional view of boarding
- To provide an academic, sporting, creative and cultural framework within which pupils can become the best versions of themselves that they can possibly be
- To promote a culture of striving for excellence in all that we do
- To fully prepare children for the next stage in their education and to ensure that we help match each child to the most appropriate senior school

Ethos

Old Buckenham Hall is a happy, vibrant community made up of children and staff who either come to school on a daily basis or who live on site as boarders. The Headmaster and Mrs Brett, together with their family of 2 boys, live close to the School and promote a happy family atmosphere. They are supported by a strong team of teachers and support staff many of whom also live on the School campus giving the School a friendly 'village' feel.

Much emphasis is placed on making sure that all visitors to the School receive a very warm welcome, whether they are parents, friends, governors, prospective parents or visitors.

The Governing Body are very 'hands on' at OBH and support the work of the School and the Headmaster in many different ways both formally and informally. The School's Pastoral, Education, Bursary and F&GP Committees are an important part of this process.

The School works hard at maintaining excellent and effective channels of communication with all parents in the School. This is done through a weekly electronic newsletter, regular parents meetings, coffee mornings and drinks evenings for groups of parents, the 'Friends of OBH' committee (made up of a representative from each year group in the School), an effective Form Tutor system as well as a general 'open door' policy for parents.

Principal activity

The Charity continues to operate a Preparatory and Pre-Preparatory boarding and day School for both boys and girls.

Bursaries and other fee concessions

It is important to us that access to the education we offer is not restricted to those who can afford our fees.

Our bursary policy contributes to a widening of access to the education we offer and the facilities we enjoy.

The Council of Management view our bursary awards as important in helping to ensure children from families who would otherwise not be able to afford the fees can access the education we offer. Our bursary awards are available to all who meet our general entry requirements and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk. In funding our awards we have to be mindful that we must ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

The bursary awards range from 10% to 100% remission of fees. They provided assistance to 27 of our pupils. These pupils would either not have been able to come to the School or continue their education without the bursaries. Further bursaries were made available to children of Armed Forces families.

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Information about fee assistance through bursaries and scholarships is provided to all applying to the School. Further details of our bursary policy are available on our website.

Details of bursary awards are set out in Note 2 to the accounts.

To underline the value we place on continuity for families, we offer discounts where parents have more than two children at the School. We also offer discounts to children of parents who are in the military – these bursaries are particularly important in the case of pupils who are boarders with a need to create stability for them.

We have an established links with the Royal National Children's Foundation (previously JET) as a means of identifying bursaries for children who would benefit from boarding in a stable environment. The School prides itself on a "home from home" atmosphere for boarders. As a result of this we have awarded a 100% for a child who would benefit from boarding in a stable environment.

Review of achievements and performance in the year

In May 2012, Old Buckenham Hall was inspected by ISI using the new integrated inspection model which was introduced earlier this year. All aspects of School life were inspected including teaching and learning, boarding provision and Early Years Foundation Stage (EYFS). As well as meeting all the requirements of the Independent School Standards Regulations (2010) and the National Minimum Standards for Boarding Schools (2011), the School received 'excellent' grading's (the highest level possible) for the quality of the pupils' achievements, arrangements for pastoral care, the quality of boarding, EYFS, governance, leadership and management. This is a significant turnaround from the previous inspection report and shows clear progress and achievement in many areas of the School's processes and systems. This uplift in the School's performance has been reflected in an increase in interest from prospective families as well as moral across the School community.

There was a marked increase in the level of passes this year in the 13+ Common Entrance exams with 81% of all papers scoring an A or B grade.

2012 marks the 150th anniversary of the School's foundation as South Lodge School, Lowestoft in 1862. A weekend of celebration was held in June, at which the OBH Society was launched, with the aim of bringing together former pupils and staff members of the School. It is hoped that the OBH Society will meet regularly and become involved in helping the School with fundraising activities. In September 2012, a Service of Thanksgiving for the life of the School was held in St Edmundsbury Cathedral, with the Suffragan Bishop of Dunwich officiating.

The School's sporting tradition remained very strong during the year with all children representing the School in a School team. Equally, Drama, Music and Art have remained a strong focus for activities, concerts and exhibitions. Pupils have also been involved in a number of fund raising events during the year as well as supporting the local community through the hosting of the Brettenham Church Fete, holding regular Church Services at Thorpe Morieux and offering the use of School facilities (squash courts, cricket pitch, swimming pool).

Fundraising performance

The Trust continued to raise funds for the education of pupils. Additionally, funds were raised through the Jubilee Appeal, from lettings and from hire of sports facilities.

Financial review

Results for the year

The result for the year was an operating deficit of £194,322 (2011 deficit of 306,512), this before depreciation of £130,109 (2011 136,466).

The result was in line with Council's forecast. Following the costs of restructuring the School's staffing and the recent growth in the pupil roll, the charity is forecast to operate within the terms of its bank borrowing and to move back into surplus within the next two financial and academic years. The School's borrowing facility conditions and the appropriateness of the going concern basis are further disclosed in note 1a) to the accounts.

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

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A major capital investment project was completed in September 2010 using internal funds and funds from our Golden Jubilee Appeal to significantly improve our Science, Technology and Music facilities. Also during the year costs were incurred in the installation of new IT equipment for enhancing teaching facilities.

Reserves policy

The Council has a long-standing policy to use any revenue surpluses and bank borrowings as appropriate to improve the facilities and the overall educational service provided. The School has no free reserves as all revenue surpluses have been reinvested to enhance the School's facilities. The Council has ongoing plans for further improvements to the resources available to the School.

Charitable status

As a charity the parents of our pupils have the assurance that all the income of the School must be applied for educational purposes. We enjoy tax exemption on our educational activities and we are also entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our bursary policies.

Investment policy

The company's investment powers are governed by its Memorandum of Association, which permits investments in securities or property without any restrictions.

Future Plans

Our specific objectives for 2012/13 have been formulated by the Board of Governors in conjunction with John Brett and the School's management teams:

- Strengthen and develop the teaching and learning throughout the School by creating centres of excellence in areas of Modern & Classical Foreign Languages, Performing Arts, Science, Art Design and Technology
- Raise the academic profile of OBH within the IAPS community
- Build on existing OBH strengths of outstanding boarding provision for 8 to 13 year old children
- Explore and develop new markets both local and further afield, concentrating on the three key areas of Nursery & Pre-Prep (3 – 7 year olds), Middle School (7 – 11 year olds) and Senior School (11 – 13 year olds)
- Cut expenditure by re-structuring School departments and putting in place a pay structure that accurately reflects the current needs of the School
- Limit major expenditure to necessary projects which will clearly add value to the School business
- Develop other income streams using our extensive School site and facilities
- Maintain and develop strong links with the local community in our part of Suffolk through educational, sporting, cultural and recreational activities

OLD BUCKENHAM HALL (BRETtenham) EDUCATIONAL TRUST LIMITED

REPORT OF THE COUNCIL OF MANAGEMENT

Statement of Trustees' responsibilities

The Members of Council (who are also directors of Old Buckenham Hall (Brettenham) Educational Trust Limited for the purposes of company law) are responsible for preparing the report of the Council of Management and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the Members of Council to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

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

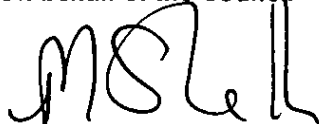
In so far as the Members of Council are aware

- there is no relevant audit information of which the charitable company's auditor is unaware, and the Members of Council have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditors

The auditors, Larking Gowen, are deemed to be reappointed under section 487(2) of the Companies Act 2006

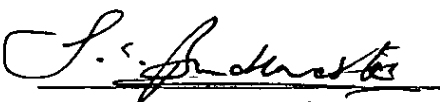
On behalf of the Council



Mr M St J Shallow (Chairman)

Mr S J Buckmaster (Deputy Chairman)

Date: 23/11/12

... 
23/11/12

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

We have audited the financial statements of Old Buckenham Hall (Brettenham) Educational Trust Limited for the year ended 31 August 2012 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 6), the trustees (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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2012, 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,
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Council of Management for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OLD BUCKENHAM HALL (BRETENHAM) EDUCATIONAL TRUST LIMITED

Matters on which we are required to report by exception

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

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



Signature.

Mark Balfour FCA (Senior Statutory Auditor)

For and on behalf of Larking Gowen, Chartered Accountants, Statutory Auditors

King Street House

15 Upper King Street

Norwich

NR3 1RB

Date

1st May 2013

OLD BUCKENHAM HALL (BRETtenham) EDUCATIONAL TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2012

		General fund 2012 £	Unrestricted funds Total 2012 £	2011 £
Incoming resources	Notes			
Income from charitable activity				
Fees receivable	1d/2	2,431,466	2,431,466	2,382,640
Registration fees		2,950	2,950	3,350
Other ancillary trading income		7,918	7,918	16,869
Voluntary Income				
Gifts & donations		55,565	55,565	13,522
Activities for generating funds				
Rents and lettings		31,842	31,842	20,547
Investment income		-	-	48
Total incoming resources		2,529,741	2,529,741	2,436,976
Resources expended				
Charitable activity				
School operating costs				
Teaching		1,483,255	1,483,255	1,567,781
Household		568,217	568,217	549,566
Property		538,595	538,595	503,597
Support and administration		178,847	178,847	169,899
Financing costs		60,427	60,427	52,193
		2,829,341	2,829,341	2,843,036
Governance costs		24,831	24,831	36,918
Total resources expended	6	2,854,172	2,854,172	2,879,954
Net expenditure		(324,431)	(324,431)	(442,978)
Fund balances brought forward at 1 September 2011	11	2,245,345	2,245,345	2,688,323
Fund balances carried forward at 31 August 2012	11	1,920,914	1,920,914	2,245,345

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

OLD BUCKENHAM HALL (BRETtenham) EDUCATIONAL TRUST LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2012

Cash flow statement	Notes	2012		2011	
		£	£	£	£
Net cash outflow from operating activities	13a		(114,655)		(336,894)
Returns on investments and servicing of finance	13c		(60,427)		(52,145)
Capital expenditure	13d		(57,160)		(146,024)
Cash outflow before management of liquid resources and financing			<u>(232,242)</u>		<u>(535,063)</u>
Increase in debt	13b		230,314		446,909
Decrease in cash in the year			<u>(1,928)</u>		<u>(88,154)</u>
Reconciliation of net cash flow to movement in net debt					
Decrease in cash in the year	13b	(1,928)		(88,154)	
Cash outflow from movement in debt	13b	(230,314)		(446,909)	
Change in net debt for the year			<u>(232,242)</u>		<u>(535,063)</u>
Net debt at 31 August 2011	13		(1,119,282)		(584,219)
Net debt at 31 August 2012			<u>(1,351,524)</u>		<u>(1,119,282)</u>

OLD BUCKENHAM HALL (BRETENHAM) EDUCATIONAL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012

1. Accounting policies

The significant accounting policies used in the preparation of these financial statements are

a. Basis of accounting

The annual report and financial statements for the year ended 31 August 2012 have been prepared in accordance with the Companies Act 2006, the Accounting and Reporting by Charities Statement of Recommended Practice (revised 2005) ('SORP 2005'), and with applicable accounting standards

The company prepares its annual financial statements under the historical cost convention

The bank continues to provide the requested overdraft facility for the period to 30 August 2013. Since the year end, the School has restructured its bank loans, as explained further in note 10b. The bank's continued support is dependent on the School fulfilling the conditions of its loan and overdraft facility. The Council of Management is confident that the conditions of the loan and overdraft facility will be met and the School is well placed to manage its business risk. The going concern basis of accounting has therefore continued to be adopted.

b. Stocks

Stock is valued at the lower of cost and market value

c. Tangible fixed assets

Motor vehicles, machinery and computer equipment have been depreciated using a method which is calculated to write down each asset to its estimated residual value over the period of its revenue earning life.

The annual rates of depreciation used are

Motor vehicles and machinery	25% reducing balance
Computer equipment	25% straight line

School buildings and facilities of a specific nature, having a shorter life than other School buildings, are depreciated at the rate of 4% straight line.

General School buildings are depreciated at the rate of 2% on a straight line basis, down to their estimated residual values.

Items at cost of less than £1,000 are not capitalised, except for computer equipment costing more than £300.

Furniture, fixtures and School equipment are depreciated on a straight line basis over two to five years.

Land is not depreciated.

d. Fee income

This represents School board and tuition fees invoiced for the period. Fee income is stated after deducting bursaries and sibling discounts.

e. Other ancillary trading income and income from generated funds

Income from other ancillary trading and income from generated funds, including capital grants, is included in incoming resources when these are receivable.

OLD BUCKENHAM HALL (BRETtenham) EDUCATIONAL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2012

f Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

g Unrestricted funds

All funds are unrestricted funds, which are expendable at the discretion of the Members of Council in furtherance of the objects of the Charity.

h Pension scheme

The Teachers Pension Scheme is a contributory scheme administered by Teachers' Pensions on behalf of the Department for Children, Schools and Families (DCSF). It is a defined benefit 'final salary' scheme. The Department of Education and Skills determines the level of employees' and employers' contributions currently at 6.4 – 8.8% dependent on a member's full-time equivalent earnings and 14.1% respectively. The contribution rates are regularly reviewed by the Government Actuary. The School is not responsible for or entitled to receive benefit for any deficit or surplus on the scheme. Old Buckenham Hall (Brettenham) Educational Trust Limited has taken advantage of the special provisions of FRS17 to account for this scheme as if it were a defined contribution scheme.

The School also operates a defined contribution group personal pension and a stakeholder scheme under which contributions by employees and by the School are held in funds separated from the company's finances.

Contributions payable to the above schemes are charged to the income and expenditure account.

i Resources expended

Resources expended are accounted for on an accruals basis. Office and other costs not directly attributable to particular functional activity categories are apportioned over the relevant cost categories on the basis of estimates of the amount attributable to that activity in the year or pro rata to the direct costs of each activity.

The Charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Governance costs comprise the costs of running the Charity, including external audit, preparation of annual accounts (but not management accounts) and the costs of legal advice to the Council of Management.

j Advance fees scheme

The School offers parents the opportunity to pay for tuition fees in advance in accordance with a written contract. This is treated as deferred income until the pupil joins the School, whereupon the fees for each School term are charged against the remaining balance and taken to income.

OLD BUCKENHAM HALL (BRETENHAM) EDUCATIONAL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2012

2	School fees	2012	2011
		£	£
	The School's fee income comprised		
	Gross fees	2,863,525	2,643,143
	Less Bursaries and other allowances	(432,059)	(260,503)
		2,431,466	2,382,640

Bursaries are awarded, dependent upon individual financial circumstances. The amounts are decided at the trustees' discretion.

Sibling discounts are available for a family's third and subsequent children who attend the School. A percentage, based on the number of children at the School, will be deducted from the annual fees.

3	Expenditure	2012	2011
		£	£
	Charitable activities includes		
	Depreciation of tangible owned assets	130,109	136,466
	Loss on sale of fixed assets	1,015	-
	Staff costs (see note 4)	1,885,007	1,976,634
	Governance costs includes		
	Auditors' remuneration	9,500	9,500

4	Staff costs	2012	2011
	Employees	No.	No.
	The average weekly number of employees during the year was		
	Teaching staff	36	37
	Other staff	48	48
		84	85

The number of employees, whose annual emoluments exceeded £60,000 were

£70,000 - £80,000	1	1

Contributions were made to the Pension Scheme, which is a defined benefit scheme for one higher paid employee with contributions amounting to £10,575 (2011: £10,575).

Costs during the year:	£	£
Wages and salaries (including staff expenses)	1,617,348	1,713,460
Social security costs	125,500	118,530
Other pension costs	142,159	144,644
	1,885,007	1,976,634

OLD BUCKENHAM HALL (BRETENHAM) EDUCATIONAL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2012

5	Interest payable and similar charges	2012 £	2011 £
	Bank loans and overdrafts	60,427	52,193

6	Analysis of total resources expended				
		Staff costs £	Other costs £	Depreciation £	Total £
	Charitable activity				
	School operating costs				
	Teaching	1,242,797	218,211	22,247	1,483,255
	Household	365,269	196,083	6,865	568,217
	Property	135,125	312,889	90,581	538,595
	Support costs and administration	141,816	26,615	10,416	178,847
	Financing costs	-	60,427	-	60,427
	Governance costs	-	24,831	-	24,831
	Total for Charity	1,885,007	839,056	130,109	2,854,172

7	Tangible fixed assets					
		Freehold property £	Motors and machinery £	Fixtures, fittings and equipment £	Computer equipment £	Total £
	Cost					
	At 1st September 2011	4,200,368	132,475	572,850	154,571	5,060,264
	Additions	32,025	-	14,401	11,239	57,665
	Disposals	-	(19,500)	-	(10,688)	(30,188)
	At 31st August 2012	4,232,393	112,975	587,251	155,122	5,087,741
	Depreciation					
	At 1st September 2011	536,144	117,907	408,615	124,248	1,186,914
	Charge for the year	74,790	3,362	27,819	24,138	130,109
	Disposals	-	(18,404)	-	(10,264)	(28,668)
	At 31st August 2012	610,934	102,865	436,434	138,122	1,288,355
	Net book value					
	At 31st August 2012	3,621,459	10,110	150,817	17,000	3,799,386
	At 31st August 2011	3,664,224	14,568	164,235	30,323	3,873,350

OLD BUCKENHAM HALL (BRETtenham) EDUCATIONAL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2012

8. Stocks	2012 £	2011 £
Food and housekeeping supplies	1,955	1,926
School books and stationery	180	1,297
Heating oil	17,371	10,737
Materials	3,000	3,036
	22,506	16,996
9. Debtors	2012 £	2011 £
Amounts falling due within one year:		
Fees outstanding	132,150	91,198
Other debtors	6,657	14,014
Prepayments and accrued income	78,224	71,017
	217,031	176,229
10. Creditors	2012 £	2011 £
a. Amounts falling due within one year:		
Bank loans and overdraft	744,940	436,288
Trade creditors	116,202	111,759
Accruals and deferred income	36,789	71,453
Taxation and social security payable	38,074	37,755
Fees in advance	417,304	333,149
Deposits	23,700	7,100
Net obligations under finance leases and hire purchase contracts	1,642	-
	1,378,651	997,504
b. Amounts falling due after more than one year:		
Bank loan	607,411	685,749
Deposits	28,200	37,300
Fees in advance	102,110	103,432
Net obligations under finance leases and hire purchase contracts	2,464	-
	740,185	826,481

Bank loans and overdrafts are secured by debenture and legal charges over the company's land and property

Net obligations under finance leases and hire purchase contracts are secured by fixed charges on the assets concerned

OLD BUCKENHAM HALL (BRETENHAM) EDUCATIONAL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2012

At the balance sheet date a banking agreement was in place whereby bank loans were to be repaid by instalments between October 2012 and June 2020. Interest was chargeable on £234,768 of these loans at a fixed rate of 5.85%, £152,893 at a variable rate of 1.00% over bank base rate and £298,088 at a variable rate of 2.05% over bank base rate.

At the date of approval of the financial statements, the School has restructured their borrowings. The new bank loan has a repayment holiday until November 2014 with a final repayment due October 2017. Interest is chargeable on this loan at a variable rate of 4.25% over bank base rate.

10. Creditors (continued)

		2012 £	2011 £
c	Analysis of loans		
	Wholly repayable within five years	422,127	329,013
		422,127	329,013
	Included in current liabilities	(78,338)	-
		343,789	329,013
	Instalments not due within five years	263,622	356,736
d.	Fees in advance analysis		
		Due Within One Year £	Due After One Year £
			Total £
	Balance as at 1 September 2011	333,149	103,432
			436,581
	New contracts	130,212	35,303
			165,515
	Early payments for Autumn 2012 term	223,356	-
			223,356
	Amount used in payment of fees	(322,179)	-
			(322,179)
	Discounts allowed	16,142	-
			16,142
	Transfer of fees	36,624	(36,624)
	Balance as at 31 August 2012	417,304	102,111
			519,415

OLD BUCKENHAM HALL (BRETENHAM) EDUCATIONAL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2012

11. Unrestricted reserves

	General Fund £	Total £
Balance as at 1 September 2011	2,245,345	2,245,345
Net movement in funds	(324,431)	(324,431)
Balance at 31 August 2012	1,920,914	1,920,914

12 Commitments under operating leases

At 31 August 2012 the company had annual commitments under non-cancellable operating leases as follows

	2012 £	2011 £
Other		
Operating leases which expire in 2 to 5 years	9,460	3,376
Operating leases which expire after more than 5 years	4,217	-

13. a. Reconciliation of surplus of income to net cash inflow from operating activities

	2012 £	2011 £
Net movement in funds for the year	(324,431)	(442,978)
Investment income	-	(48)
Interest payable	60,427	52,193
Depreciation	130,109	136,466
Loss on sale of fixed assets	1,015	-
Increase in stocks	(5,510)	(6,288)
(Increase)/decrease in debtors	(40,802)	20,981
Increase/(decrease) in creditors	64,537	(97,220)
	(114,655)	(336,894)

OLD BUCKENHAM HALL (BRETENHAM) EDUCATIONAL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2012

13 . continued

b Analysis of cash resources

	2011 £	Cash flow £	2012 £
Cash at bank and in hand	2,755	(1,928)	827
Debt due within 1 year	(436,288)	(308,652)	(744,940)
Debt due after 1 year	(685,749)	78,338	(607,411)
	(1,122,037)	(230,314)	(1,352,351)
Total	(1,119,282)	(232,242)	(1,351,524)

c Returns on investments and servicing of finance

	2011 £	2011 £
Dividends and interest received	-	48
Interest paid	(60,427)	(52,193)
	(60,427)	(52,145)

d Capital expenditure

	2012 £	2011 £
Payments to acquire tangible fixed assets	(57,665)	(146,024)
Proceeds from sale of tangible fixed assets	505	-
	(57,160)	(146,024)

OLD BUCKENHAM HALL (BRETtenham) EDUCATIONAL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2012

14. Pension commitments

The School operates three pension schemes as disclosed in accounting policy note 1h

The assets of the schemes are held separately from those of the School in independent administered funds

The pension cost charge represents contributions payable by the School to the funds and amounted to £142,159 (2011 £144,644)

There were no outstanding contributions payable to the funds at the year end

15. Related party transactions

Three governors of Old Buckenham Hall (Brettenham) Educational Trust Limited have children that attend the School. School fees are charged to these governors at the normal rates

Mr M Spinney, a governor of the School, received £4,074 for consultancy work with regards to the School's academic development

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2012

	2012		2011	
	£	£	£	£
INCOME				
Total fees received	2,431,466		2,382,640	
Sundry receipts	98,275		54,336	
		2,529,741		2,436,976
LESS: EXPENSES				
SCHOOL				
Employment teaching - main School	966,493		1,020,227	
Employment teaching - pre-prep	105,884		151,466	
Employment teaching - nursery	44,220		38,754	
Employment pensions	126,200		128,288	
Teaching materials	68,452		74,977	
Print, stationery and copier	33,194		17,201	
Promotion and marketing	33,476		39,441	
Prizes and gifts	2,912		1,214	
Training courses	7,803		5,933	
Games and entertainment	3,337		7,883	
Computer maintenance	31,855		32,719	
Subscriptions, doctors fees, etc	24,227		22,511	
Miscellaneous (sundry, play etc)	12,956		6,163	
		1,461,009		1,546,777
HOUSEHOLD				
Employment matrons	111,124		127,970	
Employment kitchen	59,110		50,892	
Employment domestic	191,816		185,906	
Employment pensions	3,218		5,503	
Provisions	145,124		124,128	
Laundry, cleaning and other	41,928		40,942	
Repairs and renewals	9,031		6,905	
		561,351		542,246
ADMINISTRATION				
Employment office	135,696		127,049	
Employment pensions	6,120		4,232	
Telephone and postage	14,910		16,312	
Audit and other professional fees	23,337		34,817	
Miscellaneous	13,198		11,763	
		193,261		194,173
PROPERTY				
Employment groundsman	69,298		69,132	
Employment maintenance	59,206		60,594	
Employment pensions	6,621		6,621	
Rent, rates and insurance	115,156		80,448	
Light and heat	111,655		97,125	
Property repairs	52,065		64,754	
Motor, tractor and travel	16,686		14,131	
Grounds	16,313		15,294	
Fixed assets – loss on disposal	1,015		-	
		448,015		408,099

OLD BUCKENHAM HALL (BRETtenham) EDUCATIONAL TRUST LIMITED
INCOME AND EXPENDITURE ACCOUNT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2012

	£	2012	£	£	2011	£
Depreciation			130,109			136,466
Bank charges and interest			60,427			52,193
Total expenses			2,854,172			2,879,954
Deficit			(324,431)			(442,978)