Registered number: 00910421
Charity number: 310490

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014

SATURDAY

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COMPANIES HOUSE

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

(A Company Limited by Guarantee)

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OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2014

The Governors who served during the year and since the year end are as follows:

M D Angela
N Bullen, Chairman (appointed 15 November 2013)
C M P Bush (resigned 20 March 2015)
Mrs C E A Crawshay
H G B Derrick
A Dixon - Smith (appointed 15 November 2013)
Mrs M R L Dowie
D Liddell (appointed 20 March 2015)
W Moore (appointed 15 November 2013)
N Page (appointed 17 November 2014)
Mrs K Pryke (appointed 20 March 2015)
C F Ross-Stewart
D J E Sewell
M St J Shallow
Mrs E L Shelley
M W Spinney (resigned 14 March 2014)

Company registered number

00910421

Charity registered number

310490

Registered office

Brettenham Park, Ipswich, Suffolk, IP7 7PH

Independent auditors

Larking Gowen, King Street House, 15 Upper King Street, Norwich, NR3 1RB

Bankers

Barclays Bank Plc, 52 Abbeygate Street, Bury St Edmonds, Suffolk, IP33 1LL

Solicitors

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

COUNCIL OF MEMBERS' REPORT FOR THE YEAR ENDED 31 AUGUST 2014

The Council Members (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Old Buckenham Hall (Brettenham) Educational Trust Limited (the company) for the ended 31 August 2014. The Governors confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

Governing document

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

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.

Governing body

The Council Members are elected on the basis of nominations received from various sources, with a view to maintaining a breadth and balance of experience, profession and gender.

Governors will usually be elected to serve for a period of three years, retiring by rotation on a three year cycle. Governors are eligible for re-election provided that no Governor will serve more than a total of nine years as a governor unless by special arrangement which will be reviewed annually thereafter. Any appointment beyond nine years will be voted on annually and will require the approval of the chairman and 75% of the other Governors.

All Council Members give of their time freely however remuneration was made to one member for professional services this year. Only one member of the board receives a fee discount.

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 & General Purposes 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 recommend polices for Governance and Education.

Objectives and Activities

Objects

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 guidance on public benefit.

Key aims and objectives

- To provide a safe, happy and 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.
- 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 is 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.

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% remission for a child who would benefit from boarding in a stable environment.

Strategic Report

Review of achievements and performance in the year

85% of Common Entrance exam papers scored an A or B grade in 2014. All pupils achieved entrance to their chosen senior schools and 6 Pupils achieved scholarships.

As a result of the launch of the OBH Society in June 2013, enough money was raised to commission and erect a War Memorial to commemorate those who had attended OBH and lost their lives in both the World Wars and conflicts since. This was completed and a dedication service held at OBH on 11th November 2013, to which members of the OBH Society were invited to join the whole school community.

Parents generously donated to an Astro Turf appeal and the beginning of the installation was started during the summer break and completed by February. This together with certain other facilities will be widely used by all pupils at OBH and the local and wider community.

Pupils continue to represent OBH in all areas of sporting, drama and music events. Several pupils have gained County recognition for their sporting prowess.

Fundraising performance

The Trust continues to raise funds for the education of pupils through the Jubilee Appeal, from lettings, the hire of sports facilities and the launch of the 'Astro Appeal.'

Financial review

Results for the year

The results for the year was net outgoing resources of £298,906 (2013: incoming £48,500); this after voluntary income towards the astro turf and war memorial appeals totalling £59,512.

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 an operating 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 1.1 to the accounts.

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

- Strategic planning for education
- Health and Safety
- Fire
- Security
- Safeguarding children

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).

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.

Plans for the future

Our specific objectives for 2014/15 and 2015/16 have been formulated by the Board of Governors in conjunction with the Headmaster and the School's management teams:

- Continue to review all areas of OBH life to ensure a leaner and more efficient business.
- Continue to develop other income streams using the school facilities.
- Maintain our strong links with the community through educational, spiritual, cultural and recreational events.
- Continue our academic focus of early identification and further support for potential scholarship pupils and other Year 8 candidates with an enhanced programme of preparation for senior school entrance.
- Continue to improve tracking of pupil achievement and value added.
- Offer Academic and all-rounder Scholarships to both internal and external candidates for entry in to Year 7 to boast academic profile.
- Create a scholarship programme for Music.
- Create a scholarship programme for Sport.
- Raise the profile of girls at OBH in order to increase numbers.

COUNCIL OF MEMBERS' REPORT FOR THE YEAR ENDED 31 AUGUST 2014 (CONTINUED)

COUNCIL OF MEMBERS' RESPONSIBILITIES STATEMENT

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

Company law requires the Council Members to prepare financial statements for each financial year. Under company law the Council Members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Council Members are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

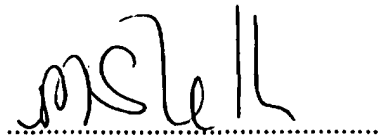
DISCLOSURE OF INFORMATION TO AUDITOR

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

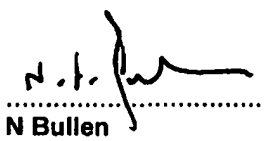
- so far as that Council Member is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and

- that Council Member has taken all the steps that ought to have been taken as a Council Member in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

This report, incorporating the Strategic Report, was approved by the Council of Members, in their capacity as company directors, on 29 May 2015 and signed on their behalf by:



M St J Shallow



N Bullen

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 2014 set out on pages 11 to 28. 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 opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

As explained more fully in the Governors' Responsibilities Statement, 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.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' 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 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OLD BUCKENHAM HALL (BRETTENHAM) 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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



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: 29 May 2015

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	Restricted funds 2014 £	General fund 2014 £	Total funds 2014 £	*Total funds 2013 £*
INCOMING RESOURCES					
Incoming resources from charitable activities	2	-	**2,661,919**	**2,661,919**	*2,766,762*
Voluntary income	3	**59,512**	**2,383**	**61,895**	*285,299*
Incoming resources from generated funds:					
Activities for generating funds	4	-	**37,049**	**37,049**	*47,425*
TOTAL INCOMING RESOURCES		**59,512**	**2,701,351**	**2,760,863**	*3,099,486*
RESOURCES EXPENDED					
Charitable activity					
School operating costs	5				
Teaching		-	**1,652,526**	**1,652,526**	*1,609,846*
Household		-	**517,121**	**517,121**	*566,352*
Property		-	**544,070**	**544,070**	*542,608*
Support and administration		-	**232,532**	**232,532**	*215,503*
Financing costs		-	**73,867**	**73,867**	*98,588*
Governance costs		-	**39,653**	**39,653**	*18,089*
TOTAL RESOURCES EXPENDED		-	**3,059,769**	**3,059,769**	*3,050,986*
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFER		**59,512**	**(358,418)**	**(298,906)**	*48,500*
Transfer between funds	14	**(338,915)**	**338,915**	-	-
NET INCOMING/(OUTGOING) RESOURCES		**(279,403)**	**(19,503)**	**(298,906)**	*48,500*
Total funds at 1 September 2013		*279,403*	*1,690,011*	*1,969,414*	*1,920,914*
TOTAL FUNDS AT 31 AUGUST 2014		-	**1,670,508**	**1,670,508**	*1,969,414*

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 14 to 28 form part of these financial statements.

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

(A Company Limited by Guarantee)
REGISTERED NUMBER: 00910421

BALANCE SHEET
AS AT 31 AUGUST 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	9		**3,957,568**		*3,722,617*
CURRENT ASSETS					
Stocks	10	**11,383**		*21,823*	
Debtors	11	**90,644**		*119,696*	
Cash at bank and in hand		**6,674**		*280,165*	
		108,701		*421,684*	
CREDITORS: amounts falling due within one year	12	**(1,255,741)**		*(1,093,493)*	
NET CURRENT LIABILITIES			**(1,147,040)**		*(671,809)*
TOTAL ASSETS LESS CURRENT LIABILITIES			**2,810,528**		*3,050,808*
CREDITORS: amounts falling due after more than one year	13		**(1,140,020)**		*(1,081,394)*
NET ASSETS			**1,670,508**		*1,969,414*
CHARITY FUNDS					
Restricted funds	14		-		*279,403*
General fund	14		**1,670,508**		*1,690,011*
TOTAL FUNDS			**1,670,508**		*1,969,414*

The financial statements were approved by the Council of Members on 29 May 2015 and signed on their behalf, by:

M St J Shallow **N Bullen**

The notes on pages 14 to 28 form part of these financial statements.

OLD BUCKENHAM HALL (BRETTENHAM) EDUCATIONAL TRUST LIMITED

(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	16	**24,228**	*336,671*
Returns on investments and servicing of finance	17	**(73,867)**	*(95,745)*
Capital expenditure and financial investment	17	**(362,702)**	*(12,974)*
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		**(412,341)**	*227,952*
Financing	17	**(8,105)**	*272,889*
(DECREASE)/INCREASE IN CASH IN THE YEAR		**(420,446)**	*500,841*

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT
FOR THE YEAR ENDED 31 AUGUST 2014

	2014 £	2013 £
(Decrease)/Increase in cash in the year	**(420,446)**	*500,841*
Cash outflow from decrease in debt and lease financing	**8,105**	*(272,889)*
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	**(412,341)**	*227,952*
New finance leases	**-**	*(18,674)*
MOVEMENT IN NET DEBT IN THE YEAR	**(412,341)**	*209,278*
Net debt at 1 September 2013	**(1,146,352)**	*(1,355,630)*
NET DEBT AT 31 AUGUST 2014	**(1,558,693)**	*(1,146,352)*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The Banks 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 facilities will be met for the foreseeable future, and the School is well placed to manage its business risk. The current capital loan repayment holiday is explained further in note 12. The going concern basis of accounting has therefore continued to be adopted.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Governors named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Incoming resources

Fee income

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

Other ancillary trading income and income from generated funds

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

1.4 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

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 Trustees.

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

1.5 Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	School Buildings and and facilities of specific nature - 4% straight line, General School Buildings 2% on a straight line basis down to residual value
Motor vehicles	-	25% reducing balance
Fixtures & fittings	-	straight line over two to five years
Computer equipment	-	25% straight line

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

Land is not depreciated.

1.7 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 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.

1.8 Stocks

Stocks are valued at the lower of cost and market value.

1. ACCOUNTING POLICIES (continued)

1.9 Pensions

The school contributes to the Teachers' Pension Scheme, a contributory scheme administered by Teachers' Pensions on behalf of the Department for Education. Contributions are made at rates set by the Government's actuary and advised to the school by the scheme administrator.

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.

1.10 Advanced fee 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.

2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted funds 2014 £	General fund 2014 £	Total funds 2014 £	*Total funds 2013 £*
Gross fees	-	**3,104,290**	**3,104,290**	*3,215,368*
Less: Bursaries and other allowances	-	**(489,597)**	**(489,597)**	*(476,907,*
Other incoming resources	-	**47,226**	**47,226**	*28,301*
	-	**2,661,919**	**2,661,919**	2,766,762

3. VOLUNTARY INCOME

	Restricted funds 2014 £	General fund 2014 £	Total funds 2014 £	*Total funds 2013 £*
Donations	**59,512**	**2,383**	**61,895**	*285,299*

4. FUNDRAISING INCOME

	Restricted funds 2014 £	General fund 2014 £	Total funds 2014 £	*Total funds 2013 £*
Lettings income	-	37,049	37,049	*47,425*

5. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Restricted funds 2014 £	General fund 2014 £	Total funds 2014 £	*Total funds 2013 £*
School	-	1,652,526	1,652,526	*1,609,846*
Household	-	517,121	517,121	*566,352*
Property	-	544,070	544,070	*542,608*
Support & administration	-	272,185	272,185	*233,592*
Finance costs	-	73,867	73,867	*98,588*
	-	3,059,769	3,059,769	*3,050,986*

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2014 £	Depreciation 2014 £	Other costs 2014 £	Total 2014 £	*Total 2013 £*
School	1,433,536	19,372	199,618	1,652,526	*1,609,846*
Household	338,199	5,698	173,224	517,121	*566,352*
Property	140,436	93,565	310,069	544,070	*542,608*
Support & administration	155,803	9,116	107,266	272,185	*233,592*
Finance costs	-	-	73,867	73,867	*98,588*
	2,067,974	127,751	864,044	3,059,769	*3,050,986*

6. STAFF COSTS

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	1,795,986	1,766,607
Social security costs	118,140	121,187
Teachers' pension costs	137,959	135,103
Other pension costs	15,889	19,834
	2,067,974	2,042,731

The average monthly number of employees during the year was as follows:

	2014 No.	2013 No.
Teaching staff	39	42
Other staff	50	50
	89	92

The number of higher paid employees was:

	2014 No.	2013 No.
In the band £70,001 - £80,000	1	1

7. NET INCOME / (EXPENDITURE)

This is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	123,963	104,766
- finance leased assets depreciation	3,788	3,788
Total Depreciation	127,751	108,554
Auditors' remuneration (current year)	9,875	9,500
Auditors' remuneration (prior year)	6,085	-

During the year, no Governors received any remuneration (2013 - £Nil).
During the year, no Governors received any benefits in kind (2013 - £Nil).
During the year, no Governors received any reimbursement of expenses (2013 - £Nil).

8. INTEREST PAYABLE

	2014 £	*2013 £*
Interest payable and similar charges	73,867	*54,736*

9. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost					
At 1 September 2013	4,236,710	112,975	608,926	152,124	5,110,735
Additions	340,629	231	17,353	4,489	362,702
At 31 August 2013	4,577,339	113,206	626,279	156,613	5,473,437
Depreciation					
At 1 September 2013	685,898	105,405	460,063	136,752	1,388,118
Charge for the year	88,588	1,969	28,048	9,146	127,751
At 31 August 2014	774,486	107,374	488,111	145,898	1,515,869
Net book value					
At 31 August 2014	3,802,853	5,832	138,168	10,715	3,957,568
At 31 August 2013	*3,550,812*	*7,570*	*148,863*	*15,372*	*3,722,617*

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2014 £	*2013 £*
Fixtures, fittings & equipment	10,996	*12,371*
Computer equipment	3,638	*6,051*
	14,634	*18,422*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

10. STOCKS

	2014 £	2013 £
Food and housekeeping supplies	-	731
School books and stationery	-	180
Heating oil	11,383	17,912
Materials	-	3,000
	11,383	21,823

11. DEBTORS

	2014 £	2013 £
Fees outstanding	73,760	75,078
Other debtors	12,618	6,618
Prepayments and accrued income	4,266	38,000
	90,644	119,696

12. CREDITORS:
Amounts falling due within one year

	2014 £	2013 £
Bank loans and overdrafts	592,054	445,099
Trade creditors	73,448	97,544
Accruals and deferred income	130,931	42,592
Taxation and social security payable	37,189	36,906
Fees in advance	408,304	455,383
Deposits	13,815	9,900
Net obligations under finance leases and hire purchase contracts	-	6,069
	1,255,741	1,093,493

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

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

The current loan repayment holiday was scheduled to end in August 2014; however, detailed discussions have taken place with the Bank who has confirmed that the capital repayments will be deferred for another 12 months.

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

	2014 £	*2013 £*
Bank loans	**963,900**	*963,900*
Deposits	**28,048**	*26,500*
Fees in advance	**138,659**	*79,545*
Net obligations under finance leases and hire purchase contracts	**9,413**	*11,449*
	1,140,020	*1,081,394*

All deposits and fees in advance are due within 2-5 years.

Included within the above are amounts falling due as follows:

Between one and two years	2014 £	*2013 £*
Bank loans	**-**	*23,333*
Between two and five years		
Bank loans	**963,900**	*940,567*

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2014 £	*2013 £*
Between one and five years	**9,413**	*11,449*

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

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

14. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfer	Carried Forward
General fund	1,690,011	2,701,351	(3,059,769)	338,915	1,670,508
Restricted funds	279,403	59,512	-	(338,915)	-
Total of funds	1,969,414	2,760,863	(3,059,769)	-	1,670,508

The restricted funds represent monies that were earmarked for the development of an astro-turf pitch and to pay for a war memorial at the school. The transfer between funds relates to the astro-turf facility war memorial, which have been completed and so transferred to general funds.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2014 £	General fund 2014 £	Total funds 2014 £	*Total funds 2013 £*
Tangible fixed assets	-	3,957,568	3,957,568	*3,722,617*
Current assets	-	108,701	108,701	*421,684*
Creditors due within one year	-	(1,255,741)	(1,255,741)	*(1,093,493)*
Creditors due in more than one year	-	(1,140,020)	(1,140,020)	*(1,081,394)*
	-	1,669,478	1,670,508	*1,969,414*

16. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	*2013 £*
Net incoming/(outgoing) resources before revaluations	(298,906)	*48,500*
Returns on investments and servicing of finance	73,867	*95,745*
(Profit)/Loss on sale of fixed assets	-	*(137)*
Depreciation of tangible fixed assets	127,751	*108,554*
Decrease in stocks	10,440	*683*
Decrease in debtors	29,052	*97,335*
Increase/ (decrease) in creditors	82,024	*(14,009)*
Net cash (outflow)/inflow from operations	24,228	*336,671*

17. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest paid	(73,867)	(95,745)

	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(362,702)	(13,658)
Sale of tangible fixed assets	-	684
Net cash outflow capital expenditure	(362,702)	(12,974)

	2014 £	2013 £
Financing		
New secured loans	-	963,900
Repayment of loans	-	(685,749)
Repayment of finance leases	(8,105)	(5,262)
Net cash inflow from financing	(8,105)	272,889

18. ANALYSIS OF CHANGES IN NET DEBT

	1 September 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	280,165	(273,491)	-	6,674
Bank overdraft	(445,099)	(146,955)	-	(592,054)
	(164,934)	(420,446)	-	(585,380)
Debt:				
Finance leases	(17,518)	8,105	-	(9,413)
Debts due within one year	-	-	-	-
Debts falling due after more than one year	(963,900)	-	-	(963,900)
Net debt	(1,146,352)	(412,341)	-	(1,558,693)

19. CAPITAL COMMITMENTS

At 31 August 2014 the company had capital commitments as follows:

	2014 £	2013 £
Contracted for but not provided in these financial statements	-	343,961

20. PENSION COMMITMENTS

The school operates three pension schemes as disclosed in accounting policy note 1-9.

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 £153,848 (2013: £154,937).

Contributions outstanding at the year end were £25,075 (2013: £21,020) to the funds at the year end.

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £147,917 (2013: £148,817) and at the year-end £18,934 (2013: £18,409) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 and, from 1 April 2014, the Teachers' Pension Scheme Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report in respect of the TPS was prepared at 31 March 2012 and was published in June 2014. This report confirmed that the employer contribution rate for the TPS will increase from 14.1% to 16.4% although, recognising that teaching establishments work on an academic and not financial year, the Government has deferred the implementation of this increase to 1 September 2015.

The Department of Education is also proposing that scheme administration costs will be devolved to scheme employers in the form of an administration charge. The Department provisionally estimates that the administration charge will be 0.08% of the employers' salary costs which would increase the employer payment rate from 16.4% to 16.48%.

The next revision to the employer contribution rate is not expected to take effect until 1 April 2019. This will follow on from the next actuarial valuation which is due at 31 March 2016. 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.

21. OPERATING LEASE COMMITMENTS

At 31 August 2014 the company had annual commitments under non-cancellable operating leases as follows:

	2014 £	*2013* *£*
Expiry date:		
Within 1 year	-	*1,688*
Between 2 and 5 years	34,956	*18,196*

22. RELATED PARTY TRANSACTIONS

Four 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.

Mrs M Dowie, a governor at the school, provided marketing assistance during the year totalling £12,240. This was through Dowie and Company Limited, a company that she is a director of.