

**MICHAEL HOUSE ASSOCIATION LIMITED  
A STEINER WALDORF SCHOOL**

**A COMPANY LIMITED BY GUARANTEE**

**TRUSTEES REPORT  
AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> AUGUST 2014**

**COMPANY NUMBER 515882  
CHARITY NUMBER 527187**

**SLANEY & CO  
CHARTERED ACCOUNTANTS  
26 ST JOHN STREET  
MANSFIELD  
NG18 1QJ**

FRIDAY



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COMPANIES HOUSE

**FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> AUGUST 2014**

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# MICHAEL HOUSE ASSOCIATION LIMITED

## TRUSTEES ANNUAL REPORT 2013-2014

The Trustees, who are also directors for the purposes of Company Law, present their report and the audited financial statements of the charity for the year ended 31<sup>st</sup> August 2014.

### REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity name	Michael House Association Limited
Charity registration number	527187
Company registration number	515882
Principal & registered office	The Field, Shipley, Derbyshire, DE75 7JH

### TRUSTEES

- A. Featherstone (appointed 10<sup>th</sup> December 2013)
- N. Gamble (appointed 17<sup>th</sup> June 2013)
- M. Gregory (appointed 17<sup>th</sup> June 2013: resigned 16<sup>th</sup> April 2014)
- S. Holbrook (appointed 11<sup>th</sup> December 2014)
- M. Turner (appointed 17<sup>th</sup> June 2013 resigned 11<sup>th</sup> December 2014)

### ACCOUNTANTS / INDEPENDENT AUDITORS

Slaney & C<sup>o</sup>. Chartered Accountants  
26 St. John Street,  
Mansfield,  
Nottingham  
NG18 1QJ

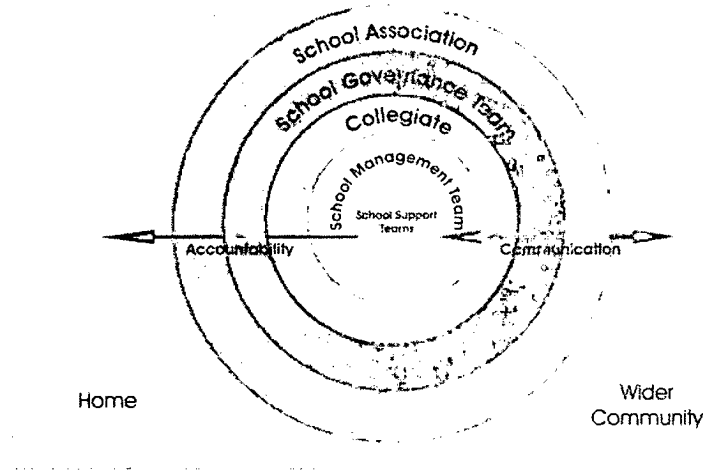
### BANKERS

HSBC Bank plc  
63 Bath Street  
Ilkeston  
Derby  
DE7 8DD

The Co-operative Bank plc  
PO Box 250  
Delf House  
Southway  
Skelmersdale  
WN8 6WT

## STRUCTURE, GOVERNANCE & MANAGEMENT

The School is managed and governed following an Associative Leadership management model, which is clearly set out in The Michael House School Constitution (Version 2.0 dated 9<sup>th</sup> January 2012). The organisational diagram is reproduced here.



Management of the School is vested in the School Management Team (SMT), responsibility being delegated from the School Governance Team (Trustees of Michael House Association Limited). The SMT is accountable to the School Governance Team. School Support Teams are accountable to the SMT, with responsibility for specific areas of operation. All decisions are made and major risks are reviewed and managed by these teams or passed towards the School Governance Team through the SMT. Final responsibility rests with the School Governance Team.

The Board of Trustees (the Board) is an elected body responsible for the legal and financial workings of the Michael House Association Limited, and hence the school, in accordance with the principles set out by the Charity Commission. It is responsible for ensuring effective governance is applied in the operation of the school. It has responsibility for finance, development and management of assets and is also responsible for ensuring that the operation of Michael House Association Limited complies with legislative requirements.

As a Steiner Waldorf School, Michael House also has a Collegiate which has delegated responsibility for pedagogical matters and direct responsibility for the appointment of members to the SMT. Within this method, Collegiate would in normal practice make recommendations to the Board through SMT which is responsible for managing the school. Any proposals will be considered by the Board in consultation and with regard for development plans and Ethos & Culture. The Governance Team holds the SMT accountable for teaching and learning outcomes.

## OBJECTIVES & ACTIVITIES

In line with the Memorandum of Association, the principal activity during the year continued to be to provide for and conduct the education of children in line with the principles and methods enunciated by Rudolf Steiner.

### SCHOOL ACTIVITIES

As scheduled, the School opened for its Seventy Ninth year of serving the community on 9<sup>th</sup> September 2013, after extensive efforts by staff and parents to prepare the school for another academic year. As always, the school received strong support from the Steiner Waldorf Schools Fellowship whose advice and guidance proved invaluable.

The popular Michaelmas festival at the end of September was celebrated throughout the school.

The school drama group, which had been active over the summer months, performed *Much Ado About Nothing* at the Lakeside Arts Centre, Nottingham on 17<sup>th</sup> October as part of the Shakespeare Schools Festival.

The annual Martinmas Lantern Walk for children up to Class 5 took place during November, attended by many pupils, parents and staff. On 23<sup>rd</sup> November the termly Festival of Work was held, at which parents and visitors celebrated the many talents of pupils in all classes in the school.

The Advent Fair held this year on 7<sup>th</sup> December remains one of the main events in the school calendar, raising substantial funds and welcoming many visitors from the local community. The Association Annual General Meeting was held on 10<sup>th</sup> December and on 20<sup>th</sup> December, the last day of the Christmas term, staff performed the traditional Christmas plays from Oberufer to an appreciative audience of parents and friends.

Easter term began on 13<sup>th</sup> January. A Vintage Fair (the annual Spring Fair with a vintage twist) was held on 22<sup>nd</sup> March, once again raising funds for the school and welcoming children, parents and the local community. The Festival of Work was held on 5<sup>th</sup> April and the term ended on 11<sup>th</sup> April.

The summer term began on 6<sup>th</sup> May. May saw a series of weekend Craft Workshops and, on 21<sup>st</sup> and 22<sup>nd</sup> May Class 8 presented their play, *The House of Frankenstein* before departing, on 8<sup>th</sup> June, for their trip to Iceland. The Summer Fair, themed as 'A Day at the Beach', was held on 21<sup>st</sup> June and Class 5 attended the Olympics at Michael Hall, from 25<sup>th</sup> to 28<sup>th</sup> June. The last Festival of Work for the 2013-14 year on 13<sup>th</sup> July celebrating the achievements of pupils across the school and bringing the whole community together. Term ended on 18<sup>th</sup> July.

GCSE examinations were taken by Class 10 pupils in a range of subject areas.

Winter saw some low temperatures and snow, resulting in high heating costs.

At year end the staff compliment numbered 36.

Community work days continued throughout the year at which repairs, improvements and enhancements were made to the school. These days continue to provide valuable support to the school.

**DEVELOPMENT ACTIVITIES**

Work continued over the year, implementing the new management structure for the school (Associative Leadership), increasing accountability and operational effectiveness.

The Collegiate, a staff body, ensures that the Steiner Waldorf ethos remains at the heart of all school activity. Effective running of the school cannot be achieved without the active support of other groups being established across the school, including parents from the wider community.

The Council of Management continued to support this way of running the school.

**PERFORMANCE**

The school achieved a higher proportion of GCSE Grades A\* - C than the average across England

Year	Nº of Eligible Students	% achieving 5 or more GCSE Grades A*-C (including Maths & English)	All England % achieving 5 or more GCSE Grades A*-C (including Maths & English)
2009	13	69%	50%
2010	6	83%	53%
2011	9	67%	58%
2012	11	91%	59.4%
2013	10	60%	58.6%
2014	12	75%	53.4%

**FINANCIAL REVIEW**

The financial position of the Association is shown in the accompanying Statement of Accounts and Notes.

The £32,000 decrease in 2013-2014 income from the previous year is attributable to £24,000 less in donations (2012-2013: £28,000. 2013-2014:£4,000) and £8,000 decrease in fee income from charitable activity.

Income from fund raising activity has increased slightly from the previous year; being up by 5% (£645).

In summary, operation resulted in a shortfall of £15,862, which includes depreciation at £15,884 and loan interest at £10,945.

The finances of the school continue to be tightly managed against an agreed budget with regular revenue and cash forecasts, and control of potential parental debt arising from the challenging financial climate felt by all. The scholarship scheme continued, enabling a small number of children to attend the school who would not otherwise have been able to.

## PUBLIC BENEFIT

The Trustees of Michael House Association Limited confirm that due regard has been paid to the Charity Commission's guidance on public benefit in deciding to undertake the above and all other activities this year. These activities support the Association's stated aim of providing Steiner education for children.

Throughout the year, the Association has sought to provide a Steiner education to as wide a range of children as possible regardless of their family's financial circumstances so providing as much benefit as possible within the constraints of the resources available. This is strongly illustrated by the number of children for whom the full fees are not paid and the consequent financial support provided by the school (this has continued at a similar level to previous years, being in the region of 20% of the fully invoiceable fees).

The end of year deficit demonstrates that it would be unsustainable for the school to provide a greater number of assisted places or reduce its standard fees from the current levels, which are already less than half of other typical fee-paying schools in the area.

The Trustees support the active promotion of use of the school's facilities for public benefit, which has resulted in some hires of the school hall.

The Trustees consider that these factors demonstrate that the opportunity to benefit from the education provided under the aims of the Association is not unreasonably restricted, given the financial resources available to the Association.

## PLANS FOR FUTURE PERIODS

The main foci for the academic year 2014 - 2015 include the items below:

- Continuation of the programme of control of fees debt;
- Continuing the extension of the under 12<sup>s</sup> after school provision, in line with the business plan wrap-around care philosophy;
- Continuation of the extension of professional development opportunities for all staff;
- Implementation and further development of the Associative Leadership model of school governance enabling the School Management Team and Support Teams to operate effectively, and including the recruitment of additional suitably qualified trustees to oversee the new model.

## RESERVES POLICIES

Total reserves, as at 31<sup>st</sup> August 2014, were £224,580 the value of tangible assets & cash in the bank after application of future debts to be repaid to, and future credits to be paid out by the Association.

Fixed (tangible) assets were £233,682 (historic cost £571,088 less depreciation of £169,065 a net value of £402,023 less secured mortgage of £183,286); the investment at cost of £3,701 together with £7,677 held as cash and funds at the bank. Debts owed to the Association (£46,631) less credits to be paid out (£52,166) left £5,535 net credits owed by the Association. The aggregate of these four amounts gives the total reserves figure of £224,580.

Reserves are required to provide contingency ensuring continuation of current activities together with enabling development towards medium and long term aims (current operation taking priority). The Trustees consider these reserves do not provide adequate contingency. Cash reserves should, ideally, provide for supporting the operation of the school over one whole term. Effort is currently being applied to lift these reserves to an adequate level.

**RESPONSIBILITIES OF TRUSTEES**

The Trustees (who are also directors of Michael House Association Limited for the purposes of company law) are responsible for preparing the Trustees Annual 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 Trustees to prepare financial statements for each financial year which are a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles of 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;
- Comply with the duty of Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

The Trustees 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. The Trustees 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.

**INDEPENDENT AUDITORS**

Messrs. Slaney & Co. will continue in office as independent auditors for the ensuing year.

**SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within part 15 of the Companies Act 2006.

**Registered Office:**

The Field

Shipley

Derbyshire

DE75 7JH

**Signed**

Ann Featherstone

29<sup>th</sup> July 2015



Nigel Gamble (Chair of Trustees)

29<sup>th</sup> July 2015



**A company limited by guarantee****Independent Auditor's Report to the Trustees of Michael House Association Limited.**

We have audited the financial statements of Michael House Association Limited for the year ended 31st August 2014, which comprise the Statement of Financial Activities, (Incorporating the Summary Income and Expenditure Account), the Balance Sheet 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).

**Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees Responsibilities Statement, 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 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 a 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 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 31st 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 Practices; and
- have been prepared in accordance with the requirements of the Company Act 2006.

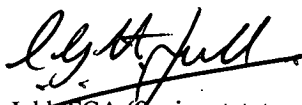
**Opinion on other matter prescribed by the Companies Act 2006**

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

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.



Christopher Jobb FCA (Senior statutory auditor)

For and on behalf of Slaney & Co, Statutory Auditor

Date: 29<sup>th</sup> July 2015

Slaney & Co., Chartered Accountants

26 St John Street

Mansfield, Notts, NG18 1QJ

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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE  
INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED  
31ST AUGUST 2014

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generating funds:					
Voluntary income	2	4,320	475	4,795	28,801
Activities for generating funds	3	14,466	-	14,466	13,821
Investment Income	4	117	-	117	122
Incoming resources from charitable activities	5	<u>473,569</u>	<u>-</u>	<u>473,569</u>	<u>482,437</u>
<b>TOTAL INCOMING RESOURCES</b>		<u>492,472</u>	<u>475</u>	<u>492,947</u>	<u>525,181</u>
<b>RESOURCES EXPENDED</b>					
Charitable activities	6	( 494,164 )	( 225 )	( 494,389 )	( 513,038 )
Governance costs	8	( 14,420 )	-	( 14,420 )	( 14,874 )
<b>TOTAL RESOURCES EXPENDED</b>		<u>( 508,584 )</u>	<u>225</u>	<u>( 508,809 )</u>	<u>( 527,912 )</u>
NET INCOMING / (OUTGOING) RESOURCES FOR THE YEAR / NET INCOME / (EXPENDITURE) FOR THE YEAR					
RECONCILIATION OF FUNDS		( - 16,112 )	250	( - 15,862 )	( 2,731 )
Total funds brought forward		<u>239,167</u>	<u>1,275</u>	<u>240,442</u>	<u>243,173</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>223,055</u>	<u>1,525</u>	<u>224,580</u>	<u>240,442</u>

All of the above amounts relate to continuing activities.

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

The notes on pages 12 to 17 form part of these financial statements.

Michael House Association Limited

Company Number 515882

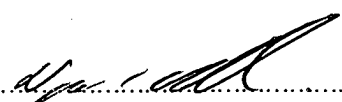
Charity Number 527187

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**BALANCE SHEET AS AT  
31ST AUGUST 2014**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
<b>FIXED ASSETS</b>					
Tangible assets	11	402,023	-	402,023	417,907
Investments	12	3,701	-	3,701	3,701
		<u>405,724</u>		<u>405,724</u>	<u>421,608</u>
<b>CURRENT ASSETS</b>					
Debtors	13	46,631	-	46,631	40,620
Cash at bank and in hand		2,402	5,275	7,677	6,196
		<u>49,033</u>	<u>5,275</u>	<u>54,308</u>	<u>46,816</u>
<b>CREDITORS: Amounts falling due within one year</b>	14	( 53,055 )	( 250 )	( 53,305 )	( 40,681 )
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		( - 4,022 )	5,025	1,003	6,135
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>401,702</u>	<u>5,025</u>	<u>406,727</u>	<u>427,743</u>
<b>CREDITORS: amounts falling due after more than one year</b>	15	( 178,647 )	( 3,500 )	( 182,147 )	( 187,301 )
<b>NET ASSETS</b>		<u>223,055</u>	<u>1,525</u>	<u>224,580</u>	<u>240,442</u>
<b>FUNDS</b>					
Unrestricted income funds	17	223,055	-	223,055	239,167
Restricted income Funds	17	-	1,525	1,525	1,275
<b>TOTAL FUNDS</b>		<u>223,055</u>	<u>1,525</u>	<u>224,580</u>	<u>240,442</u>

The financial statements, which have been prepared in accordance with special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved by the Trustees on 29th July 2015 and signed on their behalf:

  
 .....  
 N. Gamble  
 Trustee  
 On behalf of the Trustees

The notes on pages 12 to 17 form part of these financial statements.

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

1 **ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March (SORP 2005) and the Companies Act 2006.

**Cash flow statements**

The trustees have taken advantage of the exemption in Financial Reporting Standard No1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

**Fund Accounting**

**Restricted funds** are funds, which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There are currently a number of small restricted funds.

**Unrestricted income funds** comprise those funds, which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds can include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Further details of restricted funds are disclosed in note 17.

**Incoming Resources**

Donations, legacies and similar incoming resources

These are included in the Statement of Financial Activities (SOFA) when:

- a) the charity becomes entitled to the donation, legacy or similar income and any conditions for receipt are met;
- b) the trustees are reasonably certain they will receive it; and
- c) the trustees are reasonably certain that the value can be reliably measured.

Investment Income: and any associated Tax Credits are included when receivable.

**Expenditure and Liabilities**

Liability Recognition, resources expended

Generally liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category.

Charitable Activities: these costs comprise salaries, establishment and school overheads.

Governance Costs: comprise all separately identifiable cost involving the public accountability of the charity and its compliance with regulation and good practice. The costs include the compilation costs of the Accounts under SORP 2005 and bank loan interest and charges.

**Fixed Assets**

All fixed assets are initially recorded at cost, where the individual value exceeds £600, and they have an economic life of more than one year.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Land	-	Not depreciated
Buildings	-	2% straight line basis
School furnishings and equipment	-	15% on reducing balance
Building improvements	-	5% straight line basis
Nursery establishment	-	20% straight line basis
Computer equipment	-	20% straight line basis

a company limited by guaranteeNOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31ST AUGUST 2014**Operating Lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charges against profits on a straight line basis over the period of the lease.

**Pension costs**

The company operated a defined contribution pension scheme for employees which was closed to new members from 1st January 2009 (see note 16). The assets of the scheme are held separately from those of the company. The annual contributions payable are charges to the statement of financial activities.

A separate defined contribution pension scheme (with Scottish Equitable) commenced in 2010.

**COMPANY LIMITED BY GUARANTEE**

Michael House Association Limited constituted as a company limited by guarantee (Company Registration No. 515882) and is a charity registered for charitable purposes with the Charity Commission (Charity Registration No. 527187).

**LIABILITY OF MEMBERS**

In the event of the Association being wound up during the period of membership or within the year following, the company members are required to contribute an amount not exceeding £1 each.

**2 VOLUNTARY INCOME**

	Restricted Funds £	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Donations				
Gifts and Donations	-	4,320	4,320	28,551
Grants - training	225	-	225	-
Deferred income - Green grant for lights	250	-	250	250
	<u>475</u>	<u>4,320</u>	<u>4,795</u>	<u>28,801</u>

Grant income for lights, deferred over same period as asset depreciated.

**3 INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Fundraising events	14,466	14,466	13,821

**4 INVESTMENT INCOME**

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Bank Interest receivable	18	18	17
Dividends received on Depositary receipts	99	99	105
	<u>117</u>	<u>117</u>	<u>122</u>

**5 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
School fees	473,569	473,569	482,437

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

**6 COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE**

	Restricted Funds £	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Michael House School	225	494,164	494,389	513,038

**7 COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE**

	Activites undertaken directly £	Total Funds 2014 £	Total Funds 2013 £
Michael House School	494,389	494,389	513,038

**8 GOVERNANCE COSTS**

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Accountancy fees	3,346	3,346	3,524
Bank charges	49	49	60
Loan arrangement fee	80	80	80
Loan Interest	10,945	10,945	11,210
	<u>14,420</u>	<u>14,420</u>	<u>14,874</u>

No Trustees have claimed or been paid expenses in the year.

**9 NET OUTGOING RESOURCES FOR THE YEAR**

This is stated after charging:	2014 £	2013 £
Staff Pension contributions	32,277	31,015
Auditor's Remuneration	1,025	1,000
Depreciation	<u>15,884</u>	<u>16,204</u>

**10 STAFF COSTS AND EMOLUMENTS**

Total staff costs were as follows:	2014 £	2013 £
Wages and salaries	308,973	350,720
Social Security Costs	11,668	16,268
Other pension costs	32,277	31,015
All staff costs relate to the main charitable activity	<u>352,918</u>	<u>398,003</u>
Particulars of employees	2014 No	2013 No
Average number of staff	<u>36</u>	<u>36</u>

No employee received emoluments of more than £60,000 during the year (2013 - NIL).

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

11 TANGIBLE FIXED ASSETS

	<u>Land and Buildings</u>	<u>Building Improvements</u>	<u>Nursery Establishment</u>	<u>Computer Equipment</u>	<u>School Furnishings and Equipment</u>	<u>Total</u>
	£				£	£
<b>COST</b>						
At 1st September 2013	318,307	171,320	2,668	9,006	69,787	571,088
Additions	-	-	-	-	-	-
At 31st August 2014	318,307	171,320	2,668	9,006	69,787	571,088
<b>DEPRECIATION</b>						
At 1st September 2013	53,887	33,138	2,136	6,247	57,773	153,181
Charge for the year	3,183	8,566	532	1,801	1,802	15,884
At 31st August 2014	57,070	41,704	2,668	8,048	59,575	169,065
<b>NET BOOK VALUE</b>						
At 31st August 2014	261,237	129,616	-	958	10,212	402,023
At 31st August 2013	264,420	138,182	532	2,759	12,014	417,907

The land and buildings are likely to have a market value considerably in excess of their historic cost, as they are unique assets it has not been possible to quantify this value at the year end.

Included above are assets with a net book value of £390,853 which are security for the bank loan in notes 14 and 15.

12 INVESTMENTS

	2014 £	2013 £
Historic cost at 31st August 2014 (Market value is not available)	3,701	3,701
Analysis of investments at 31st August 2014 between funds		
	Total Funds 2014 £	Total Funds 2013 £
Dutch bank - Unlisted investment at historic cost	3,701	3,701

13 DEBTORS

	2014 £	2013 £
Trade debtors	31,830	25,966
Other debtors	822	-
Prepayments	13,979	14,654
	46,631	40,620

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

<b>14 CREDITORS: Amounts falling due within one year</b>	2014	2013
	£	£
Trade creditors	25,032	19,494
Accruals and deferred income	23,634	16,812
Mortgage secured on freehold premises	4,639	4,375
	<u>53,305</u>	<u>40,681</u>
<b>15 CREDITORS: amounts falling due after more than one year</b>	2014	2013
	£	£
Deferred income (Restricted fund)	3,500	3,750
Mortgage secured on freehold premises	178,647	183,551
	<u>182,147</u>	<u>187,301</u>

At the current rate of repayment the mortgage matures after more than 5 years from the balance sheet date. The mortgage outstanding at the end of the year is £183,286 (2013 £187,926) and include instalments due after more than five years of £160,090 (2013 £166,053).

**16 PENSIONS**

The charity provides a pension scheme providing benefits based on final pensionable pay. The fund was closed to new members from 1st January 2009.

The assets of the scheme are held separately from those of the charity, being invested as part of the Mercury Provident Pension Scheme. This is a Multi Employer Scheme. Because of the large number of participating employers and the variety of their financial reporting dates, it is not deemed practicable or financially viable to produce the information necessary to allow participating employers to comply full with the requirements of Financial Reporting Standard 17. Therefore in accordance with FRS17 the contributions are accounted for as a defined contribution scheme.

The latest triennial valuation was at 31 March 2007 which indicated a past services deficit of £4.87m for the scheme overall.

**17 FUNDS**

	Balance at 01.09.13 £	Incoming resources £	Outgoing resources £	Balance at 31.8.14 £
Restricted Income Funds (see below)	1,275	475 (	225 )	1,525
Unrestricted Income Funds	<u>239,167</u>	<u>492,472 (</u>	<u>508,584 )</u>	<u>223,055</u>
	<u>240,442</u>	<u>492,947 (</u>	<u>508,809 )</u>	<u>224,580</u>

Restricted Income Funds

Fund Name:	Fund Balance Brought forward £	Incoming resources £	Deferred Income £	Outgoing resources £	Fund Balance carried forward £
Training	-	225	-	( 225 )	-
Green Grant for lights	1,000	250	-	-	1,250
Supper for Seats	275	-	-	-	275
	<u>1,275</u>	<u>475</u>	<u>-</u>	<u>( 225 )</u>	<u>1,525</u>
Current Assets					

The above amounts are a summary of the results of donations made to the school in past years, the income and



a company limited by guaranteeNOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31ST AUGUST 2014**17 FUNDS (CONTINUED)**

The Restricted Income Funds amounts are not regarded as "material" and are therefore not shown separately in the Statement of Financial Activities as to do so would incur costs out of proportion to the benefits to the School and to users of these Accounts. Materiality is set out in the Glossary of SORP 2005 as "the final test of what information should be given in a particular set of accounts. An item of information is material to the accounts if its misstatement or omission might reasonably be expected to influence the economic decisions of users of those accounts, including their assessments of stewardship. Immaterial information will need to be excluded to avoid clutter which impairs the understandability of other information provided".

**18 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Tangible Fixed Assets	Investments	Net Current Assets (Liabilities)	Total
	£	£	£	£
Restricted Funds:	-	-	1,525	1,525
Unrestricted Income Funds:				
Designated Funds	402,023	-	( 178,647 )	223,376
General Funds	-	3,701	( 4,022 )	( 321 )
	<u>402,023</u>	<u>3,701</u>	<u>( 173,100 )</u>	<u>224,580</u>

The designated funds represent those funds invested into tangible fixed assets and the associated mortgage secured on the freehold premises.

**19 RELATED PARTY TRANSACTIONS**

	2014 £	2013 £
<b>N Gamble</b>		
Trustee (Director)		
Granddaughter is a fee-paying pupil at the school		
Transactions in the year - fees invoiced whilst a Trustee	2423	-
Amount due from the related party	-	-
<b>M Gregory</b>		
Trustee (Director)		
Daughter is a fee-paying pupil at the school		
Transactions in the year - fees invoiced whilst a Trustee	3794	-
Amount due from the related party	-	-
<b>M Turner</b>		
Trustee (Director)		
Step daughter is a fee-paying pupil at the school		
Transactions in the year - fees invoiced whilst a Trustee	6708	759
Amount due from the related party - settled since	164	164