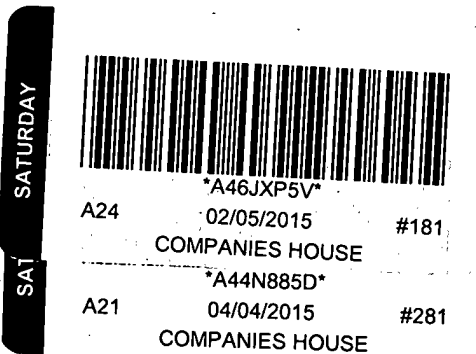


Company Registration No. 00556463  
Registered Charity No. 309086

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**  
**FOR**  
**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)**



**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 00556463**  
**KEY EXECUTIVES AND PROFESSIONAL ADVISORS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**Key executives and Professional Advisors**

**HEADMISTRESS:** Mrs J Heywood

**BURSAR** Mr J Bueno

**BANKERS:** Barclays Bank Plc  
19 High Street  
Ascot  
Berkshire  
SL5 7LB

**SOLICITORS:** Veale Wasbrough Vizards  
Orchard Court  
Orchard Lane  
Bristol  
BS1 5WS

**AUDITORS:** Wilkins Kennedy LLP  
Statutory Auditor  
Chartered Accountants  
Mount Manor House  
16 The Mount  
Guildford  
Surrey  
GU2 4HN

**COMPANY SECRETARY:** Mr J Bueno

**REGISTERED OFFICE:** Heathfield School  
London Road  
Ascot  
Berks  
SL5 8BQ

**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 00556463**  
**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

The Council presents its annual report for the year ended 31 August 2014 under the Companies Act 2006, together with the audited accounts for the year, and confirms that the latter comply with the requirements of the Act, the memorandum and articles of association and the Charities SORP 2005.

## **REFERENCE AND ADMINISTRATIVE INFORMATION**

The School was founded in 1899 and became a Charity in 1955 and is registered with the Charity Commission under Charity number 309086. The School is also a company limited by guarantee registered number 556463 (England and Wales). The Trustees of the charity are also Directors of the company and are referred to as Governors in this Report. The Governors are listed below and the executive officers, professional advisors and principal addresses of the Charity are listed on page 1.

### **Principal activities of the year**

The School provides education in Ascot for girls from the ages of 11 to 18, and also runs a summer school for local and overseas students.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

The Company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

### **Governors**

The structure of the School consists of a governing body called a Council and under the Articles the members of the Council are elected at council meetings and each year one-third of council members will be retired by rotation. The number of serving council members shall not be less than ten or exceed twenty.

### **Organisational Management**

The School's Governors are legally responsible for the overall management and control of the School, and meet at least three times a year. The work of implementing most of their policies is carried out by the members of the five following subcommittees: Finance, Buildings & Development, Educational & Pastoral, Marketing & Admissions & Communications and Compliance which meet at regular intervals during the year.

The day-to-day running of the school is delegated to the Headmistress, supported by the senior management team, together with the Bursar. The Headmistress and the Bursar attend meetings of the above committees.

The Members of the Council are listed below, and held office throughout the year under review:

Mr Tom Cross Brown, MA (Oxon), MBA (Insead) (Chairman of Council) (resigned as Chairman 6 July 2014)  
Mr Steven Bishop, BA (Oxon) (Chairman of Council) (appointed as Chairman 6 July 2014)  
Bishop Jonathan Baker, MA (Oxon), M Phil., Dip.Theol +  
Mrs Sally-Anne Barrett \*  
Ms Penny Bristow, BSc (Hons) Lond, FRSA (Chair +)  
Mr Guy Egerton-Smith, FRICS (Chair \*\*)  
Mr Robert Gregory, BSc (Hons)  
Ms Caroline Slettengren, BSc (Hons) (Chair ++)  
Mrs Sally Tulk-Hart +  
The Revd Canon Dr Philip Ursell, BA (Wales) MA (Oxon)  
Mr Charles Caminada (appointed 30 August 2013) \* (Chair+++)

Finance Sub Committee Member \*, Buildings & Development Sub Committee Member \*\*, Education & Pastoral Sub Committee Member +, Compliance Sub Committee Member ++, Marketing, Admissions & Communications Sub Committee Member+++.

### **Recruitment and Training of Governors**

Potential Governors are identified by members of the Governing Body which seeks to achieve a balance of experience and background in secondary and higher education, finance, business, law, facilities & property management, human resources management, marketing & PR and health & safety compliance. New candidates tour the School and meet the Headmistress and other existing Governors. They are proposed by the Chair of Governors. Once appointed, new Governors are inducted into the workings of the school including Board Policy and Procedures. Training needs are identified by the board of Governors and the appropriate courses are booked.

**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)**  
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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**Grant-making policy**

In accordance with the wishes of the Governors to extend the benefit of the School's facilities and education to those people in the community who might not be able to fund their education, the School has continued to try to offer as many bursaries as it can. The availability of bursaries is publicised on the School's website and in the admissions literature sent to prospective parents. The Governors' policy is to award bursaries on the basis of outstanding academic ability. The bursaries are available to provide financial support for up to 50% of the annual fees. All bursaries are means tested. During 2014 a total of £282,870 (2013: £275,236) was awarded in bursaries.

In September 2010, the School's Grant-making policy was changed to be more in line with Charity Commission recommendations. All available grants are for Bursaries, which are means tested.

We have improved the rigour of the scholarship programme to ensure the brightest pupils are identified and rewarded at entrance level and thereby encouraging the brightest pupils to take up a scholarship at Heathfield if they are awarded one.

The scholarship awards contain a small financial incentive to make them more attractive to potential parents who may be considering a number of schools.

**Chapel**

In acknowledgement that our students are more than minds that need nurturing or bodies that need training, as they grow, we recognise their need to come to terms with their spirituality.

The Chapel provides a place of peace and quiet reflection, where that spiritual development can begin. Our Chapel is the spiritual centre of the school and is often at the core of people's memories of the school when they leave, and the place they come back to first when they return to visit. Dedicated in 1904, the Chapel was built in the Victorian Gothic style with collegiate seating. Chapel follows current Anglican practice, yet it is a place for all the school community regardless of faith or belief.

The Chaplain is a central figure in school life. Father Tim Tregunno leads Chapel services during the week, on Sundays and on special occasions. He is available to all members of the school community and the school's extended community for pastoral care.

**Group Structure and Relationships**

The Heathfield Foundation which is a separate entity provides a dedicated structure for the creation of a philanthropic culture amongst its current and former parents and pupils.

The Heathfield Fellowship which is another separate entity continues to raise money to enable daughters of old girls and other pupils to attend the school, and contributes towards other charities.

**OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

**Charitable Objects**

The objects for which the Association is established are to advance education and training by:

- The provision and conduct, in the UK or abroad, of a school or schools for girls under the name of Heathfield School to be conducted in accordance with the traditions of the Church of England including the Anglo-Catholic tradition; and
- Insofar as it is incidental or ancillary to the advancement of education, such other means for the benefit of the local community as shall be exclusively charitable.

These are set out in the School's governing document – the Memorandum and Articles of Association of Heathfield School dated 26<sup>th</sup> October 1955 as amended 28<sup>th</sup> November 2007.

**Aims and Intended Impact**

The school's main aim is to provide an outstanding academic education to its pupils while giving them the opportunity to participate in a wide range of other activities to complement their academic education.

Sport, drama and music are key to a girl's development at Heathfield as is the stimulating programme of evening and weekend extra-curricular activities.

We also aim to uphold our excellent pastoral care, for which we have been recognised and lauded.

During the last year we have simultaneously worked hard to improve the academic standards at Heathfield while also promoting the school to consolidate and increase pupil numbers. We have also looked at ways of boosting academic standards and pupil numbers at the same time by attracting the brightest pupils to the school.

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**FOR THE YEAR ENDED 31 AUGUST 2014**

**Objectives for the year**

- To maintain and develop the school's academic performance
- To continue to grow and boost admission numbers
- To maintain and provide a first class boarding experience
- To improve and increase awareness of the school and what it stands for at local, regional and national level
- To begin work on our first planned new capital project: the classroom block
- To improve communication with all stakeholders

**Strategies to achieve the year's objectives**

The strategies to achieve the year's objectives have included:

**Admissions, Marketing and Public relations**

*Admissions*

We have agreed on the admission of day boarders to Heathfield from September 2015. Our stated targets were potential day girls from the local community; bright students who might not normally have considered Heathfield because they did not wish to board. It was agreed initially that marketing of the day boarding plan should be low key. This is currently under review.

In order to attract bright pupils to Heathfield, we are also undertaking a review of selected prep schools who do not currently send us their brightest pupils, to find out why Heathfield is not recommended by them and how we can change that and change their perception of the school. This review will include a professional report and a programme of one-to-one meetings with Jo Heywood.

*Value Added*

Academic results at GCSE and A Level show that the school consistently adds extra value to its pupils so that they perform, in some subjects, as much as 2 grades higher than their predicted levels of achievement. This extraordinary achievement is due to the tightening of monitoring of quality across the school, the emphasis on ensuring that best practice in teaching is shared throughout staff and corrective intervention when necessary. The school is already looking forward to exceeding these results this year, and adding greater levels of value to the girls' achievements.

*Public relations and marketing*

We are ensuring that a coherent message about the academic strengths of the school is carried throughout the school's communications, including those with the media and speeches made by Jo Heywood, for example to prospective parents. We have analysed recent degree levels of past students and used these impressive statistics in our communications.

During the year, speeches have been made at external events including prep school events, to prospective parents and current parents at Heathfield and, most recently, at a Government education think-tank event.

The school's academic successes are also highlighted in our newsletters and marketing materials including the re-worked Sixth Form Prospectus.

*Press and media*

We have continued to build on our media profile and to raise the school's profile. Over the last year, we have successfully placed comments, comment pieces and news stories in the national and international press, on regional radio in the UK and across the education press.

Recently, these have included an article in the Daily Mail on the dangers of iPads and iPhones for very young children and how this might impede their speech development, an article we proposed to the Sunday Times on the science of revision, a by-lined article (by Jo Heywood) on Labour's plans for independent schools in Telegraph Online, a full page profile on Wendy Reynolds in Independent Parent magazine, an article on old girl and scientist Charlotte Sutherland in Independent School Parent's 'Bright Young Things' feature and comment on the Ebola crisis in the national media including the Mail. In the regional press, we have had stories in the Ascot News on the Founder's Day entertainment for the girls, a beatboxing band called Duke, and a writers' competition in which some of our younger girls have been successful, plus coverage in a number of different regional papers for Form V pupil Phoebe Parker's success in the local heats of the Rotary Young Musician of the Year.

Jo Heywood has also been interviewed live on Radio 5 Live breakfast show following her comments on iPads and iPhones. These comments arose from the exclusive Daily Mail article we placed after Jo's speech to the education think-tank on literacy and numeracy. The speech and subsequent publicity were used as tools to raise the school's profile.

In the summer, we also gained extensive coverage during examination season across the national media using Jo Heywood to give comment on clearing advice.

Heathfield has also appeared in a four-part TV documentary on behind the scenes at Tatler which aired on BBC2 in the Autumn. Filming was arranged at the school for the documentary and involved a number of pupils.

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The Head's blog is also used to comment on topical issues, and where possible, comments from these blogs are used for stories in the press.

**Internal and external communications**

*Stakeholder Communications*

We are continually developing better ways to communicate with all our stakeholders, including staff, parents and pupils. In doing this, we have improved areas where we have identified a clear need to do so, thereby listening to and acting on the recommendations of the most recent inspection reports.

*Staff*

Areas we have concentrated on this year include reviewing the training needs of staff and redeveloping the teaching staff appraisal system which we launched in September 2014.

Improving the IT knowledge and understanding of staff is a key area where we felt staff would benefit hugely from further training. As well as having the on-site resource of Martin Taylor to help academic staff with their digital needs, teaching, boarding and support staff also completed the ECDL, which is recognised as the benchmark for digital literacy in educational systems worldwide.

We have also ensured a smooth transition after the retirement of two long-standing members of staff and the SLT.

*Parents*

We have improved our communications with parents, both on events within the school and on their own daughters' progress. We continually review the best ways of reporting girls' progress to parents.

*Parents and pupils*

We have introduced regular questionnaires to improve our communications with girls and parents.

*Website*

The launch of our new website has been very successful. The new school video has also proved a valuable tool to drive traffic to the website which is a valuable source of information for current and prospective parents.

*Social Networking*

Social networking is a key part of our communication with our stakeholders and with major players in the education world. We have quadrupled our followers on Twitter in the last year to over 1,700 and we are frequently 'the most engaged' member of any given education community each week. We are looking at using social networking increasingly to disseminate key messages about the school to our stakeholders.

**Academic**

We have continued to improve our individual monitoring of pupils to highlight their academic strengths and weaknesses and to give them extra guidance where appropriate. We have fully embedded our monitoring and tracking system within the school's intranet so that teachers can input vital details about each child's performance and other staff can highlight all other relevant information about each child and flag up any areas of concern.

This monitoring system has also included improving our gifted and talented programme for the brightest pupils and making the gifted and talented programme more defined and visible within the school. Changes have included implementing the recommendations made by the ISI, and we have gone above and beyond these in many areas.

During the year, we have also introduced more regular testing for girls to enable us to identify any weaknesses and give them the necessary support. This increased testing was introduced to enable us to prepare the girls for the changes in the examination system which will see their entire courses tested on final examinations.

During this academic year, we have also appointed a new Spectrum Head of Department who has been overseeing the merger of Spectrum and the EFL department and reconfiguring the responsibilities of the department as well as re-analysing and re-evaluating the needs of pupils who need help from the department.

Our GCSE performance this year reflected the hard work which has gone into our monitoring systems with 53% of the girls achieving the highest A\*-A grades. We are currently working hard to build on our many subject successes at A Level to translate these into more constant and continuous success across the board.

**Co-curricular**

This year, we have also introduced a new co-curricular programme with greater emphasis on the academic. This programme is increasingly Sixth Form-led to give the girls a greater sense of responsibility and to help them to develop leadership and team building qualities.

A number of initiatives were also introduced to highlight and praise the girls' academic achievements, such as special celebration assemblies and awards. We believe these initiatives are having a positive effect on the girls' achievements and their pride in them. We will continue to build this new initiative.

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**FOR THE YEAR ENDED 31 AUGUST 2014**

**Development strategy**

The 2014-15 academic year saw the start of our work with a development consultant to raise funds for the STEM building which is due for completion next summer, and for future projects. This fund-raising is vital for the future of the school and is showing initial signs of success.

**STRATEGIC REPORT**

The following sections of this report constitute the Strategic Report.

**REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR**

**Academic achievements**

In the Summer 2014 A Levels, one in five Heathfield girls scored at least two A\*-A grades. Candidates achieved all A\*-A grades in Art and Design and a clean sweep of A\*-B grades in eleven subjects including Mathematics, Economics, History, French, German and Art & Design Photography.

More than two-thirds of the results matched or exceeded predicted grades: 42.4% of the results were above ALIS predicted grades and 30.3% of the results matched the ALIS predicted grades.

Individual successes included those of Thea-Rose Mumford who gained A\*AAA, and Sophie Gooddy with A\*AB. The results saw pupils confirming places at top UK universities including Exeter, SOAS, Newcastle, Sheffield, Glasgow and City University, London and international institutions including the renowned art institute Parsons in New York.

At GSCE, Heathfield pupils also achieved an outstanding set of results with more than half of all exams taken awarded the highest A\*-A grades (53%). One in five girls achieved at least 6 A\* grades each in their GCSEs.

A\*-A grades were achieved across the board in an impressive seven subjects including Chemistry and Biology.

Outstanding individual performances include those of two girls who were awarded 12 GCSEs each with 16 A\* grades and seven A grades between them.

**Sport**

It has been a successful year on the sporting field for Heathfield. In Lacrosse, the 1st team won their division and narrowly lost in the quarter finals in extra time at the National Schools' Tournament. A Form V and a LVI pupil were selected to represent U19 Berkshire B and A teams respectively, and a LVI girl went on to represent South West Regional A Team and was selected for the U16 England Development Squad, while a Form V girl was selected for the U16 Regional Development Squad.

In Swimming, a member of Form IV broke the School IM record, held for 8 years, not once but twice during the year. In Athletics, a Form I girl won a silver medal in Long Jump at the District County Championships.

The Ski Team competed in Flaine, where a member of Form IV won two silver medals and a bronze in the U14 section, as well as being awarded the prestigious Kandahar Award for skiing potential. This means she will receive a week's skiing at the Kandahar Ski School in Austria.

Portable floodlights have arrived at Heathfield this year which have enabled team practices and matches to continue after school, and enhanced the extra-curricular provision and 'Sport for All'.

Finally, Heathfield's Director of Sport Wendy Reynolds umpired at the Lacrosse World Cup, including as one of four umpires in the final.

**Extra Curriculum Activities:**

**Music**

Highlights have included the Music Captains' Concert, "Music from the Movies", the Inter-house Singing Competition, won by Austen House, and a memorable performance of the Pergolesi Stabat Mater in the Chapel.

The Music department, with guest instrumentalists from St George's School, Ascot, joined forces with our Orchestra to open the Music/LAMDA Performing Arts showcase.

The term was rounded off with the annual Carol Service, where over a hundred members of the school took part: the Senior Choir, the Form I and II Choirs, the Staff Choir, the Flute Ensemble, the Brass Group and the Orchestra, the musical highlight of the service being the joint item, *Shepherds and Angels* by Beryl Price.

In January 2014, we welcomed Mr Ian Clarke, Professor of Flute at Guildhall School of Music and Drama and uncle of pupil Phoebe Clarke, to give a flute workshop and recital.

In February, the Music and Drama Departments collaborated on our whole-school musical, *Fiddler on the Roof*, which was accompanied by an eight-piece orchestra comprising both staff and girls.

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Later that month, the Heathfield Orchestra paid a return visit to St George's, as guests in their Spring Concert. Music Scholar Thea-Rose Mumford performed the 2nd movement of Rachmaninov's Cello Sonata in March, and went on to win the Woodley Festival trophy for Best Instrumentalist, playing the same piece. February also saw another Heathfield initiative, a Staff Concert, which was greatly enjoyed by the girls, and also in February, Honey-Bee Crewe-Read and Emily Shepherd represented Heathfield at the Ascot Rotary Young Musician of the Year Competition. Honey-Bee was selected to go through to the next round to be held in Reading in March.

In May another new initiative was launched, this time a joint choral collaboration for Forms I and II with the boys from Sunningdale Preparatory School. The concert was repeated at Heathfield in June and was a great social opportunity for the younger members of school.

In June, Form I visited Sandridge House and sang and played for the residents there as well as serving them tea. The term was rounded off by a Parents' Day concert in the theatre and Leavers' Service in the Chapel.

#### **Equestrian Events at Heathfield**

A number of exceptionally talented Heathfield riders have represented their sport at the highest levels this year. Two riders have been chosen by GB dressage to take part in the elite British Junior and Young Rider Progress squads.

Another rider achieved her lifelong ambition to compete at the Horse of the Year Show with her Pony Club mounted games team, where they went on to win the coveted Prince Philip trophy.

The Heathfield show jumping team have also been competing regularly and once again took part at the Windsor Horse Show with top British show jumper Laura Renwick advising. Polo continues to thrive with 24 girls taking weekly lessons with our professional coaches at the Royal Berkshire Polo Club and Fifield Polo Club. Polo matches have been played against teams including St George's, St Mary's, Wellington, Downe House and Wycombe Abbey. Heathfield polo teams have also competed in the SUPA National Girls' Arena and Grass tournaments, winning 2 of the divisions.

Sunday riding is still very popular with an advanced jumping class for team members and separate lessons for total beginners and improvers at the Berkshire Riding Centre.

#### **Lecture programme**

Throughout the year, we have welcomed a number of guest speakers to give talks and presentations on a wide range of topics that spanned scientific research, World War I, business and the city, as well as higher education and career opportunities. For our Science Conference, we were privileged to have two very thought-provoking speakers: firstly, Old Girl Charlotte Sutherell (Heathfield 2000-2007), who gained a First Class Honours in Chemistry at Oxford University, gave a fascinating insight into her current research at Cambridge University, investigating how one of the proteins in cancer cells affect the growth of ovarian cancer.

Secondly, Laura Witjens, Chief Executive of the National Gamete Donation Trust, gave a presentation on the latest developments in IVF treatment, followed by a lively discussion on the ethical challenges associated with assisted reproduction.

In November, Dr Samuel Assefa, a research scientist at the London School of Hygiene & Tropical Medicine, gave a talk about his work on treatments of malaria.

Later in the year, we were privileged to welcome the eminent neuroscientist Professor Kate Jeffery, from the Department of Cognitive, Perceptual and Brain Sciences, University College London, who gave a stimulating lecture on 'Unravelling the map in the brain'. Professor Jeffery explained, for both scientists and non-scientists alike, how the hippocampus is particularly important in spatial memory and central to navigation and is one of the first regions of the brain to suffer damage in Alzheimer's disease, leading to memory loss and disorientation.

As an introduction to our commemoration of World War I centenary, an enlightening presentation on 'Why and how Britain went to war in 1914, and why it wasn't over by Christmas', was given by Brigadier Allan Mallinson, a former Heathfield parent and one of Britain's foremost military historians. Brigadier Mallinson outlined the historical and political background prior to Britain stumbling into war in August 1914 and, being a former serving Army officer, his descriptions were both detailed and illuminating.

As part of our Higher Education and Careers programme, freelance careers adviser and Heathfield Old Girl Susan Agnew (Heathfield 1963-1968) gave an insightful talk to senior girls on how to 'sell' themselves when applying to university or seeking employment. Similarly, our ISCO adviser focused on the planning, research and writing of personal statements and also talked to the LVIth about 'Alternative pathways @ 18', focusing upon the various apprenticeship schemes offered by numerous companies.

One of the highlights of the year was the Careers Fair which took place on 19 November 2013. Firstly, Liz Grassby from Outreach International talked about gap year possibilities, whilst Julie Marsden, Human Resources Director from HR Solutions, discussed interviews and possible future careers. Her advice was to learn, learn again and learn some more.



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The girls attended breakout sessions where they talked to professionals from different industry sectors, including Interior Design, Media, Law, IT and Journalism. Gareth Henderson gave a presentation on Equities, where he discussed stock markets and investing in companies.

Laura Witjens returned in January to give a talk entitled 'A Girl Guide to Getting Ahead', which highlighted the fact that girls are outperforming boys academically both at school and university level, yet women are still under-represented as CEOs, MPs and holders of top jobs. She emphasised that it is up to women to take responsibility and to "Dream big, believe in yourself and step up to the task." Likewise, our guest speaker on Founder's Day, Vanessa Vally, one of the most well networked women in the City and author of *Heels of Steel: Surviving and Thriving in the Corporate World*, gave an inspiring talk on how determination and hard work are key to success. Finally, on Parents' Day, our speaker, the renowned biologist Dr Alison Woollard, Dean, Fellow and Tutor in Biochemistry at Hertford College Oxford, urged the girls to feel 'the passion and hunger' for knowledge, as a great education promotes true equality.

Without exception, the talks this year have not only broadened Heathfield girls' horizons but also conveyed a sense of inspiration to them about their education and aspirations for the future.

#### **LAMDA and Dance**

Girls achieved a stunning 100% pass rate, with 10 Distinctions and 36 Merits in LAMDA examinations this year. Girls achieved 4 Grade 8 / Gold Medals all with Distinction, and 10 Grade 6 / Bronze Medals. Medals are now awarded UCAS points. Most notable were Emily R (UVI) who gained 90% for Grade 8 and Phoebe P (Form V) who was awarded 92% for Grade 6.

In Dance, four girls were awarded a RAD Classical Ballet Grade 7 with a Merit and three girls achieved RAD Grade 5, again 100% Merits.

Over 50 LAMDA and Dance girls have taken part in four Performing Arts concerts this year, including the hugely successful Performing Arts and Fashion Show. UVI leavers Thea-Rose and Misato entertained their parents and friends in the Leavers' Concert on Parents' Day in July 2014, bringing their dancing days at Heathfield to a beautiful end.

#### **Working with the Community**

The school continues to take an active role in the community, inviting groups to use our facilities and raising money for charities outside the school gates.

Heathfield's main fundraising event, St Nicholas's Stalls, raised an impressive £15,000 for charity and the money was shared between the Dyspraxia Foundation, Aspire, Hadassah UK, Christina Noble Children's Foundation, National Aids Trust, Flip's Fund and St Saviour's Priory. In addition, we held a Summer's Day Fair for girls, parents, governors, staff and their families, which raised £4,200 for the Paediatric Oncology Unit at Southampton Hospital. Money has also been raised by members of the Heathfield community: an UVI Form pupil ran the Richmond Half Marathon, raising £1,000 for Prostate Cancer, our Facilities Manager participated in the Shine London Marathon Walk for Cancer Research UK, and 24 Form V pupils ran The Electric Run at Wembley Park, raising a further £8,000 for the Paediatric Oncology Unit at Southampton Hospital. A charity car wash was organised by girls in the Lower School for SOS Children's Village International.

Heathfield held a Bonfire Night firework display for the girls, staff and their families and the school organised and hosted a Prep Schools Netball Tournament, a Prep Schools Swimming Gala and a Prep Schools Tri-Sports Summer event plus a Prep Music workshop. The school also gave in kind, donating harvest goods to the food bank at St Saviour's Priory.

28 girls who completed their Duke of Edinburgh Awards attended an awards ceremony at Windsor and Maidenhead's Annual Youth Awards. Heathfield continues to work towards achieving the Eco Schools 'Green Flag' Award which is the top accolade a school can achieve. Awareness campaigns were run, litter picks took place as well as the recycling of clothes, batteries, ink cartridges, paper, cardboard and food oil. Girls also took part in the Horse Racing Certificate at Ascot Racecourse.

Heathfield's swimming pool is an approved training centre for swimming, teaching and coaching and people travel from all around the country to attend the courses on offer. Approximately 50 people qualified as swimming teachers in our pool and around 300 free swimming lessons were provided to the community. Hundreds of children attend swimming lessons each week via Frogs and Friends Swimming School and in addition 60 birthday parties have been held at the school pool. The pool is used by a number of community groups including The Open Heath Clinic, Kennel Lane School, Nick Gillingham MBE, Nature's Nursery, The Scuba Trust and The Institute of Swimming.

A French exchange took place, and pupils from the Centre Dainélou, Paris had the opportunity to experience school life at Heathfield and our surrounding towns and cities.

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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**Staff**

The Directors wish to express their gratitude to the Headmistress, the Bursar and all other members of the Staff for their continued dedication to the interests of the pupils of Heathfield School.

**FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The Board is pleased to announce the accounts for the year show a surplus of income over expenditure of £169,702 (2013: £416,453). As a registered Charity all surpluses are applied for the benefit of the school.

Fee income after bursaries has fallen by only 1.8% in the year on the back of a small reduction in pupil numbers. This is considered to be a one-off as pupil numbers for the 2014-15 academic year have returned to those of 2012-13 and are expected to continue to improve.

Staff costs are the most significant item of expenditure incurred by the school. During the year, staff costs per pupil increased by 9.9% to £23,172 (2013: £21,081) which reflects the investment being made in maintaining and improving the academic success of Heathfield.

At 31 August 2014 the school had net assets of £12,567,470 (2013: £12,397,768), of which freehold property accounts for £8,867,556 (2013: £8,749,837). This is a vital area of focus for the school as the high quality facilities and living quarters are significant contributing factors in attracting new pupils.

During the year a net cash outflow of £697,198 (2013: £157,410) occurred, however this is after further investments in bonds of £749,913 (2013: £500,000). Cash from operating activities continues to be positive with a net inflow of £474,695 (2013: £691,024) in the year.

The Board considers that the school is on a sound financial footing and views the future with optimism. At the year end, the school held cash balances of £3,104,046 (2013: £3,801,244) and investments of £1,841,795 (2013: £1,068,536).

**Reserves Policy**

During the year £407,236 (2013: £488,227) was spent on capital improvements. The Governors' are of the opinion that the reserves on the Income and Expenditure account of £12,567,470 (2013: £12,397,768) are sufficient to meet the school's obligations for the foreseeable future (see note 14 on page 20 for note on reserves).

The school continues to expend significant amounts on maintenance to keep the buildings in good order and provide an appropriate attractive learning environment for pupils and staff.

**Investment Policy**

The Governors' policy is to invest in secure forms of investment that provide a reasonable level of income.

**Future Plans**

The school is continuing to work hard to raise academic standards and to attract academically able pupils to the school. We believe that improving academic standards will lead to more parents considering Heathfield as their first choice school. We will also look at streamlining the academic curriculum to ensure we can focus our attention on raising academic standards.

The STEM building is expected to be completed for the start of the 2015-16 academic year, after which two further building projects are being considered.

**PRINCIPAL RISKS AND UNCERTAINTIES**

*Revenue risk*

The risk of adverse economic conditions reducing revenues is reduced by our focus on providing an outstanding education and excellent pastoral care to pupils. Additionally, the Governors' are open to alternative options such as day boarding in order to generate revenue in economically challenging times.

*Cash flow risk*

The highest costs to Heathfield are staff and pastoral costs which are paid in arrears. Conversely, school fees are received termly in advance resulting in a surplus of working capital. Any cash flow risk which will arise from the commission of the building projects will be reduced by extensive forward planning by the Governors', coupled with significant cash balances held by Heathfield which can be utilised as required.

*Credit risk*

Credit risk is the risk of financial loss to Heathfield if a fee payer fails to meet their obligations. Heathfield minimises this risk by taking deposits from each student and monitoring amounts not received on a regular basis.

**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 00556463**  
**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

Through the risk management processes established for the School, the Governors' are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed. The charity's exposure to risk is reviewed consistently throughout the year.

The key controls used by the Charity include:

- Formal agendas for all Committee and Board activity
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of the vulnerable
- Formal written policies

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

The Governors' (who are also the directors of Heathfield School Limited for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Governors' to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 those financial statements, the Governors' are required to:-

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the "going concern" basis unless it is inappropriate to presume that the company will continue in business.

The Governors' are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities. 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.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the Governors' are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act) of which the charitable company's auditors are unaware, and each Governors' has taken all the steps that they ought to have taken as a Governors' in order to make themselves aware of any audit information and to establish that the charitable company's auditors are aware of that information.

#### **Auditors**

The Auditors, Wilkins Kennedy, have expressed a willingness to continue in office as Auditors and a resolution proposing their reappointment will be submitted at the next General Meeting.

BY ORDER OF THE BOARD



Governor

Mr Steven Bishop

**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)  
REGISTERED NUMBER: 00556463  
INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF HEATHFIELD SCHOOL LIMITED  
FOR THE YEAR ENDED 31 AUGUST 2014**

We have audited the company financial statements of Heathfield School Limited for the year ended 31 August 2014 on pages 13 to 24. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditors**

The trustees' (who are also the directors of Heathfield School Limited for the purposes of company law) responsibilities 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) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosure of trustees' remuneration specified by law are not made.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 00556463**  
**INDEPENDENT AUDITORS' REPORT**  
**TO THE MEMBERS OF HEATHFIELD SCHOOL LIMITED**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**Opinion**

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;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the Strategic Report and the Trustees' Annual Report is consistent with the financial statements.

*Wilkins Kennedy LLP*

Robert Southey (Senior Statutory Auditor)  
for and on behalf of Wilkins Kennedy LLP  
Statutory Auditor  
Chartered Accountants  
Mount Manor House  
16 The Mount  
Guildford  
Surrey  
GU2 4HN

*30<sup>th</sup> MARCH 2015*

**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 00556463**  
**STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

	Notes	31.08.14 Unrestricted Fund	31.08.13 Unrestricted Fund
<b>INCOMING RESOURCES</b>		<b>£</b>	<b>£</b>
<b>Incoming resources from charitable activities</b>			
School fees	1a	6,414,805	6,512,170
<b>Incoming resources from generating funds</b>			
<i>Activities for generating funds:</i>			
Donations received	1b	72,623	13,311
Rental income	1b	97,038	80,527
Other incoming resources	1b	22,846	21,977
Investment income	1b	30,774	50,484
<b>Total incoming resources</b>		<b>6,638,086</b>	<b>6,678,469</b>
<b>Resources Expended</b>			
Charitable activities	3b	6,446,674	6,236,951
Cost of generating funds	3a	3,106	3,549
Governance costs	3c	41,950	55,075
<b>Total resources expended</b>		<b>6,491,730</b>	<b>6,295,575</b>
<b>Net income for the year</b>		<b>146,356</b>	<b>382,894</b>
<b>Other recognised gains and losses</b>			
Unrealised gains on investment assets		23,346	33,559
<b>Net income for the year</b>		<b>169,702</b>	<b>416,453</b>
Fund balances brought forward at 01.09.13		12,397,768	11,981,315
Fund balances carried forward at 31.08.14		12,567,470	12,397,768

All amounts derive from continuing activities

All gains and losses recognised in the year are included in the Statement of Financial Activities.

**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 00556463**  
**BALANCE SHEET**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

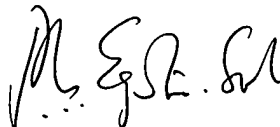
	Notes	31.08.14	31.08.13
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	8	9,667,386	9,622,787
<b>CURRENT ASSETS</b>			
Investments	9	1,841,795	1,068,536
Stocks	10	15,962	13,205
Debtors	11	1,554,001	1,563,453
Cash at bank and in hand		3,104,046	3,801,244
		<u>6,515,804</u>	<u>6,446,438</u>
<b>CREDITORS - Amounts falling due within one year</b>	12	<u>(2,919,116)</u>	<u>(3,006,005)</u>
<b>NET CURRENT ASSETS</b>		3,596,688	3,440,433
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>13,264,074</u>	<u>13,063,220</u>
<b>Creditors</b>			
Amounts falling due after more than one year	13	<u>(696,604)</u>	<u>(665,452)</u>
<b>Net assets</b>		<u>12,567,470</u>	<u>12,397,768</u>
<b>FUNDS</b>	14		
<b>Unrestricted funds</b>			
Income and expenditure account		<u>12,567,470</u>	<u>12,397,768</u>
<b>School Funds</b>		<u>12,567,470</u>	<u>12,397,768</u>

Approved by the Board of Governors of Heathfield School on 12/3/2015 and signed on its behalf by



TRUSTEE

Mr Steven Bishop



TRUSTEE

  
Mr Guy Egerton-Smith

**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 00556463**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

	Note	2014 £	2013 £
<b>Net incoming resources before other recognised gains and losses</b>	16	474,695	691,024
Returns on investment and servicing of finance	17	27,668	46,935
Capital expenditure and financial investment	17	(1,199,561)	(895,369)
<b>(Decrease) / increase in cash</b>		<u>(697,198)</u>	<u>(157,410)</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
(Decrease)/increase in cash in the period		<u>(697,198)</u>	<u>(157,410)</u>
Changes in debt resulting from cash flows		<u>(697,198)</u>	<u>(157,410)</u>
Movement in debt in the period		(697,198)	(157,410)
Net funds 1 September 2013		<u>3,801,244</u>	<u>3,958,654</u>
Net funds 31 August 2014	18	<u><u>3,104,046</u></u>	<u><u>3,801,244</u></u>



**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 00556463**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**ACCOUNTING CONVENTION**

The financial statements have been prepared under the Companies Act 2006 on the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities: The Charities SORP 2005.

The principle accounting policies of the company are set out below.

**INCOME**

**Fees receivable**

These represent fees charged to pupils with incidental fees and disbursements disclosed separately and are accounted for in the period in which the service is provided. Fees received in advance of education to be provided in future years are held as liabilities until either taken to income in the term when used or else refunded.

**Donations**

All monetary donations are included in full in the statement of financial activities when received, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met. Donations receivable for the general purpose of the Charity are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on Heathfield School's Trustees.

**Grants receivable**

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred.

Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable and transferred to unrestricted funds up to the level of expenditure incurred. Depreciation on the fixed assets purchased with such grants is then charged against unrestricted funds.

**RESOURCES EXPENDED**

Resources expended are recognised in the period in which they are incurred.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the Trustees, and all other costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

**GRANT MAKING POLICY**

Bursaries from restricted funds are included as expenditure in the period for which the award is given. Bursaries and scholarships from unrestricted funds towards school fees at school are treated as a reduction in those fees.

**TANGIBLE FIXED ASSETS**

The School prepares a budget for capital expenditure at the start of each academic year which is approved by the Finance Committee.

Depreciation is provided on cost less residual value at the following rates in order to write off assets over their estimated useful lives

Freehold buildings – St Mary's Theatre	2%
Freehold buildings – Access road	10%
Freehold buildings – Other	Nil
Swimming pool	3 1/3%
Equipment	10% - 20%
Motor vehicles	20%

**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 00556463**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**TANGIBLE FIXED ASSETS (cont)**

The Charity holds no inalienable or historic assets.

The policy for depreciating freehold buildings is to provide a charge of 2% on cost less residual value. However, no depreciation has been charged on the main school buildings as it is immaterial, due to the high residual value. The school also has a thorough maintenance programme to keep buildings in good repair, and an annual insurance review is carried out.

Annual impairment reviews are undertaken by the trustees in conjunction with appropriately qualified third parties.

**INVESTMENTS**

Investments are shown at mid-market values at the year end. Realised and unrealised gains and losses on investments are accounted for through unrestricted funds.

**STOCK**

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

**PENSION COSTS**

The Charity participates in two pension funds.

1. Teachers Pension Scheme. It contributes to the Teachers Pension Scheme at rates set by the Teachers Pension Agency, part of the Department of Education and Skills on a monthly basis. The contributions are expensed to the Statement of Financial Activities.
2. The Pensions' Trust. This is a defined benefit scheme for non-teaching staff. The contributions are expensed to the Statement of Financial Activities.

**BENEFITS IN KIND AND GIFTS**

Gifts donated to the school and any services provided by the Trustees have been included in the financial statements.

**LEASING COMMITMENTS**

Assets obtained under finance leases are capitalised in the balance sheet. They are depreciated over their estimated useful life or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the income and expenditure account over the relevant period. The capital element of the future payments is treated as a liability.

**FUND ACCOUNTING**

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

**RESERVES**

All reserves have been built up over the years to be used in various projects such as the building of new accommodation and computer facilities for the pupils.

The Trustees have set aside reserves in order to protect the future operations of the charity from the effects of any unforeseen variations in its income stream as part of the policy of good financial management practice.

**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 00556463**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

1	<b>Analysis of incoming resources</b>				<b>2014</b>	<b>2013</b>
(a)	<b>Charitable activities</b>				<b>£ Total</b>	<b>£ Total</b>
	Fees receivable				5,757,034	5,849,944
	Less bursaries				(282,870)	(275,236)
					5,474,164	5,574,708
	Summer school				508,532	500,473
	Extras and disbursements				432,109	436,989
					6,414,805	6,512,170
(b)	<b>Generating funds – Unrestricted</b>					
	Investment – interest received				30,774	50,484
	Rental				97,038	80,527
	Donations received				72,623	13,311
	Other :					
	Registration fees				20,774	19,673
	Non-ancillary trading income				2,072	2,304
					223,281	166,299
2	<b>COSTS OF ACTIVITIES IN FURTHERANCE OF CHARITY'S OBJECTS</b>					
	School				4,612,278	4,403,057
	Summer school				368,542	343,239
	Extras and disbursements				388,739	411,888
					5,369,559	5,158,184
3	<b>ANALYSIS OF TOTAL RESOURCES EXPENDED</b>					
		<b>Staff Costs</b>	<b>Other Costs</b>	<b>Depreciation</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
(a)	<b>Cost of generating funds</b>					
	Financing costs	-	3,106	-	3,106	3,549
		-	3,106	-	3,106	3,549
(b)	<b>Charitable activities</b>					
	Teaching	2,401,355	630,974	-	3,032,329	2,903,871
	Premises	1,114,190	862,812	362,637	2,339,639	2,254,312
	Support costs	742,044	332,662	-	1,074,706	1,078,768
		4,257,589	1,826,448	362,637	6,446,674	6,236,951
(c)	<b>Governance costs</b>					
	Legal fees	-	5,366	-	5,366	22,138
	Audit fees	-	14,000	-	14,000	13,800
	Professional fees	-	22,584	-	22,584	19,137
		-	41,950	-	41,950	55,075

**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 00556463**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

4	<b>EXPENDITURE</b>	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
	The operating surplus is stated after charging:		
	Depreciation – owned assets	362,637	360,355
	Loss on disposal of fixed assets	-	-
	Staff costs (note 5)	4,257,589	4,047,531
		<u>                    </u>	<u>                    </u>
	Governance expenditure includes:		
	Auditors' remuneration – audit services	14,000	13,800
	Auditors' remuneration – other services	2,578	8,042
		<u>                    </u>	<u>                    </u>

**5 DIRECTORS AND EMPLOYEES**

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Wages and salaries	3,636,073	3,466,516
Social security costs	313,019	300,570
Pension costs	308,497	280,445
	<u>                    </u>	<u>                    </u>
	4,257,589	4,047,531
	<u>                    </u>	<u>                    </u>

The average weekly number of employees during the period was as follows:

Teachers	46	44
Teaching support, administration, catering, housekeeping, maintenance and grounds	90	90
	<u>                    </u>	<u>                    </u>
	136	134
	<u>                    </u>	<u>                    </u>

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Employees earning £60,000 per annum or more received remuneration in the following band		
£60,000 - £70,000	1	2
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1
	<u>                    </u>	<u>                    </u>

During the year two trustees were reimbursed travel expenses totalling £168 (2013: £449 to 2 trustees). At the year end, £nil remained unpaid (2013: £nil).

No trustees received any remuneration for services during the year (2013: £nil).

**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 00556463**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**6 INTEREST PAYABLE**

	2014 £	2013 £
Financing costs	3,106	3,549

**7 TAXATION**

The charitable company is exempt from corporation tax on its activities.

**8 TANGIBLE FIXED ASSETS**

	Freehold Properties £	Equipment £	Total £
<b>Cost</b>			
At 1 September 2013	9,587,524	1,711,143	11,298,667
Additions	241,024	166,212	407,236
Disposals	-	(203,942)	(203,942)
At 31 August 2014	9,828,548	1,673,413	11,501,961
<b>Depreciation</b>			
At 1 September 2013	837,687	838,193	1,675,880
Charge for year	123,305	239,332	362,637
Eliminated on disposal	-	(203,942)	(203,942)
At 31 August 2014	960,992	873,583	1,834,575
<b>Net book value</b>			
At 31 August 2014	8,867,556	799,830	9,667,386
At 31 August 2013	8,749,837	872,950	9,622,787

Included within freehold property is total costs of £155,639 (2013: £nil) in relation to assets under construction.

The insured value of the Main School, Sports Hall, Swimming Pool, St Mary's Theatre and other buildings is £37,371,490.

All tangible fixed assets are used for direct charitable purposes. The school does not own or have the use of any inalienable or historic assets. No impairment of the freehold property was evident, which has been confirmed by the insurance valuation.

**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 00556463**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**9 INVESTMENTS**

	<b>Listed investments £</b>	<b>Total £</b>
<b>Market value</b>		
At 1 September 2013	1,068,536	1,068,536
Additions	749,913	749,913
Unrealised gain in the year	23,346	23,346
	<hr/>	<hr/>
At 31 August 2014	1,841,795	1,841,795
	<hr/>	<hr/>

Of the investments held £1,079,108 (2013: £531,000) relates to M & G Charibond and £762,687 (2013: £537,536) relates to Tesco Personal Finance 1% RPI Linked 8 year Sterling bonds. Both investments are listed on the London Stock Exchange.

**10 STOCKS**

	<b>2014 £</b>	<b>2013 £</b>
Household and consumable materials	15,962	13,205
	<hr/>	<hr/>

**11 DEBTORS**

	<b>2014 £</b>	<b>2013 £</b>
Fees receivable	1,343,884	1,356,670
Other debtors	122,346	126,839
Prepayments	87,771	79,944
	<hr/>	<hr/>
	1,554,001	1,563,453
	<hr/>	<hr/>

**12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2014 £</b>	<b>2013 £</b>
Fees in advance and deferred income	2,234,142	2,180,393
Trade creditors	71,447	146,118
Social security and other taxes	96,251	82,572
Accruals	200,416	317,832
Sundry creditors	223,015	182,913
Deposits	93,845	96,177
	<hr/>	<hr/>
	2,919,116	3,006,005
	<hr/>	<hr/>

**HEATHFIELD SCHOOL (LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 00556463**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Deposits	696,604	665,452
	<u>696,604</u>	<u>665,452</u>

**14 RESERVES**

	<b>Balance at 1 September 2013</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>Balance at 31 August 2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted reserves</b>				
Income and expenditure account	12,397,768	6,661,432	6,491,730	12,567,470
	<u>12,397,768</u>	<u>6,661,432</u>	<u>6,491,730</u>	<u>12,567,470</u>
<b>Restricted reserves</b>	-	-	-	-
	<u>12,397,768</u>	<u>6,661,432</u>	<u>6,491,730</u>	<u>12,567,470</u>

In respect of restricted reserves, there were no movements during the year, nor were there any restricted funds introduced.

**15 CAPITAL COMMITMENTS**

Capital expenditure of £2,304,402 (2013: £nil) had been contracted for at the year end in relation to the building of a new classroom block. To date £168,604 has been spent on this project, of which £155,639 is included in freehold property. The building is anticipated to be completed ahead of the commencement of the 2015/16 academic year and as such all costs will be incurred during the coming year.

**16 NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Operating surplus	146,356	382,894
Interest received	(30,774)	(50,484)
Interest paid	3,106	3,549
Depreciation	362,637	360,355
(Increase) in stocks	(2,757)	(1,360)
Decrease/(increase) in debtors	9,452	113,430
(Decrease)/increase in creditors	(13,325)	(117,360)
	<u>474,695</u>	<u>691,024</u>
Net cash inflow from operating activities	<u>474,695</u>	<u>691,024</u>

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

	2014 £	2013 £
<b>Return on investments and servicing of finance</b>		
Interest received	30,774	50,484
Interest paid	(3,106)	(3,549)
	<u>27,668</u>	<u>46,935</u>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(449,648)	(395,369)
Purchase of investments	(749,913)	(500,000)
Sale of fixed assets	-	-
	<u>(1,199,561)</u>	<u>(895,369)</u>

**18 ANALYSIS OF NET FUNDS**

	At 1 September 2013 £	Cash flow £	Other non cash changes £	At 31 August 2014 £
Cash at bank	3,801,244	(697,198)	-	3,104,046
	<u>3,801,244</u>	<u>(697,198)</u>	<u>-</u>	<u>3,104,046</u>

**19 INDEMNITY INSURANCE**

During the year the company purchased insurance for the directors of the school against liabilities arising from negligence in relation to the company as permitted under section 233 of the Companies Act 2006 with the approval of the Charities Commission. £954 was paid for public liability insurance (2013: £1,955). Included in this was professional indemnity insurance relating to the trustees.

**20 COMPANY LIMITED BY GUARANTEE**

As the company is limited by guarantee, in the event of winding up the members will be required to pay £1.

**21 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £	Total £
<b>Capital expenditure and financial investment</b>		
Tangible fixed assets	9,667,386	9,667,386
Current assets	6,515,804	6,515,804
Current liabilities	(2,919,116)	(2,919,116)
	<u>(696,604)</u>	<u>(696,604)</u>
Creditors due in more than 1 year	(696,604)	(696,604)
	<u>12,567,470</u>	<u>12,567,470</u>



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**22 TRANSACTIONS WITH RELATED PARTIES**

There have been no transactions with trustees during the year other than those disclosed in note 5.

The Chairman of the School is a member of the Governing Body of Heathfield School Foundation Limited. The Foundation raises funds for the School to promote and advance any charitable purposes. At the year end, Heathfield School Foundation Limited owed £nil (2013: £nil) to the School.

The Chairman is also a trustee of St Mary's School Wantage Bursary Fund. The charity raises funds to support bursaries provided by the School. During the year an amount of £13,619 (2013: £13,311) was donated to the School and at the year end £nil (2013: £nil) was owed to the School.

The Heathfield Fellowship, a charitable company with common trustees, provides bursaries for students who attend the School. During the year £7,760 (2013: £13,583) was paid to the School on behalf of students and at the year end £nil (2013: £nil) was owed to the school.

**23 PENSION OBLIGATIONS**

The School participates in two multi employer defined benefits pension schemes; the Teachers' Pension Scheme (England and Wales) for its teaching staff, and the Pensions Trust's Growth Plan for non-teaching staff. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of the assets and liabilities of the Schemes which are attributable to the School. Accordingly, due to the nature of the Schemes, the accounting charge for the period under FRS 17 represents the employer contribution payable.

**Teachers' Pension Scheme**

The latest actuarial valuation of the Scheme by the Government Actuary issued in October 2006 relating to the period 1 April 2001 to 31 March 2004 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) exceeded the value of the Scheme's assets (estimated future contributions together with the proceeds from the notional investments held at valuation date) by 2.0%.

From 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the standard contribution has been assessed at 19.75%, with a supplementary contribution of 0.75% to balance the Scheme's assets and liabilities within 15 years as required by the regulations. This translates into an employer contribution rate of 14.1% and an employee contribution rate of 6.4%. This cost-sharing agreement has also introduced (effective for the first time from the 2008 valuation) a 14% cap on employer contributions payable.

The superannuation charge represents contributions payable to the Scheme for the year ended 31 August 2014 of £376,364 (2013: £321,570). Contributions outstanding at the yearend were £32,561 (2013: £30,385).

**The Pensions Trust's Growth Plan**

The Trustees of the Plan commission an actuarial valuation every three years to determine the funding position. If the valuation shows a deficit, a recovery plan is agreed, this may require additional contributions to be made by the School.

The latest valuation was completed for the year ended 30 September 2011 and revealed a shortfall of assets over liabilities of 15.9%. The School has been advised that if it had intended to leave the Plan at 30 September 2013, its liability would have been £155,424. The School will be required to make additional future contributions of £8,408 per annum, increasing to £8,660 from 1 April 2015, to make good this shortfall. No provision has been made for this liability as the School has no intention of leaving the Plan.

In 2014, the School made contributions totalling £142,694 (2013: £105,011). Contributions outstanding at the yearend were £25,274 (2013: £9,440).