

Charity Registration No. 527598

Company Registration No. 602279 (England and Wales)

ABBERLEY HALL LIMITED
GOVERNORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2008

WEDNESDAY



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ABBERLEY HALL LIMITED

REFERENCE AND ADMINISTRATIVE INFORMATION

Governors

H.J. Angell James
A.G. Duncan
J.W.R. Goulding
H.A. Granville
S.J. Hollingsworth
The Hon. D.P.C. Legh
A. R. Manning-Cox
K. McGrigor
M.R.S. Nevin
R.M. d'A. Samuda
A.J. Stewart
V.E.C. Taylor
R. Wilson

Secretary

J.G.W. Walker

Headmaster

J.G.W. Walker

Deputy Headmaster

R.D. Wesley

Head Of Pre-Prep & Nursery

A.E. Wright

Charity Number

527598

Company Number

602279

Registered Office

Abberley Hall
Worcestershire
WR6 6DD

Auditors

Kendall Wadley LLP
Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Bankers

Lloyds TSB Bank Plc
10 High Street
Stourport-on-Severn
Worcestershire
DY13 8DA

ABBERLEY HALL LIMITED

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ABBERLEY HALL LIMITED

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2008

The governors present their report and accounts for the year ended 31 August 2008.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's founding trust deed dated 8 July 1963, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

Structure, Governance And Management

The Governors determine the general policy of the school. The Governors are the directors of the company and will be referred to as Governors throughout this report. The day to day management of the school is delegated to the Headmaster and Bursar.

The registered office of the charity is:
Abberley Hall, Worcester, WR6, 6DD

The senior staff of the charity who served during the year were:

Headmaster	J.G.W. Walker
Deputy Headmaster	R.D. Wesley
Head Of Pre-Prep & Nursery	A.E. Wright

The governors, who are also the directors for the purpose of company law, who served during the year were:

H.J. Angell James

A.G. Duncan

J.W.R. Goulding

H.A. Granville

S.J. Hollingsworth

The Hon. D.P.C. Legh

A. R. Manning-Cox

K. McGrigor

M.R.S. Nevin

J. Roche

(Resigned 31 July 2008)

R.M. d'A. Samuda

A.J. Stewart

V.E.C. Taylor

R. Wilson

At the start of the year R.M. d'A. Samuda held the position of governor but was not a director under company law until 7th March 2008.

The Hon. D. P. C. Legh and A.G. Duncan hold one ordinary share as joint nominees for the governing body.

The Hon. D. P. C. Legh and K. McGrigor hold ninety nine ordinary shares as joint nominees for the governing body.

New governors are appointed by existing governors by recommendation and introduction and come from those professions and vocations that will give a balance of expertise in the governing body.

The governing body is composed of members of the teaching and other professions, the business community and includes parents of children in the school. The Headmaster, his Deputy, and the Head of Pre-Prep also attend meetings.

ABBERLEY HALL LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

The principal form of training for the governors is by advice and experience of governors' meetings and occasional specific seminars on matters pertaining to governors' responsibilities and duties.

The charity is administered by the governing body which meets thrice yearly and, in addition, a finance and general purposes sub-committee which also meet three times a year. The Headmaster acts as Chief Executive of the governors, reporting to and acting in accordance with the governors' instructions.

During the year Abberley Hall Limited traded on normal commercial terms with Abberley Hall Enterprises Limited, a company incorporated in England and Wales. Mr A. G. Duncan and The Hon. D. P. C. Legh, who are governors of Abberley Hall Limited are the sole shareholders of Abberley Hall Enterprises Limited and hold the shares as nominees for Abberley Hall Limited. During the year Abberley Hall Enterprises Limited had turnover of £63,252 (2007 £57,168) and net profit after tax of £2,195 (2007 £3,663 loss). Rent received from Abberley Hall Enterprises Limited during the year amounted to £30,000 (2007 £40,000) and fees paid to Abberley Hall Enterprises Limited for use of the swimming pool totalled £39,120 (2007 £36,460). At the year end £11,832 (2007 £5,122) was owed to Abberley Hall Enterprises Limited by Abberley Hall Limited. During the year Abberley Hall Limited received £21,000 (2007 £18,000) recharges for oil and wages from Abberley Hall Enterprises Limited.

During the year 3 of the Governors (3 Governors) had 5 children (5 children) attending the school. The school charged them a total of £66,249 (2007 £60,896) for school fees and £7,763 (2007 £6,682) for extras and disbursements.

The Abberley Foundation is a charity whose objectives are the advancement of the education of the pupils of Abberley Hall School by assisting in the maintenance, improvement and development of buildings and facilities at the School. Mrs J. M. Roche, Mr A. J. Stewart and Mr V. E. C. Taylor are trustees of both charities. Mrs J. M. Roche resigned as a Governor in July 2008. During the year the Abberley Foundation had incoming resources of £13,158 (2007 £4,838) and a surplus of £11,662 (2007 deficit of £1,384). At the year end £858 (2007 £nil) was owed by Abberley Foundation to Abberley Hall Limited for expenses paid on their behalf, included in trade debtors

The charitable company has not prepared consolidated financial statements for itself and its subsidiary undertaking, Abberley Hall Enterprises Limited, as the results of the subsidiary are not considered to be material to the group.

The governors examine the major risks that the school faces each year when preparing and updating the strategic plan. The charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the school in the future.

Objectives And Activities

The objects are set out in the Memorandum so as to provide a complete and systematic education and to provide for instruction and education in any subject whatsoever and generally to promote education. In accordance with the Memorandum the Preparatory School is both a day and boarding school for girls and boys aged up to 13, educating them to a high standard so enabling them to be able to move to a senior school.

The charity's main objective for the year to 31 August 2008 was to complete work on staff accommodation within the school's former walled garden at a total estimated cost of £698,583. The school has also sought to widen the education of the pupils by taking numbers of them to a chalet owned by the school situated in France where the children can learn not only the language but also how the nationals of another country live.

The company, which is an educational charity, was engaged during the year in the provision of preparatory school education for children aged between two and a half and thirteen.

ABBERLEY HALL LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

The school's policy is to achieve an informal and friendly approach to school life, and to combine this with the discipline which enables all pupils to reach their full potential. The school's commitment to the needs of each pupil as an individual encourages achievement both in and out of the classroom.

Definable Public Benefit

Charitable contributions through assisted places

As at September 2008 thirty pupils received help with fees, of which three were supported by their Local Authority and Charitable Children's Trusts. These children have at some time been at risk of being taken into care and all are monitored by Social Services.

Of the remaining twenty seven pupils, eight have special educational needs that are not being met by the maintained sector and received an average discount on fees of £2,000 per child.

The other nineteen pupils were from families who had applied for boarding or day places and requested help with the fees. This was mostly in the region of 20% to 30%, although greater levels of assistance are given to families who have paid full fees in the past but who have fallen on difficult times.

The school offers free and assisted places to children dependent upon a wide range of criteria and need, but always dependent upon financial circumstances. The assisted places are divided into:-

- Boarding and pastoral need - Children who have need because of family circumstances, either financial or otherwise, and the level of assistance is not limited but the school will help to find other sources of funding, and where families are remote from the school or there is frequent moving required by their employers
- Educational need - The Governors' policy allows help to be given to families who have children with special educational needs which range from gifted and talented children to those with learning difficulties such as dyslexia and dyspraxia.

Other Public Benefit

Hire and permitted use of facilities

The school allows a wide range of groups to hire or use for no charge the school's facilities and grounds and this enables help to be given to the local community and particularly children and young people.

Those groups include cubs and scouts, the local cricket club and the local angling club as well as local schools who hire the indoor swimming pool on a regular basis together with local families who are members of the swimming club. The school's hall and Astroturf facilities are used by local clubs and individuals.

Holiday clubs

The school organises a series of holiday activities during each of the three school holidays and these are open to all. Large numbers of local families take advantage of these holiday clubs.

Work experience and student teacher placements

The school provides work experience opportunities for a number of young people each year and over the last two years has helped Worcester University by offering places to student teachers as they were unable to find enough places in maintained schools.

Raising funds for charities

The school has a history of supporting other charities, most importantly with a fund raising fete held every five years. The next fete is due in 2009 and will support four or five local charities and the target will be to raise over £20,000. In 2004 money was raised for the local hospice, the Air Ambulance, local churches restoration funds and the children's hospice.

ABBERLEY HALL LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

Heritage

The school has a responsibility for maintaining the historical buildings, the main house - Abberley Hall - the Stable Yard, the Clock Tower and the two lodges which are Grade II* listed. The school also maintains the gardens and grounds which are of historical significance and in the last ten years the water garden and other features have been slowly restored. One of the grounds staff is permanently assigned to these areas and the woodland is well managed with areas being regularly replanted with appropriate trees.

Links with local maintained schools and activities for children

The school is putting greater efforts into this area of activity to include the creation of stronger links through offering facilities at the school, or finding areas of cooperation. Apart from the hiring of the swimming pool, with staff, if needed, to the seven local primary schools, an annual football tournament for Year 4 children is organised each October and the primary schools come to the school for art lessons. The school is trying to develop other areas of cooperation and use of the sporting facilities.

Achievements And Performance

The performance achieved by the charity was measured in financial terms by comparing the actual surplus, £153,204 (2007 £353,640 surplus which includes income of £210,841 from the sale of property), with the budgeted surplus of £101,590 (2007 surplus of £64,600). The financial performance of the school is, to a large extent, determined by the numbers of pupils which were slightly higher than expected at 176 actual boarder equivalents compared with the budgeted figure of 163 (2007 162 compared to budgeted 161).

Financial Review

The surplus for the year amounted to £153,204 (2007 £353,640 surplus). In the opinion of the governors the state of affairs of the company is satisfactory.

The School's unrestricted funds stood at £2.29m (2007 £2.14m) at the year end, and were wholly deployed as part of the school premises and equipment, and with the need for day to day working capital met by careful management of short term liquid resources in the absence of free reserves.

The Governors consider that the fees due at the start of each term of around £1,000,000 to £1,050,000 for a four month period are sufficient to cover the risks and uncertainties of operating as an independent educational establishment.

The policy is therefore to continue building up reserves out of annual operating surpluses until that level is reached, subject to the prior demands of further capital expenditure to equip the school with the up to date facilities needed to maintain the standard of educational services currently provided.

Asset Cover For Funds

Note 24 sets out an analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

Details of the fixed assets are given in the notes forming part of the financial statements for the year ended 31 August 2008. In the opinion of the governors the value of the freehold property exceeds the net book value shown in the financial statements, but they consider no useful purpose would be served by bearing the cost of an independent revaluation. The insurance value of the buildings of the school is £13.2m. It should be noted that this is the cost of replacement as new and excludes the value of the land.

ABBERLEY HALL LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

Plans For The Future

The charity aims to finish building staff accommodation within the school's former walled garden by 31st December 2008. The cost of this work to date is £698,583, with a total approximate cost of £836,090. The work has been carried out principally by specialist subcontract employees, who also assisted in the construction of the science block in previous years.

The charity aims to make a surplus as this is its only renewable source of capital which enables it to invest in new facilities and the very best quality of education, as well as offering scholarship places to those unable to meet the full burden of fees.

Disclosure Of Information To Auditors

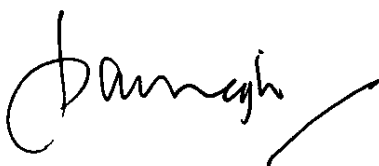
Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Kendall Wadley LLP be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the board of governors

The Hon. D.P.C. Legh
Governor
Dated: 16 March 2009



ABBERLEY HALL LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

Company law requires the governors to prepare accounts for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and of its income and expenditure for that period.

In preparing those accounts, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ABBERLEY HALL LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ABBERLEY HALL LIMITED

We have audited the accounts of Abberley Hall Limited for the year ended 31 August 2008 set out on pages 9 to 27. These accounts have been prepared in accordance with the accounting policies set out on page 12.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditors

As described on page 6, the governors, who are also the directors of Abberley Hall Limited for the purpose of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the accounts 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 accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Governors' Report is consistent with the accounts.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

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

Basis of 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 accounts. It also includes an assessment of the significant estimates and judgements made by the governors in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 accounts.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in note 30 to the accounts.

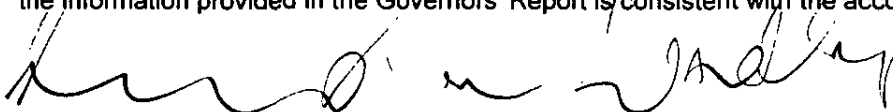
ABBERLEY HALL LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF ABBERLEY HALL LIMITED

Opinion

In our opinion:

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 August 2008 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information provided in the Governors' Report is consistent with the accounts.



Kendall Wadley LLP
Chartered Accountants
Registered Auditor
Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Dated: 16 March 2009

ABBERLEY HALL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2008

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2008 £	Total 2007 £
<u>Incoming resources from generated funds</u>						
Donations and legacies	2	6,917	-	-	6,917	-
Activities for generating funds	4	142,515	-	-	142,515	69,116
Investment income		16,431	-	-	16,431	11,034
		165,863	-	-	165,863	80,150
Incoming resources from charitable activities	3	3,352,289	-	-	3,352,289	2,964,186
Other incoming resources	6	-	4,500	-	4,500	210,841
Total incoming resources		3,518,152	4,500	-	3,522,652	3,255,177
<u>Resources expended</u>						
<u>Costs of generating funds</u>						
Rental of property to television production company		35,410	-	-	35,410	-
School uniform purchases	3	15,013	-	-	15,013	15,550
		50,423	-	-	50,423	15,550
Net incoming resources available		3,467,729	4,500	-	3,472,229	3,239,627
<u>Charitable activities</u>						
Teaching costs		1,872,721	-	-	1,872,721	1,733,677
Welfare		560,489	-	-	560,489	506,430
Premises		421,155	-	-	421,155	282,033
Extra curricular and support costs		425,476	-	-	425,476	330,701
Total charitable expenditure		3,279,841	-	-	3,279,841	2,852,841
Governance costs		27,207	-	-	27,207	20,949
Other resources expended		11,977	-	-	11,977	12,197
Total resources expended		3,369,448	-	-	3,369,448	2,901,537
Net income for the year/ Net movement in funds		148,704	4,500	-	153,204	353,640
Fund balances at 1 September 2007		2,144,569	682,908	990	2,828,467	2,474,827
Fund balances at 31 August 2008		2,293,273	687,408	990	2,981,671	2,828,467

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

ABBERLEY HALL LIMITED

BALANCE SHEET AS AT 31 AUGUST 2008

	Notes	2008 £	£	2007 £	£
Fixed assets					
Tangible assets	14	3,552,141		2,976,125	
Current assets					
Stocks	15	47,830		37,464	
Debtors	16	269,168		182,645	
Investments	17	50		50	
Cash at bank and in hand		222,033		128,673	
		<u>539,081</u>		<u>348,832</u>	
Creditors: amounts falling due within one year	18	<u>(1,014,944)</u>		<u>(402,212)</u>	
Net current liabilities		<u>(475,863)</u>		<u>(53,380)</u>	
Total assets less current liabilities		<u>3,076,278</u>		<u>2,922,745</u>	
Creditors: amounts falling due after more than one year	19	<u>(94,607)</u>		<u>(94,278)</u>	
Net assets		<u><u>2,981,671</u></u>		<u><u>2,828,467</u></u>	
Share capital	21	100		100	
Income funds					
Restricted funds	22	990		990	
Unrestricted funds:					
Designated funds	23	687,408		682,908	
Other charitable funds		<u>2,293,173</u>		<u>2,144,469</u>	
		<u><u>2,981,671</u></u>		<u><u>2,828,467</u></u>	

The accounts were approved by the Board on 16 March 2009

The Hon. D.P.C. Legh
Governor



A.G. Duncan
Governor



ABBERLEY HALL LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2008

	Notes	2008 £	2007 £
Net cash inflow from operating activities	25	432,215	197,883
Returns on investments and servicing of finance			
Financing costs	(11,977)	(12,197)	
Net cash outflow from returns on investments and servicing of finance		(11,977)	(12,197)
Capital expenditure			
Payments to acquire tangible fixed assets	(598,513)	(158,531)	
Receipts from sales of tangible fixed assets	4,500	210,841	
Net cash (outflow)/inflow from capital expenditure		(594,013)	52,310
Net cash (outflow)/inflow before financing		(173,775)	237,996
Financing			
Repayment of long term bank loans	3,482	(14,893)	
Net cash inflow/(outflow) from financing		3,482	(14,893)
(Decrease)/increase in cash	26	(170,293)	223,103

ABBERLEY HALL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2008

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 1985.

1.2 Incoming resources

School fees consist of charges billed for the school year ending 31st August 2008 less allowances.

Donations received and other incoming resources are on a receivable basis.

1.3 Resources expended

Resources expended are summarised under functional headings on a direct cost basis.

Costs for generating funds comprise of costs which are directly attributable to activities that are engaged solely to raise funds and do not relate to the charitable activities of the charity.

Expenditure relating to charitable activities comprise of all expenses that are incurred in the running of the school and all related activities.

Governance costs are costs that are directly attributable to the management of the charity's assets, organisational procedures and legal procedures for compliance with statutory requirements.

Support costs which do not directly relate to the main activities of the school are apportioned over the charitable activities of the charity on a percentage of staff costs basis.

1.4 Tangible fixed assets and depreciation

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

Freehold land and buildings	no depreciation
Alterations and improvements	no depreciation
Grounds and computer equipment	10% on net book value to 33% on cost
Furniture, plant and fittings	no depreciation
Motor vehicles	25% on cost

Schedule 4 to the Companies Act 1985 and Financial Reporting Standard No. 15 require that the provision be made for depreciation of fixed assets having a finite useful life. However, the governors are of the opinion that the residual value at the end of the estimated useful life of the freehold buildings and the alterations and improvements is not likely to materially differ from its cost. Therefore, any element of depreciation is considered to be immaterial and no provision is made.

The governors have adopted the transitional provisions of Financial Reporting Standard No. 15 and therefore the valuation has not been updated. The last revaluation was in November 1998.

The governors believe that the residual value at the end of the estimated useful life of the furniture, plant and fittings is not likely to materially differ from its cost. Therefore, any element of depreciation is considered to be immaterial and no provision is made.

ABBERLEY HALL LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

1 Accounting Policies

(continued)

All assets costing more than £250 and with an expected useful life exceeding one year are capitalised.

1.5 Investments

Current asset investments are stated at the lower of cost and net realisable value.

1.6 Stock

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

1.7 Pensions

The company operates a defined contribution pension scheme. Contributions are charged as they become payable in accordance with the rules of the scheme.

The school participates in a multi-employer defined benefits pension scheme, the Teachers' Pension Scheme (England and Wales) ("the scheme"), for its teaching staff. As a result it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the school. As such the contributions are accounted for as if the scheme were defined contribution and charged as they become payable. Further details are included in the notes to the financial statements.

1.8 Accumulated funds

Donations received for the general purposes of the charity are included as unrestricted funds. Donations for activities restricted by the wishes of the donor are taken to "restricted funds" where these wishes are legally binding on the governors.

Designated funds have arisen due to various appeals and the donation and sale of property. These funds have been retained for the enhancement of facilities in furtherance of the Charity's aims.

1.9 Rental of swimming pool

Rental income receivable for the rent of the swimming pool are charged against income on a straight line basis over the period of the lease.

1.10 Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

2 Donations and legacies

	2008 £	2007 £
Donations and gifts	6,917	-

ABBERLEY HALL LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

3 Incoming resources from charitable activities

	2008 £	2007 £
Income from main charitable activities	2,946,406	2,620,135
Fees for extra curricular activities	281,479	239,843
Supported learning fees	68,405	59,234
French chalet income	55,999	44,974
	<u>3,352,289</u>	<u>2,964,186</u>
Income from main charitable activities:		
School fees	3,333,418	2,933,939
After school care	7,593	9,236
Allowances	(386,110)	(311,306)
Commission	(8,495)	(11,734)
	<u>2,946,406</u>	<u>2,620,135</u>

4 Activities for generating funds

	2008 £	2007 £
Rent receivable	771	638
Milk subsidy	332	1,198
Uniform shop	17,420	21,199
Miscellaneous income	13,992	6,081
Swimming pool rent receivable	30,000	40,000
Rent of property to television production company	80,000	-
Total income generated	<u>142,515</u>	<u>69,116</u>
Expenses	<u>(50,423)</u>	<u>(15,550)</u>
Net income from trading	<u>92,092</u>	<u>53,566</u>

5 Investment income

	2008 £	2007 £
Interest receivable	<u>16,431</u>	<u>11,034</u>

ABBERLEY HALL LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

6 Other incoming resources

	2008 £	2007 £
Net gain on disposal of fixed assets	<u>4,500</u>	<u>210,841</u>

The net gain on disposal of fixed assets received in the year relates to additional income received in relation to the sale of 1 Stanford Road in the previous year.

ABBERLEY HALL LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

7 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2008 £	Total 2007 £
Costs of generating funds					
Rental of property to television production company	12,307	-	23,103	35,410	-
School uniform purchases	-	-	15,013	15,013	15,550
Total	12,307	-	38,116	50,423	15,550
Charitable activities					
<u>Teaching costs</u>					
Activities undertaken directly	1,579,124	-	100,559	1,679,683	1,552,732
Support costs	69,371	6,110	117,557	193,038	180,945
Total	1,648,495	6,110	218,116	1,872,721	1,733,677
<u>Welfare</u>					
Activities undertaken directly	258,776	3,202	272,350	534,328	479,227
Support costs	11,368	1,001	13,792	26,161	27,203
Total	270,144	4,203	286,142	560,489	506,430
<u>Premises</u>					
Activities undertaken directly	94,597	11,817	302,134	408,548	271,265
Support costs	4,155	367	8,085	12,607	10,768
Total	98,752	12,184	310,219	421,155	282,033
<u>Extra curricular and support costs</u>					
Activities undertaken directly	177,555	-	247,921	425,476	330,701
	2,194,946	22,497	1,062,398	3,279,841	2,852,841
Governance costs	-	-	27,207	27,207	20,949
Other resources expended	-	-	11,977	11,977	12,197
	2,207,253	22,497	1,139,698	3,369,448	2,901,537

Other resources expended comprises of bank interest and bank charges payable during the year.

8 Rental of property to television production company

	2008 £	2007 £
Other costs of Rental of property to television production company comprise:		
Additional accommodation	8,335	-
Food costs	12,970	-
Other expenses	1,798	-
	23,103	-

ABBERLEY HALL LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

9 Activities undertaken directly

	2008 £	2007 £
Other costs relating to teaching costs comprise:		
Healthcare	16,312	21,689
Books etc	12,483	10,348
Science	5,120	2,292
Art and CDT	5,553	9,574
Drama	2,352	2,330
IT	10,120	9,137
Sports	7,065	4,918
Other academic subjects	20,083	13,729
Training	9,329	4,378
Healthcare - pre-prep	2,891	3,232
Books etc - pre-prep	9,251	8,842
	100,559	90,469
Other costs relating to welfare comprise:		
Medical expenses	6,513	5,744
Oil	47,764	29,154
Gas	13,833	7,781
Electricity	8,065	31,073
Provisions	113,516	91,666
Housekeeping	21,026	17,541
Travel expenses	35,633	27,058
Meals - pre-prep	26,000	27,000
	272,350	237,017
Other costs relating to premises comprise:		
Grounds expenses	52,920	23,504
Repairs and maintenance	184,203	82,963
Rates	25,891	23,584
Swimming pool rental	39,120	36,460
	302,134	166,511
Other costs relating to extra curricular and support costs comprise:		
Extra curricular activities	168,916	139,317
French chalet activities costs	79,005	42,254
	247,921	181,571

ABBERLEY HALL LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

10 Support costs

	Teaching costs £	Welfare £	Premises £	Total 2008 £	Total 2007 £
Other costs	117,557	13,792	8,085	139,434	113,760
Staff costs	69,371	11,368	4,155	84,894	86,143
Depreciation	6,110	1,001	367	7,478	19,013
	<u>193,038</u>	<u>26,161</u>	<u>12,607</u>	<u>231,806</u>	<u>218,916</u>

Support costs that do not directly relate to the main activities of the school are apportioned on a percentage of staff costs attributable to each of the charitable activities basis (see note 7).

	2008 £	2007 £
Other support costs relating to teaching costs comprise:		
Healthcare	1,519	1,772
Insurance	28,104	28,445
Telephone	5,986	3,267
Postage	4,713	3,898
Subscriptions	3,881	3,813
General office expenses	5,942	3,386
Bad debt expense	27,359	11,119
Promotional expenditure	30,663	33,267
Entertainment	3,400	2,288
(Profit)/Loss on exchange rate movement	(5,564)	-
Staff recruitment	2,959	-
Rent of flats for staff	8,595	4,140
	<u>117,557</u>	<u>95,395</u>

Other support costs relating to welfare comprise:

Healthcare	249	291
Insurance	4,606	4,670
Telephone	981	536
Postage	772	640
Subscriptions	636	626
General office expenses	966	556
Promotional expenditure	5,025	5,462
Entertainment	557	376
	<u>13,792</u>	<u>13,157</u>

ABBERLEY HALL LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

10 Support costs

(continued)

Other support costs relating to premises comprise:

Healthcare	90	115
Insurance	1,683	1,849
Telephone	358	212
Postage	283	253
Subscriptions	233	248
General office expenses	354	220
Promotional expenditure	1,837	2,162
Entertainment	203	149
Staff recruitment	3,044	-
	<u>8,085</u>	<u>5,208</u>

11 Governance costs

	2008	2007
	£	£
Other governance costs comprise:		
Legal and professional fees	6,207	2,499
Accountancy and audit fees	21,000	18,450
	<u>27,207</u>	<u>20,949</u>

Accountancy and audit fees includes payments for audit services of £7,000 (2007 £6,500) and £14,000 (2007 £11,950) for accounts preparation and taxation services.

12 Governors

None of the governors (or any persons connected with them) received any remuneration during the year.

No governors received any reimbursement of expenses during the year.

ABBERLEY HALL LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

13 Employees

Number of employees

The average monthly number of employees during the year was:

	2008 Number	2007 Number
Administration	-	4

Employment costs

	2008 £	2007 £
Wages and salaries	1,957,243	1,766,263
Social security costs	135,603	128,997
Other pension costs	165,948	155,538
	<u>2,258,794</u>	<u>2,050,798</u>

During the year wages totalling £51,542 (2007 £14,947) were capitalised as part of the ongoing construction of building staff accommodation within the school's former walled garden.

There were no employees whose annual emoluments were £60,000 or more.

14 Tangible fixed assets

	Freehold land and buildings	Alterations and improvements	Grounds and computer equipment	Furniture, plant and fittings	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 September 2007	1,131,614	1,709,316	303,773	15,021	45,395	3,205,119
Additions	564,497	-	17,017	-	16,999	598,513
At 31 August 2008	<u>1,696,111</u>	<u>1,709,316</u>	<u>320,790</u>	<u>15,021</u>	<u>62,394</u>	<u>3,803,632</u>
Depreciation						
At 1 September 2007	-	-	186,174	-	42,820	228,994
Charge for the year	-	-	19,295	-	3,202	22,497
At 31 August 2008	<u>-</u>	<u>-</u>	<u>205,469</u>	<u>-</u>	<u>46,022</u>	<u>251,491</u>
Net book value						
At 31 August 2008	<u>1,696,111</u>	<u>1,709,316</u>	<u>115,321</u>	<u>15,021</u>	<u>16,372</u>	<u>3,552,141</u>
At 31 August 2007	<u>1,131,614</u>	<u>1,709,316</u>	<u>117,599</u>	<u>15,021</u>	<u>2,575</u>	<u>2,976,125</u>

Freehold land and building additions relate to ongoing work in building staff accommodation within the school's former walled garden.

ABBERLEY HALL LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

15	Stocks	2008	2007
		£	£
	School uniforms	36,073	30,389
	Heating oil	10,072	5,923
	Gas	1,685	1,152
		<u>47,830</u>	<u>37,464</u>
16	Debtors	2008	2007
		£	£
	Fees due	218,873	154,308
	Other debtors	34,285	15,649
	Prepayments and accrued income	16,010	12,688
		<u>269,168</u>	<u>182,645</u>
17	Current asset investments	2008	2007
		£	£
	Short term deposits	<u>50</u>	<u>50</u>
18	Creditors: amounts falling due within one year	2008	2007
		£	£
	Bank loans	17,693	14,540
	Bank overdrafts	290,533	26,880
	Trade creditors	174,253	75,745
	Fees in advance	237,670	80,850
	Taxes and social security costs	65,706	46,058
	Payments on accounts	168,087	109,862
	Pension creditor	20,650	19,250
	Other creditors	28,538	18,027
	Accruals	11,814	11,000
		<u>1,014,944</u>	<u>402,212</u>

Lloyds Bank Plc holds a mortgage deed over the charity, secured on the mansion house known as Abberley Hall and all associated land and buildings. At the year end the total property used as security on the loan was included in the accounts at a value of £3,158,520 (2007 £2,598,189). At the year end the total overdrawn on all bank accounts with Lloyds Bank Plc was £290,533 (2007 £26,880).

ABBERLEY HALL LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

19 Creditors: amounts falling due after more than one year	2008 £	2007 £
Mortgage - Chalet in France	94,607	94,278
Analysis of loans		
Not wholly repayable within five years	16,493	31,172
Wholly repayable within five years	95,807	77,646
	112,300	108,818
Included in current liabilities	(17,693)	(14,540)
	94,607	94,278
Loan maturity analysis		
In more than one year but not more than two years	18,421	14,886
In more than two years but not more than five years	59,693	48,220
In more than five years	16,493	31,172
	94,607	94,278

The creditor refers to a mortgage taken out in order to purchase a Chalet in France. The loan is repayable at €2,247 per month at 3.8% interest per year. An exchange rate loss of £19,443 (2007 £408 profit) was made on the loan during the year and is included in Chalet costs.

20 Pension costs

Under the definitions set out in the Financial Reporting Standard 17 (Retirement benefits), the Teachers' Pension Scheme (England and Wales) is a multi-employer scheme for its teaching staff. The charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the charity has accounted for its contributions as if it were for a defined contribution scheme.

The defined benefit pension cost charge for the year reflecting in these accounts represents contributions payable by the charity to the fund and amounted to £165,948 (2007 £155,538). There were no outstanding or prepaid contributions at either the beginning or the end of either financial year.

The last report by the Government Actuary covered the period 1 April 2001 to 31 March 2004. The valuation statement as at 31 March 2004 made in November 2006 revealed that the total liabilities of the Scheme (the estimated cost of past and future service benefits of existing members) amounted to £3,260 million under current provisions and £1,840 million under the new provisions that come into force since 1 January 2007.

The actuarial review assumed that the real rate of return on the notional investment is 3.5% in excess of price increases and 2% in excess of general earnings increases, therefore assuming a rate of real earnings growth of 1.5%. The assumed long-term gross rate of return is 6.5%.

Following this report the standard contribution rate has been raised from 19.5% to 20.5% from 1 January 2007. 6.4% is to be paid by the teachers and the remaining 14.1% borne by the school.

ABBERLEY HALL LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

21 Share capital

The authorised share capital of the charitable company is 100 ordinary shares of £1 each (2007 - 100 ordinary shares of £1 each).

At the balance sheet date 100 ordinary shares of £1 each were allotted and called up (2007 - 100 ordinary shares of £1 each).

22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 September 2007	Movement in funds		Balance at 31 August 2008
	£	Incoming resources	Resources expended	£
Prize fund	208	-	-	208
Grant for nursery places	782	-	-	782
	<u>990</u>	<u>-</u>	<u>-</u>	<u>990</u>

The prize fund comprises donations made for the purpose of providing prizes for pupils.

The grant for nursery places is a government grant for that purpose.

ABBERLEY HALL LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

23 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 September 2007	Movement in funds		Balance at 31 August 2008
		Incoming resources	Resources expended	
	£	£	£	£
Appeals fund re school buildings	102,603	-	-	102,603
Gilbert Ashton: gift of property	25,529	-	-	25,529
Sale of properties: 1973	32,998	-	-	32,998
Appeal fund: 1998	184,930	-	-	184,930
Revaluation reserve	126,007	-	-	126,007
Sale of 1 Stanford Road	210,841	4,500	-	215,341
	<u>682,908</u>	<u>4,500</u>	<u>-</u>	<u>687,408</u>

The funds "Appeals for school buildings" and "Appeal fund 1998" represent proceeds from appeals.

The designated fund "Gilbert Ashton gift of property" represents property donated to the charity.

The designated fund "Sale of properties 1973" represents proceeds of sale of properties.

The designated fund "Sale of 1 Stanford Road" represents proceeds of sale of property at 1 Stanford Road.

All these funds have been retained for the enhancement of facilities in furtherance of the Charity's aims.

ABBERLEY HALL LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

24 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 August 2008 are represented by:				
Tangible fixed assets	3,552,141	-	-	3,552,141
Current assets	(149,317)	687,408	990	539,081
Creditors: amounts falling due within one year	(1,014,944)	-	-	(1,014,944)
Creditors: amounts falling due after more than one year	(94,607)	-	-	(94,607)
Net assets	2,293,273	687,408	990	2,981,671
Share capital	(100)	-	-	(100)
Fund balances	2,293,173	687,408	990	2,981,571

25 Net cash inflow from operating activities

	2008 £	2007 £
Reconciliation to changes in resources		
Changes in resources before revaluations	153,204	353,640
Financing costs	11,977	12,197
Depreciation of tangible fixed assets	22,497	38,015
Profit on disposal of tangible fixed assets	(4,500)	(210,841)
Increase/(decrease) in stocks	(10,366)	3,840
(Increase)/decrease in debtors	(86,523)	8,651
Increase/(decrease) in creditors	345,926	(7,619)
	432,215	197,883

26 Reconciliation of net cash flow to movement in net debt

	2008 £	2007 £
(Decrease)/increase in cash	(170,293)	223,103
Repayment of long term bank loans	(3,482)	14,893
Movement in net debt	(173,775)	237,996
Net debt at 1 September 2007	(6,975)	(244,971)
Net debt at 31 August 2008	(180,750)	(6,975)

ABBERLEY HALL LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

27 Analysis of net debt

	At 1 September 2007 £	Cash flow £	Non-cash changes £	At 31 August 2008 £
Cash at bank and in hand	128,673	93,360	-	222,033
Bank overdrafts	(26,880)	(263,653)	-	(290,533)
		<u>(170,293)</u>		
Debt due within one year	(14,540)	(3,482)	329	(17,693)
Debt due after one year	(94,278)	-	(329)	(94,607)
		<u>(3,482)</u>		
Current asset investments	50	-	-	50
	<u>(6,975)</u>	<u>(173,775)</u>	<u>-</u>	<u>(180,750)</u>

28 Capital commitments

	2008 £	2007 £
At 31 August 2008 the company had capital commitments as follows:		
Expenditure contracted for but not provided in the accounts	<u>137,507</u>	<u>697,837</u>

The Charity is in the process of building staff accommodation within the school's former walled garden. The capital commitment represents the estimated total cost of completing the project at the year end.

ABBERLEY HALL LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

29 Related parties

During the year Abberley Hall Limited traded on normal commercial terms with Abberley Hall Enterprises Limited, a company incorporated in England and Wales. Mr A. G. Duncan and The Hon. D. P. C. Legh, who are governors of Abberley Hall Limited are the sole shareholders of Abberley Hall Enterprises Limited and hold the shares as nominees for Abberley Hall Limited. Rent received from Abberley Hall Enterprises Limited during the year amounted to £30,000 (2007 £40,000) and fees paid to Abberley Hall Enterprises Limited for use of the swimming pool totalled £39,120 (2007 £36,460). At the year end £11,832 (2007 £5,122) was owed to Abberley Hall Enterprises Limited by Abberley Hall Limited. During the year Abberley Hall Limited received £21,000 (2007 £18,000) recharges for oil and wages from Abberley Hall Enterprises Limited.

During the year 3 of the Governors (3 Governors) had 5 children (5 children) attending the school. The school charged them a total of £66,249 (2007 £60,896) for school fees and £7,763 (2007 £6,682) for extras and disbursements.

The Abberley Foundation is a charity whose objectives are the advancement of the education of the pupils of Abberley Hall School by assisting in the maintenance, improvement and development of buildings and facilities at the School. Mrs J. M. Roche, Mr A. J. Stewart and Mr V. E. C. Taylor are trustees of both charities. Mrs J. M. Roche resigned as a Governor in July 2008. At the year end £858 (2007 £nil) was owed by Abberley Foundation to Abberley Hall Limited for expenses paid on their behalf, included in trade debtors.

30 Auditors' Ethical Standards

The relevant circumstances requiring disclosure in accordance with the requirements of APB Ethical Standard - Provisions Available for Small Entities are that, in common with many charities of our size and nature we use our auditors to assist with the preparation of the accounts.