

**BALLARD SCHOOL LIMITED**  
**(Limited by Guarantee)**  
**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

COMPANY NUMBER: 733644

CHARITY NUMBER: 307328



**BALLARD SCHOOL LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

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# **BALLARD SCHOOL LIMITED**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

Ballard School Limited is a charitable company limited by guarantee. It was incorporated on 28 August 1962 under company number 733644 and registered with the Charity Commission on 13 December 1962 under charity number 307328. The Registered Office and principal trading address is Fernhill lane, New Milton, Hampshire, BH25 5SU.

#### **Governors**

The Governors are also directors of Ballard School Limited. All Governors served throughout the year except where indicated:

	Education Committee	Finance & General Purposes Committee
Mrs M G Billington	✓	
Mr C Ford (retired 29 March 2017)		
Mr P Goodfellow (Chair of Governors)	✓	✓
Dr E Halliwell		✓
Mr C Kean		✓
Mrs F E Morgan	✓	
Rev M Poole		✓
Mrs W Roberts (Chair of Education)	✓	✓
Mrs S Rogers (appointed 7 March 2017)	✓	
Mr A Stenbridge (appointed 7 June 2017)		✓
Mrs A Trask (retired 12 July 2017)		
Mrs J Tudor	✓	
Mrs A Watson-Lee (Chair of Finance)	✓	✓

#### **Senior officers**

Mr A J Reid MA (Cantab), PGCE, NPQH) (Headmaster)  
Mr M A R Smith BA Hons, ACA (Bursar, Clerk to the Governors and Company Secretary)

#### **Bankers**

HSBC  
59 Old Christchurch Road  
Bournemouth BH1 1EH

#### **Solicitors**

Veale Wasbrough Vizards  
Narrow Quay House  
Narrow Quay  
Bristol BS1 4QA

#### **Auditors**

Nexia Smith & Williamson  
Cumberland House  
15 – 17 Cumberland Place  
Southampton SO15 2BG

#### **Investment advisors**

Thesis Asset Management  
Solent House  
Cannon Street  
Lymington SO41 9BR

# **BALLARD SCHOOL LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

## **REPORT OF THE GOVERNORS (INCORPORATING A STRATEGIC REPORT)**

The Board of Governors of Ballard School are pleased to present their annual report and audited financial statements for the year ended 31 August 2017.

### **OBJECTS, AIMS AND ACTIVITIES**

#### **Objects**

The Charity operates within its Articles of Association dated 28 August 1962 last amended in November 2017. The main object of the School is to provide first class and academically rigorous education for children and young people by offering a broad and balanced curriculum within a positive Christian and family environment.

The School welcomes all children and families of every background, culture and faith but continues to be founded on Christian values which will be evident in our pastoral care, our assemblies and our family ethos.

#### **Aims**

Our vision statement is to provide a supportive and caring environment for learning, based on Christian values and excellent teaching, designed to ensure all pupils achieve their personal best. High academic standards, together with thorough preparation for future education and the world of work, are underpinned by an ethos of concern for others, unselfish attitudes and an awareness of the rights and duties of a good citizen. The diverse range of activities and broad curriculum nurture the self-confidence of all our pupils, and help the development of their personality, engendering also lifelong interests and stimulating a desire to serve the community.

Our aims may be summarised as follows:

- To identify and build on strengths to help each individual pupil reach their potential within a secure, caring community and to equip our young people to be well-behaved, resilient, rounded and resourceful members of society and prepared for their future working lives.
- To aim for academic excellence, so that each individual pupil may achieve his or her personal best. We believe all our pupils are entitled to an education that extends beyond the purely academic. Pupils are actively encouraged to take part in a wide range of artistic, creative, cultural, musical, sporting and other extra-curricular activities.
- To recognise the worth, dignity and contribution of each member of the Ballard Family and to foster self-discipline, self-esteem, mutual respect and co-operation within an atmosphere of friendship and trust promoting an appreciation of the needs and gifts of others.
- To offer scope for spiritual, moral and personal development within a disciplined and mutually supportive environment which affirms Christian values.
- To expect high standards of achievement by developing in pupils the ability to manage change, to think and research independently and communicate confidently and effectively.
- To celebrate our achievements, gifts and diversity irrespective of individual differences.
- To respond to the wider needs of society through community projects, charitable fundraising and outreach and by increasing awareness of local, national and world issues.

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

**BALLARD SCHOOL LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

**REPORT OF THE GOVERNORS (INCORPORATING A STRATEGIC REPORT)**  
**continued ...**

**Principal Activity**

The School's principal activity is the provision of day schooling for boys and girls from Nursery to GCSE.

**Strategies to achieve objectives**

The School was able to achieve its main objectives by means of strong effective leadership, good financial controls and an excellent standard of teaching and pastoral care.

**STRATEGIC REPORT**

**Financial Review**

The financial statements show total income for the year on School activities of £5,077,192 (2016: £5,054,088). The principal source of income is fees, accounting for 97.6% (2016: 97.5%) of the School's income. Net income for the year was £270,430 (2016: £19,878).

**Reserves**

The Board of Governors regularly review the finances, spend against budget, together with monthly management accounts, as part of the effective stewardship of the School. The Board of Governors has invested substantial sums into new School buildings in recent years and has a continuing programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils. The reserves are £7,310,726 (2016: £7,040,296) which illustrates the extent of the investment in our School; this is a common practice by independent schools which have to finance their own capital investment plans.

The Board of Governors considers that whilst the charity's balance sheet is strong, there is a need to maintain cash reserves to enable the School to continue to operate should any unforeseen circumstances occur and to facilitate capital expenditure in the future without the need to borrow. The lowest level of cash reserves during the year was £2,618,150 (2016: £2,733,402) representing 29 weeks' expenditure. The policy is to have cash reserves so that at their lowest level in the school year, they cover a minimum of two terms' overheads.

**Development and Maintenance**

The School continued to invest in new equipment and facilities whilst maintaining and improving the buildings and grounds. Expenditure on IT was most prominent including; Servers £55,403, a new fibre optic cabling system with switches £66,626, classroom computers & iPad's £58,198 and multifunctional printers £70,758. A new wooden cabin was constructed (with financial assistance kindly provided by The Friends of Ballard School) to be used as a senior common room and a teaching space for Drama and PSHE.

**Investment Policy and Performance**

The School has investments held with THESIS Asset Management plc (see note 11). The funds are invested with a view to receiving an income stream with a reasonable degree of capital growth. The wide portfolio of investment funds is considered to be of medium risk but when combined with the School's other cash deposits the overall risk profile is considered to be low.

During the year investment income of £60,103 was generated from these investments. Realised gains were £19,727 and a rise in the general market resulted in unrealised gains of £166,732 as at 31 August 2017.

Surplus cash funds are held with a minimum of three financial institutions in interest bearing accounts earning a small return, in the current market conditions, whilst maintaining low exposure to risk. Interest earned from cash funds was £10,615 (2016: £21,739).

# **BALLARD SCHOOL LIMITED**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

### **REPORT OF THE GOVERNORS (INCORPORATING A STRATEGIC REPORT)**

**continued ...**

#### **Future developments**

Governors intend to continue their current strategy of maintaining the Schools' competitive position, providing holistic education for all age groups from Nursery to GCSE. The School will continue to invest and develop in its facilities in order to achieve a positive balance between academic achievement, extra-curricular activities and a thorough preparation for future education and the workplace.

#### **Risk Management**

Members are responsible for the overseeing of the risks faced by the School. Detailed considerations of risk are delegated to the Senior Management of the School and reviewed by a designated governor. A formal review is undertaken termly under the following headings: aims and objectives, legal and fiscal regulation, governance and management, external, operational, financial, IT, environmental, intellectual property and staff.

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

#### **Pupil Numbers**

Our educational activities are carried out through our Senior (years 9 to 11), Upper Preparatory (years 6 to 8), Lower Preparatory (years 3 to 5), Pre-preparatory, Kindergarten and Nursery Schools. Pupil numbers peaked at 453 (414 Full Time Equivalents (FTEs)) during the Summer Term. Maintenance of pupil numbers is a significant factor impacting the future financial performance of the school.

#### **Bursary and Scholarship policies**

The Board of Governors views our bursary and scholarship awards as important in helping to ensure children from families who would otherwise not be able to afford the fees to access the education we offer. Our School does not have any endowments and, in funding our awards, we have to be mindful that we must ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

Our bursary awards are available to all who meet our general entry requirements and are made on the basis of parental means or to relieve hardship, where a pupil's education and future prospects would otherwise be at risk, for example, in the case of redundancy. The success of our bursary scheme is explained in our public benefit section of this report. The awards range up to 100% remission of fees.

Our scholarships are awarded on the basis of the individual's educational and extra-curricular merit or potential. New scholarships are awarded up to 50% of fees for entry into Years 7 and 9. Scholarships may be supplemented by a bursary.

#### **Family discounts policy**

With pupils ranging in age from 2 to 16 years we are very much a family School and to assist families we offer discounts where parents have more than one child at the School. To help us attract and retain high quality staff we offer staff a discount scheme where they choose to educate their children at our School.

## **BALLARD SCHOOL LIMITED**

### **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

#### **REPORT OF THE GOVERNORS (INCORPORATING A STRATEGIC REPORT)**

**continued ...**

##### **Academic results**

Whilst the School remains non-selective, the 2017 GCSE results saw 89% of pupils gaining 5 or more A\* to C grades (or equivalent) including English and Maths, which continues to put the School at the forefront of non-selective schools in the area. Subjects achieving 100% grades A\* to C were Dance (all A's), Drama, Expressive Arts, Food Tech (90% A\* A); Art (50% A\* A), Music (85% A\* - B), and Spanish (78% A\* - B). There were also outstanding results in Speech and Drama examinations, LAMDA, New Era (almost all at 'distinction' or 'merit' levels) and English Speaking Board.

##### **PUBLIC BENEFIT**

The Governors have given due consideration to the Charity Commission's published guidance concerning the provision of Public Benefit.

The School is committed to providing Public Benefit in a variety of ways including:

- the provision of means-tested bursaries;
- use of our sports facilities to local children's sports clubs and primary schools;
- free or subsidised use of our Performing Arts Centre for charitable fundraising events;
- teacher training as well as work experience for potential teachers;
- raising funds for local and national charities.

##### **Bursaries and Scholarships**

This year the value of means-tested bursaries totalled £143,390 and represented 2.6% of gross fees (2016: 2.7%) and provided assistance to 27 (2016: 36) of our pupils/families. Scholarships were awarded to 60 (2016: 65) pupils, based on their educational merit and potential, totalling £168,810 and representing 3.1% of gross fees (2016: 2.7%). Eight pupils received bursaries in excess of 50% of which two received support of 100% of fees. In addition, family discounts amounting to £95,914 were provided.

Information about fee assistance in the form of bursaries and scholarships is provided to all those applying to the School.

##### **Community Links**

The Charity has continued to foster the School's links with the local community. The School provided sports facilities free of charge to local children's football teams, New Forest Volleyball, and a netball team. Local primary schools are invited to various sporting festivals, a leadership day and a gifted and talented day. The school hosts local festivals such as KS1, KS2 and KS3 Gymnastics as well as the New Forest Tag Rugby and New Forest Volleyball development festival. The Sports Hall is used as the development centre for New Forest Cadet Volleyball training which is open to all local junior school pupils in years 5 & 6. The School has close links and shares facilities with Bashley Cricket Club and New Milton Cricket Club. Local schools are invited to see matinee performances of shows without charge and senior pupils visited a local primary school to assist with a play performance.

The School combined with local maintained schools, Highcliffe School, The Arnewood School and Priestlands School on a number of joint projects including student exchange visits with a French school, a series of careers lectures and dance activities. Sports elite pupils visit local primary schools to assist with PE lessons as did Dance Vision students with dance. A Christmas concert is provided to residents of local retirement homes. Our Minibuses are lent to local schools for educational trips.

## **BALLARD SCHOOL LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

### **REPORT OF THE GOVERNORS (INCORPORATING A STRATEGIC REPORT) continued ...**

The Performing Arts Centre and other School buildings are used by the local drama group the New Forest Players, who perform four productions a year. Our music school is a centre for the locality for the ABRSM music exams.

Ballard pupils were invited to play a part in the Remembrance Service in New Milton in November 2016

Fundraising raised funds of £2,848 for a wide range of organisations including; Macmillan Cancer Support, British Legion, Save the Children, Teenage Cancer Trust, Solent Mind, Hampshire & Isle of Wight Air Ambulance and força - strength against cancer. Further sums were raised by staff and pupils and paid direct to Kenya (Camps International) and Oakhaven Hospice. Donations totalling £135 were made to two organisations, Romanian children were supported via the annual Samaritans Christmas shoebox appeal, presents are provided to Barnardo's at our Christmas carol service and food is donated to New Forest Basics Bank from the harvest festival.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Governors are the charity trustees and also directors of the limited company. They are responsible for the overall management and control of Ballard School including the setting of aims and objectives, strategy, setting of policies, reviewing performance, budgeting and compliance. The Board of Governors meet no less than three times a year and the Headmaster and Bursar attend all meetings.

The work of implementing policies is carried out by the members of the Education Committee and the Finance & General Purposes Committee which meet at least once a term. The Bursar is responsible for co-ordinating the work of the Board of Governors and its Committees, preparation of papers and management accounts and the review of matters arising.

All trustees give of their time freely and no remuneration was paid in the year but travel and training costs are reimbursed. No Governor or person connected with a Governor received any benefit from either means-tested bursaries or scholarships awarded to our pupils.

The general day-to day management of the School is delegated to the Headmaster and Bursar who ensure that the policies as set by the Board of Governors are adhered to.

#### **Governor recruitment and training**

New Governors are appointed by the existing Board of Governors. Any Governor can nominate appointees, but appointments can only take place via a majority vote. New Governors are inducted into the workings of the Charity and the School, including policies and procedures. Training needs are assessed and provided as necessary.

#### **Appointment of new Head teacher**

Mr Alastair Reid is to retire as Head teacher at the end of the academic year 2017/18. Governors thank Alastair for his excellent service to the School and wish him a long and healthy retirement.

Mr Andrew McCleave has been appointed as Head teacher from September 2018. Andrew is presently Deputy Head Academic at City of London Freeman's School.

**BALLARD SCHOOL LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

**REPORT OF THE GOVERNORS (INCORPORATING A STRATEGIC REPORT)**  
**continued ...**

**STATEMENT OF GOVERNORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS**

The Governors (who are also directors of Ballard School Limited for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year. Under that law the Governors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006, the SORP 2016, the Charities Act 2011 and the Articles of Association. 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.

**Auditors**


Nexia Smith & Williamson have indicated their willingness to continue in office in accordance with Section 487(2) of the Companies Act 2006.

**Statement of Disclosure to the auditors**

The Governors confirm that as far as each Governor is aware:

- a) there is no relevant audit information of which the company's auditors are unaware, and
- b) they have taken all steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The Report of the Board of Governors, was signed on behalf of the Board of Governors by the Chairman.

  
.....  
Mr P Goodfellow  
Chairman of Governors  
20 March 2018

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BALLARD SCHOOL LIMITED****Opinion**

We have audited the financial statements of Ballard School Limited (the 'charitable company') for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the governors use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The other information comprises the information included in the Governor's Report other than the financial statements and our auditor's report thereon. The governors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Governors, which incorporates the Strategic Report and the Directors' Report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Report of the Governors have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report contained within the Report of the Governors.

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

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

**Responsibilities of governors**

As explained more fully in the Statement of Governors' Responsibilities set out on page 7, the governors (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

*Nexia Smith & Williamson*

Julie Mutton  
Senior Statutory Auditor, for and on behalf of  
Nexia Smith & Williamson  
Statutory Auditor  
Chartered Accountants

Cumberland House  
15-17 Cumberland Place  
Southampton  
SO15 2BG

Date: 20/3/18

**BALLARD SCHOOL LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating an Income and Expenditure Account)**

	Note	2017 £	2016 £
<b>INCOME FROM:</b>			
Charitable activities	3	4,954,771	4,925,328
Other trading activities	4	25,598	27,065
Investments and interest	5	70,718	85,157
Other		26,105	16,538
<b>Total income</b>		<b>5,077,192</b>	<b>5,054,088</b>
<b>EXPENDITURE ON:</b>			
Charitable activities	9	4,984,369	5,091,779
Costs of raising funds: Investment management fees		8,852	8,403
<b>Total expenditure</b>		<b>4,993,221</b>	<b>5,100,182</b>
<b>Net income/(expenditure) before gains on investments</b>		<b>83,971</b>	<b>(46,094)</b>
Gains on investments		186,459	65,972
<b>Net income for the year</b>	6	<b>270,430</b>	<b>19,878</b>
Funds brought forward		7,040,296	7,020,418
<b>Funds carried forward</b>		<b>7,310,726</b>	<b>7,040,296</b>

All amounts relate to continuing operations and unrestricted funds.


The accompanying accounting policies and notes form part of these financial statements.

**BALLARD SCHOOL LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2017**

	Note	£	2017 £	£	2016 £
<b>FIXED ASSETS</b>					
Tangible assets	10		3,322,602		3,265,263
Investments	11		2,313,899		2,076,189
			<u>5,636,501</u>		<u>5,341,452</u>
<b>CURRENT ASSETS</b>					
Stocks	12	3,190		2,954	
Debtors	13	177,430		206,883	
Cash at bank and in hand		2,797,966		2,840,214	
			<u>2,978,586</u>	<u>3,050,051</u>	
<b>CURRENT LIABILITIES</b>					
Creditors: amounts falling due within one year	14	(1,304,361)		(1,298,956)	
<b>NET CURRENT ASSETS</b>			<u>1,674,225</u>	<u>1,751,095</u>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>7,310,726</u>	<u>7,092,547</u>	
<b>PROVISIONS</b>	15		-	(52,251)	
			<u>7,310,726</u>	<u>7,040,296</u>	
<b>FUNDS</b>					
Unrestricted funds			<u>7,310,726</u>	<u>7,040,296</u>	

Approved on behalf of the Governing Body on 20 March 2018

  
 .....  
 Mr P Goodfellow  
 Chairman of Governors

Company registration number: 733644

The accompanying accounting policies and notes form part of these financial statements.

**BALLARD SCHOOL LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

**CASH FLOW STATEMENT**

	£	2017 £	£	2016 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
<b>Net cash provided by operating activities (note B)</b>		249,625		87,604
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Investment income and interest receipts	70,718		85,157	
Purchase of investments	(446,451)		(597,283)	
Proceeds from sale of investments	395,200		542,268	
Payments to acquire property, plant and equipment	(338,172)		(106,129)	
Proceeds from sale of property, plant and equipment	8,300		6,990	
<b>Net cash used in investing activities</b>		<b>(310,405)</b>		<b>(68,997)</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(60,780)</b>		<b>18,607</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>3,053,775</b>		<b>3,035,168</b>
<b>Cash and cash equivalents at the end of the reporting period (note C)</b>		<b>2,992,995</b>		<b>3,053,775</b>

The accompanying accounting policies and notes form part of these financial statements.

**BALLARD SCHOOL LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017****NOTES TO THE CASH FLOW STATEMENT**

	2017 £	2016 £
<b>A NET OPERATING SURPLUS IS MADE UP AS FOLLOWS</b>		
Net income for the year	270,430	19,878
Investment income and interest receipts	(70,718)	(85,157)
(Gains)/losses on revaluation of investments	(166,732)	(69,691)
	<u>32,980</u>	<u>(134,970)</u>
<b>B RECONCILIATION OF NET OPERATING SURPLUS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Net operating surplus/(deficit)	A 32,980	(134,970)
(Increase)/decrease in stock	(236)	299
Decrease/(increase) in debtors	29,453	(53,532)
Decrease/(increase) in creditors	5,405	(99,975)
Decrease in provisions	(52,251)	(21,211)
Depreciation charges	280,055	273,414
Surplus on the sale of fixed assets	(7,522)	(6,675)
Cash (used in)/generated from management of investments	(18,532)	126,535
(Surplus)/loss on disposal of investments	(19,727)	3,719
Net cash provided by operating activities	<u>249,625</u>	<u>87,604</u>
<b>C ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Cash at bank and in hand	2,797,966	2,840,214
Cash deposits held within investments	195,029	213,561
	<u>2,992,995</u>	<u>3,053,775</u>

## **BALLARD SCHOOL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

#### **1. ACCOUNTING POLICIES**

**(a) Basis of preparation**

The financial statements have been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charities SORP (FRS 102), and the Companies Act 2006.

Ballard School Limited is a school offering education to children, which meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). There are no material uncertainties about the charity's ability to continue as a going concern.

**(b) Fixed assets**

Depreciation is calculated to write down the cost less residual value of fixed assets by equal annual instalments over their expected useful economic lives. The rates applicable are:

Freehold land and buildings	2%
Furniture, fittings and equipment	20%
Improvements	10%
Swimming pool	10%
Computer equipment	20% or 25%
Motor vehicles	25%
All weather sports pitch, carpet, shock pad and fencing	10%
All weather sports pitch – equipment	25%
All weather sports pitch – groundworks	Over 35 years
Solar PV arrays	3%

Fixed assets are included in the accounts at historical cost. Finance costs related to the purchase of fixed assets are capitalised.

All items are capitalised provided they meet the definition of a fixed asset.

**(c) Stocks**

Stocks have been valued at the lower of cost and net realisable value.

**(d) Finance and operating leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. At the balance sheet date all leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight line basis over the lease term.

**BALLARD SCHOOL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

**1. ACCOUNTING POLICIES (continued)**

**(e) Short term employee benefits**

Short term employee benefits including holiday pay and annual bonuses are accrued as services are rendered.

**(f) Pensions**

The charity participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to consistently identify the liabilities of the TPS which are attributable to the School. As required by FRS 102, the School accounts for this scheme as if it were a defined contribution scheme.

The Charity also contributes to a multi-employer defined benefits pension scheme, The Federated Flexiplan No.1 Pension Scheme ("FFPS"). It is not possible to determine the extent to which the surplus or deficit in the scheme relates to individual employers. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme.

In past years the FFPS had a shortfall of assets compared to liabilities and a deficit payment plan was agreed between the participating employers and Trustee of the scheme. The Scheme Actuary has now certified that no further contributions are required to be made in respect of the two years commencing 1 April 2017 and it is anticipated that a full buy-out will be finalised in the first half of 2018. No liability is therefore required in the balance sheet and the remaining provision has been written back.

The Charity also contributes to a defined contribution occupational pension scheme for non-teaching staff.

Contributions to all three schemes are charged in the Statement of Financial Activities (SOFA) as they become payable in accordance with the rules of the schemes.

**(g) Income**

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School.

**(h) Expenditure**

Expenditure is accounted for on an accruals basis. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year. In the current year, support costs in respect of raising funds are considered to be immaterial and so 100% of support costs has been allocated to charitable activities.

Governance costs comprise internal and external audit, any costs of meetings of the trustees, and all the costs of complying with constitutional and statutory requirements such as preparation of statutory accounts. These are included within support costs.

**(i) Expenditure on raising funds**

These are those resources not directly linked to charitable purposes. Such costs shown in the SOFA comprise investment management fees.

**BALLARD SCHOOL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

**1. ACCOUNTING POLICIES (continued)**

**(j) Funds**

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the School's work.

**(k) Liabilities**

Liabilities are recognised on the balance sheet as soon as a constructive obligation resulting from a past event can be reliably measured. Current liabilities represent those liabilities which are expected to be settled within the next 12 months from the balance sheet.

**(l) Financial instruments**

The charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction price and subsequently measured at their settlement value.

**(m) Investments**

Investments are stated at market value at the balance sheet date.

**2. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS**

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

**Key estimates and judgements**

The Governors consider that there are no material areas of judgement or estimation uncertainty.

**3. INCOME FROM CHARITABLE ACTIVITIES**

	2017 £	2016 £
School fees (gross)	5,452,960	5,410,917
Extras	97,245	93,651
Entrance fees	8,492	8,940
	<hr/>	<hr/>
	5,558,697	5,513,508
Less scholarships, bursaries and other allocations	(603,926)	(588,180)
	<hr/>	<hr/>
	4,954,771	4,925,328

**BALLARD SCHOOL LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017****4. INCOME FROM OTHER TRADING ACTIVITY**

	2017 £	2016 £
Holiday and other lettings	22,844	22,875
Insurance income	2,754	4,190
	<u>25,598</u>	<u>27,065</u>

**5. INCOME FROM INVESTMENTS AND INTEREST**

	2017 £	2016 £
Investment income	60,103	63,418
Interest receivable	10,615	21,739
	<u>70,718</u>	<u>85,157</u>

**6. NET INCOME**

Net income is stated after charging/(crediting):

	2017 £	2016 £
Depreciation of tangible fixed assets	280,055	273,414
Operating leases payments	62,503	57,542
Auditors' remuneration – for audit	8,700	8,410
Auditors' remuneration – for other services	-	6,030
(Profit) on disposal of assets	(7,522)	(6,675)
(Gains)/losses on sale of investments	(19,727)	3,719
(Gains) on revaluation of investments	(166,732)	(69,691)

**7. TAXATION**

The company is registered with the Charity Commission as an educational charity and, in accordance with Section 505 of the Income and Corporation Taxes Act 1988 and Section 256 of the Taxation of Chargeable Gains Act 1992, is exempt from taxation insofar as income and gains is applied to charitable purposes only.

**BALLARD SCHOOL LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017****8. STAFF COSTS**

	2017 £	2016 £
Wages and salaries	2,999,646	3,024,894
Social security costs	261,379	252,474
Pension costs	362,093	408,654
Compensation costs	111	20,111
	<u>3,623,229</u>	<u>3,706,133</u>

Included within pension costs is a write back of £39,877 being a provision no longer required in respect of The Federated Flexiplan No.1 defined benefit pension scheme – see note 18.

The average head count during the period was 128 (2016: 124) and the average full time equivalent number of persons employed during the year was as follows:

	2017	2016
Administration	11	9
Educational	69	69
Establishment	8	7
Housekeeping	10	10
	<u>98</u>	<u>95</u>

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

	2017	2016
£60,000-£69,999	1	1
£70,000-£79,999	1	1
£80,000-£89,999	1	1

During the year retirement benefits were accruing to these 3 employees (2016: 3). Contributions paid for the year for retirement benefits accruing in a Defined Benefits Scheme were £23,296 (2016: £23,296) and to a Defined Contribution Scheme £7,017 (2016: £7,017).

During the year a total of £686 was paid to three governors (2016: £1,575 paid to seven governors) as reimbursed travel expenses. No governors received any remuneration or benefits from the School.

The total of key management personnel remuneration (those persons having authority and responsibility for planning, directing and controlling the activities of the charity who are reportable to the governors) was £193,239 (2016: £191,962).

**BALLARD SCHOOL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

**9. ANALYSIS OF TOTAL RESOURCES EXPENDITURE**

**(a) Charitable expenditure**

	Staff Costs	Depreciation	Other	Total 2017	Total 2016
	£	£	£	£	£
Education	2,920,209	47,631	210,295	3,178,135	3,261,388
Housekeeping	217,574	4,216	253,066	474,856	449,176
Establishment	166,418	213,870	397,925	778,213	807,126
Finance Costs (9c)	-	-	3,972	3,972	3,941
Support Costs (9b)	319,028	14,338	215,827	549,193	570,148
	<u>3,623,229</u>	<u>280,055</u>	<u>1,081,085</u>	<u>4,984,369</u>	<u>5,091,779</u>

**(b) Support costs**

	2017 £	2016 £
Wages and salaries	319,028	329,815
Marketing	79,404	80,488
Legal and professional	7,650	10,116
IT	48,068	73,620
Insurance	45,062	36,779
Other office costs	33,779	28,409
(Profit) on disposal of fixed assets	(7,522)	(6,675)
Depreciation	14,338	7,611
Governance costs	9,386	9,985
	<u>549,193</u>	<u>570,148</u>

**(c) Finance costs**

	2017 £	2016 £
Finance charges	<u>3,972</u>	<u>3,941</u>

**(d) Governance Costs**

	2017 £	2016 £
Audit fee	8,700	8,410
Governors' travelling expenses	686	1,575
	<u>9,386</u>	<u>9,985</u>

**BALLARD SCHOOL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

**10. TANGIBLE FIXED ASSETS**

	Total	Freehold land and buildings	Improve- ments	All weather sports pitch	Furniture, fittings & equipment	Swimming pool	Solar PV arrays	Computers & equipment	Motor vehicles
	£	£	£	£	£	£	£	£	£
<b>COST</b>									
01 Sept 2016	5,821,859	3,735,311	984,017	562,076	159,385	23,941	83,152	235,287	38,690
Additions	338,172	-	21,884	-	111,048	-	-	185,002	20,238
Disposals	(76,067)	-	-	-	(7,952)	-	-	(49,264)	(18,851)
31 August 2017	6,083,964	3,735,311	1,005,901	562,076	262,481	23,941	83,152	371,025	40,077
<b>DEPRECIATION</b>									
01 Sept 2016	2,556,596	1,157,683	846,466	217,982	119,463	23,941	6,375	162,831	21,855
Eliminated on disposal	(75,289)	-	-	-	(7,952)	-	-	(49,264)	(18,073)
Charge for the year	280,055	74,706	82,140	43,600	22,284	-	3,326	44,066	9,933
31 August 2017	2,761,362	1,232,389	928,606	261,582	133,795	23,941	9,701	157,633	13,715
<b>NET BOOK VALUE</b>									
31 August 2017	3,322,602	2,502,922	77,295	300,494	128,686	-	73,451	213,392	26,362
31 August 2016	3,265,263	2,577,628	137,551	344,094	39,922	-	76,777	72,456	16,835

# **BALLARD SCHOOL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

### **11. INVESTMENTS**

	2017 £	2016 £
Investments listed on a recognised stock exchange:		
Equity shares	1,565,640	1,341,164
Fixed interest securities	553,230	521,464
Other investments:		
Cash deposits	195,029	213,561
	<u>2,313,899</u>	<u>2,076,189</u>
	2017 £	2016 £
Listed investments and other investments:		
Market value at 1 September 2016	2,076,189	1,955,202
Additions	446,451	597,283
Disposal proceeds	(395,200)	(542,268)
Profit/(loss) on disposal	19,727	(3,719)
Surplus on revaluation at 31 August 2017	166,732	69,691
	<u>2,313,899</u>	<u>2,076,189</u>

### **12. STOCKS**

	2017 £	2016 £
Consumables	<u>3,190</u>	<u>2,954</u>

### **13. DEBTORS**

	2017 £	2016 £
Fees and extras	63,917	83,615
Other debtors	15,300	16,386
Prepayment and accrued income	98,213	106,882
	<u>177,430</u>	<u>206,883</u>

### **14. CREDITORS - amounts falling due within one year**

	2017 £	2016 £
Fees received in advance	778,804	893,241
Deposits received in advance	139,644	152,751
Other Creditors	174,169	113,765
Accruals	141,105	67,876
Other tax and social security	70,639	71,323
	<u>1,304,361</u>	<u>1,298,956</u>

**BALLARD SCHOOL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

**15. PROVISION**

	2017 £	2016 £
The Federated Flexiplan No1 Pension Scheme (see note 18)		
At 1 September 2016	52,251	73,462
Paid in year	(12,373)	(21,211)
Provision no longer required	(39,878)	-
	<u>-</u>	<u>52,251</u>

**16. FINANCIAL COMMITMENTS**

The School had the following commitments with respect to operating leases. The future minimum lease payments under non-cancellable leases are as follows:

Other operating leases

	2017 £	2016 £
Payments due:		
Within one year	55,699	58,816
After one year and not later than five years	94,373	130,038
	<u>150,072</u>	<u>188,854</u>

**17. FINANCIAL INSTRUMENTS**

	2017 £	2016 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	79,217	100,001
Equity instruments measured at fair value	2,313,899	2,076,189
	<u></u>	<u></u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	1,233,722	1,227,633
	<u></u>	<u></u>

Financial assets measured at fair value through profit or loss comprise investments valued at market value.

Financial assets measured at amortised cost comprise fee debtors and other debtors.

Financial liabilities measured at amortised cost comprise fees in advance, deposits, other creditors and accruals.

**18. PENSION SCHEME ARRANGEMENTS**

**Teaching staff**

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions paid to the TPS of £338,211 (2016: £344,094) and at the year-end £nil (2016 - £nil) was accrued in respect of contributions to this scheme.

## **BALLARD SCHOOL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

#### **18. PENSION SCHEME ARRANGEMENTS (continued)**

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

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report in respect of the TPS was prepared at 31 March 2012 and was published in June 2014. The employer contribution rate for the TPS increased to 16.4% from 1 September 2015.

Employers in addition pay a scheme administration levy of 0.08% of the employers' salary costs thus the total employer payment rate is 16.48%.

The next revision to the employer contribution rate is not expected to take effect until 1 April 2019. This will follow on from the next actuarial valuation which is due at 31 March 2016. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

#### **Non-teaching staff**

Since May 2014 contributions have been paid to a defined contribution Occupational Pension Scheme. For the period from March 2007 to April 2014 the Charity contributed to a defined contribution Group Personal Pension Scheme. The assets of both schemes are held independently from those of the Charity in independently administered funds.

Contributions to this scheme are charged in the SOFA as they become payable in accordance with the rules of the scheme.

Prior to March 2007 the Charity participated in The Federated Flexiplan No.1 ("the Plan") which is a defined benefit pension scheme. It is a "last man standing scheme" which means that all participating employers are joint and severally liable for the Plan's liabilities. However, because of the non-associated multi-employer nature of the Plan, the Company does not have sufficient information available (in particular to identify its share of the underlying assets and liabilities of the Plan) to use defined benefit accounting. As such and as permitted by FRS 102, it accounts for the Plan as if it were a defined contribution scheme. As a result, the amount recognised in the profit & loss represents the Company's contributions payable to the Plan in respect of the accounting period.

Members of the Plan are entitled to benefits on either a "Pensions Capital" or "Target Pension" basis. Under the Pensions Capital basis, contributions paid by and in respect of members are accumulated up to retirement and then used to secure benefits for the member. Under the Target Pension basis, members receive a defined pension at retirement based on length of service in the Plan and their Pensionable Salary at date of leaving. The Plan is closed to new members and to future accrual of benefits.

#### **Buy-Out of the Scheme Liabilities**

The Scheme Trustee entered a buy-in covering the full Scheme liabilities with an insurer in February 2017 and anticipates that the transition to achieve full buy-out will be finalised in the first half of 2018. When that process is completed there will be no further legal or financial obligations to the Scheme.

#### **Recovery Plan**

As the Plan was in deficit at the latest actuarial valuation as at 31 March 2015 a recovery plan was put into place. Under this recovery plan, contributions of £2,063,417 per annum are payable from 1 April 2016 to 31 March 2017 and £1,555,556 per annum are payable from 1 April 2017 to 31 March 2019. However, the Scheme Actuary has now certified that no further contributions are required to be made in respect of the two years commencing 1 April 2017.

**BALLARD SCHOOL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

**18. PENSION SCHEME ARRANGEMENTS (continued)**

The Company's agreed share of these contributions was £21,211 per annum from 1 April 2016. No other contributions are due from the Company.

**Company contributions in the accounting period to 31 August 2017**

The Company paid contributions totalling £12,373 over the period.

As employer contributions are no longer required for the two years commencing 1 April 2017 the remaining provision of £39,878 has been written back in the Statement of Financial Activities.

**19. CONSTITUTION OF THE COMPANY**

The School is a registered charity and a private company limited by guarantee incorporated in England and Wales. The members of the company are the Board of Governors named on page 1. The registered office is Ballard School Limited, Fernhill Lane, New Milton, Hampshire, BH25 5SU. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**20. CONTROLLING PARTY**

The company is controlled by the Board of Governors.

**21. RELATED PARTY TRANSACTIONS**

During the year the company entered into transactions, in the ordinary course of business, with related parties, as follows: –

A close family member of one of the members of senior management provided marketing services to the school to the value of £11,835 (2016: £10,314).

During the year, the school received services to the value of £690 (2016: nil) from Chewton Glen Hotels Limited, a company of which one of the governors is a director.