

**Financial Statements - 31 August 2016**

**CONTENTS**

	Page
General Information	1
Trustees' Report	2-7
Independent Auditors' Report	8
Statement of Financial Activities	9
Balance Sheet	10
Statement of Cash Flows	11
Notes to the Financial Statements	12-24



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COMPANIES HOUSE

# **GREAT WALSTEAD LIMITED**

## **General Information**

<b>TRUSTEES:</b>	Mr M Searle (Chair) Mr R P Backhouse Mr R Bainbridge Mrs C A Chandler Browne Mrs S E Crichton Mrs J Crouch Mrs P Hoyle Mr R Hopkins (appointed 21 November 2015) Mrs C Mitchell Professor A J Nunn (resigned 21 November 2015) Mr J H Taylor Mr S J Ulph Mrs C J Ward
<b>CLERK TO THE GOVERNORS:</b>	Mrs S Duncan
<b>SECRETARY:</b>	Mr I D Hacke
<b>REGISTERED OFFICE:</b>	East Mascalls Lane Linfield West Sussex RH16 2QL
<b>REGISTERED AUDITORS:</b>	Mazars LLP Times House Throwley Way Sutton Surrey SM1 4JQ
<b>BANKERS:</b>	Lloyds Bank plc 99/101 South Road Haywards Heath West Sussex RH16 4ND
<b>REGISTERED NUMBER:</b>	00751662
<b>CHARITY REGISTRATION NUMBER:</b>	307002

**GREAT WALSTEAD LIMITED**  
**REGISTERED COMPANY NUMBER: 00751662**  
**TRUSTEES' REPORT**

**Trustees' Report**

The trustees are pleased to present their annual report together with the financial statements of the charity for the year ending 31 August 2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: 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).

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charitable company and of the net income or expenditure of the charitable company for the year.

In preparing those financial statements, the trustees are required to:

- select suitable United Kingdom accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed subject to any material departures disclosed and explained in the financial statements and whether the financial statements have been prepared in accordance with the Charities Statement of Recommended Practice; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for:

- maintaining 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 financial statements comply with the Companies Act 2006; and
- safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The charity's trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission.

**GREAT WALSTEAD LIMITED**  
**REGISTERED COMPANY NUMBER: 00751662**  
**TRUSTEES' REPORT**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The School was founded in 1925, was incorporated as a company on 27 February 1963 and is governed by its Memorandum and Articles of Association. The Articles of Association were revised and adopted by special resolution on 24 September 2011. The company is a registered charity, no 307002.

The company is limited by guarantee and has no share capital.

**Appointment and recruitment of trustees**

The Governing Board is restricted to fourteen members. The Governing Board ensures that trustees are appointed who can offer expertise and /or experience in specific areas. Experience in finance, law, education, safeguarding, pastoral care, marketing, management and buildings are considered essential and all these areas are covered at present. There are Governors' Groups that meet regularly with appropriate members of the school's senior leadership team. These Groups cover Curriculum and Standards; Finance, Fabric and Grounds; Health & Safety; Pastoral Care and Staffing. In addition there is also a hybrid group for Marketing. In these areas individual governors take responsibility for monitoring progress, reporting annually or when necessary to the full Board. Each group has written terms of reference and minutes of meetings are circulated to all governors. The groups provide reports and recommendations to the full Board. All necessary decisions are ratified at full Board Meetings.

**Induction and training of new trustees**

A new trustee is given a Welcome Pack at an early stage, which includes copies of all the papers in the Governance File – this includes all Policies relevant to the Governing Board, Strategic Development Plan, Risk Assessment Papers, School Health and Safety Policy, Safeguarding Policy, all job descriptions and terms of reference. If he/she is not familiar with the school, the new trustee will be given a tour of the school by the Head. All governors are willing to give new trustees any help they need. New trustees are encouraged to attend an AGBIS seminar for new trustees as soon as one is identified. All trustees undertake accredited safeguarding training required for working in an educational setting. A training budget is allocated to ensure all trustees get the training they require to undertake the role and ensure that the governance of the school is robust.

**Volunteers**

Members of the Board of Governors did not receive any payment for the work they carried out in the capacity for the charity in the year ending 31 August 2016. In addition, a large number of parents and former pupils gave their time voluntarily in assisting the School with the supervision of excursions and extra-curricular sporting activities.

**OBJECTIVES**

The main object of the charitable company is the provision of educational facilities.

The charity's main aim is to advance education by carrying on in Great Britain a school or schools at which infants, children and students may obtain education and instruction in academic, sporting, musical, cultural, scientific, technical, religious, vocational, social and commercial subject activities and crafts of every description, within the framework of the Christian religion according to the teaching of the Bible.

In addition the charity also has the general aim of contributing to the wider community by enabling them to participate in a range of sporting, recreational and educational activities.

## **REVIEW OF DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS 2015-2016**

The school is one of the largest independent stand-alone prep schools in the area with 465 children on the school roll as at September 2016 (compared to 429 in September 2015).

Academically the school has had a very successful year with all Year 8 leavers going to the senior school of their choice, of which 25 scholarships were awarded. These included Academic, Maths, Sports, Music, Drama and All-Rounder awards.

Our Flexi-Boarding allowed many pupils to experience boarding for the first time and to take part in a number of themed nights. Q day, Woodlanders and Mudlarks in this school year were again a well-kept secret and thoroughly enjoyed by all participants. These aspects of our outdoor curriculum start in EYFS and Pre-Prep with our successful Forest School Programme.

Themed days were also a major feature of the school programme during the year. There were many of these including Egyptian, Anglo Saxon, and Roman days. Most pupils had opportunities to participate in a wide range of school trips, some trips being more local but others much further afield including the Year 7 residential trip to France and the Year 8 leavers' trip to Wales. Other visits included those to RHS Wisley, Plumpton College, Blacklands Farm, Fishbourne Palace, Fairthorne Manor, Preston Manor, Hampton Court and the British Wildlife Centre.

Other highlights of the year illustrate the wide range of activities and achievements within the school. The Performing Arts Department has had a particularly busy year full of variety with productions ranging from "Annie jr" in the Autumn through to the Junior production of "The Story of Joseph". The Music Department also had a busy year with many events arranged for the School's excellent choirs, scholars and orchestras.

There were also considerable successes in sporting events and there were opportunities for pupils to participate in a wide variety of sports including swimming, lacrosse, netball, cricket, rounders, rugby, soccer, hockey, badminton, athletics, cross-country and tennis. The Colts A football team won the Kent and Sussex championships for the *third* year in a row. At the National ISFA finals at St George's Park, out of a possible 250 prep schools, they finished 9<sup>th</sup> in the country. The girls' hockey season was also successful, with the U9 team winning the Burgess Hill tournament and the U10's and 1<sup>st</sup> team making finals at major tournaments. The School ran two very successful overseas tours during the year to South Africa (cricket) and Malta (netball). The School was also pleased to host the National IAPS Badminton tournament in January for the first time.

FOGWA, the School's Parents Committee, organised some wonderful events for the School whilst raising funds for various causes. Their annual Bonfire Night, Christmas Bazaar, Quiz Night, Summer Ball and Summer Party are always appreciated by the School and are enjoyed by pupils, parents and staff. Their fundraising in the year has been put towards a new Challenge Course for the School, which was opened in September 2016.

## **PUBLIC BENEFIT**

Great Walstead School, which has operated in Sussex from the Walstead site for over 90 years is proud of its traditions and constantly seeks to improve educational standards, and to maintain its corporate and charitable status.

Great Walstead seeks to ensure that there are clear identifiable educational benefits to the public in Sussex and neighbouring counties resulting from its charitable operations.

The school's facilities are hired out regularly to local groups, clubs and churches at favourable rates. Users of the Sports Hall and the School's synthetic pitch include soccer, cricket, hockey, netball and basketball groups. The swimming pool is used for life saving training and swim schools taken by outside providers. On both Saturdays and Sundays school playing fields and sports pitches are used by local sports clubs during the soccer season.

**GREAT WALSTEAD LIMITED**  
**REGISTERED COMPANY NUMBER: 00751662**  
**TRUSTEES' REPORT**

The School's facilities are used regularly by local churches for services in the Chapel and for family away days and weekends. Individuals have celebrated family events and weddings at the school and numerous children's parties have been held in the school sports hall, the dining room, the performing arts centre, the swimming pool and the surrounding woodlands. The School was pleased to offer its facilities to the Haywards Heath Twinning Association and once again hosted Sussex Chess Day, which is enjoyed by schools across the county. The woodlands are a great asset to the School and are used to introduce local teachers from many local Schools to the joys of Forest Schools. The woodlands have also been used by the Go-Tri, Haywards Heath Angling Society, Sussex Dog Rescue Group, Bushcraft, Cyclo Cross and local Scouts and Guides groups.

During the summer the school hosts summer camps for Christian organisations bringing children from inner city areas to enjoy time in the countryside using the school facilities and grounds.

Great Walstead School links with the community are strong and the school enjoys a high profile in the local community. The School is actively involved in supporting the Lindfield Arts Festival and Lindfield Village Day. During the year the School set up its own Mini-Farm consulting with a local maintained School in the set-up stages. The Mini-Farm is a community based project run by the School and will be used for educational purposes by children across the local community.

The School also runs a Toddler Club every Thursday, which is open to all toddlers and their parents in the local community.

The School has also supported many local and national charities throughout the year including the Off the Fence Trust, Link to Hope, Christian Aid, Cancer Research, CLIC Sargent, the NSPCC, Wateraid, Save the Children and Place 2 Be. The Great Walstead Half Marathon has become a popular fund raising event and this year's half marathon raised significant funds for Wateraid and Place 2 Be.

## **RISK MANAGEMENT**

A Risk Register is maintained by the school. Risk assessments are reviewed regularly by trustees and policies are maintained to mitigate the major risks to which the charitable company is exposed.

The principal risks and uncertainties facing the company are identified in ten areas aligned to the School's Strategic Development Plan, namely: Corporate and Strategic; Christian Ethos; Finance; Environment; Health & Safety; Curriculum and Standards; Staffing; Pastoral; Marketing & Communication; and Management/Governance. In each of these areas, each perceived risk is evaluated according to severity of impact and likelihood of occurrence to produce a risk score. For scores above a certain level, control procedures and a monitoring process are put in place.

### **Principal Risks and Uncertainties**

The trustees have considered the principal risks and uncertainties facing the school. The main funding of the school is through fee income, therefore, uncertainties over future pupil numbers are always a factor and the trustees are increasingly mindful of the fact that changes in the economic climate may affect parents' ability to choose a private education for their children. The trustees believe that the reputation of the school is key to ensuring the future success and that this will allow the school roll to be maintained.

In order to provide a high standard of education the quality of the school buildings is important and the trustees are aware that there is a risk that additional or unexpected repair work will be required. The trustees have ensured that full insurance is in place and continue to undertake annual repairs and maintenance to mitigate the risk of substantial repairs. The School Development Programme will also ensure that the School has the facilities it requires in the future to provide the highest quality of education.

**GREAT WALSTEAD LIMITED**  
**REGISTERED COMPANY NUMBER: 00751662**  
**TRUSTEES' REPORT**

The School has also considered non-financial risks and as the health and safety of the pupils is paramount they consider any potential breach to be a principal risk. To mitigate this they have developed a wide range of policies to ensure the regulations and guidelines for the welfare of pupils are observed. Policies are backed up by a comprehensive training programme for all staff.

## **FINANCIAL REVIEW**

The Statement of Financial Activities on page 9 shows total net income of £265,293 (2015: net income of £184,471).

The total group funds balance at the year-end was £8,146,373 (2015: £7,881,080).

Walstead Estates Limited, the 100% subsidiary of Great Walstead Limited was dormant throughout the year.

Details of changes in fixed assets are given in note 11 to the financial statements.

### **Pay Policy**

The School operates a Pay Policy, which is governed by the School's Staffing and Finance Groups and ratified by the Board of Governors. The Governing Body will adopt a 'whole school' approach to pay issues. Pay decisions will be taken in the context of full consideration of the resources available to the School. This means that pay decisions relating to any given group of staff will not be taken in isolation, and that all pay decisions will be taken in the context of the School as a whole.

Decisions on pay levels, other than for the leadership team and the Headteacher, have been delegated by the Governors to the Finance Group, who will make recommendations to the Governing Body for ratification. The pay for the leadership team and the Headteacher is set by the Chair of Governors and Convener of the Finance Group with ratification by the Governing Body.

### **Reserves policy**

The trustees are aware that the school may have negative reserves. For Charity Commission purposes the reserves are defined as unrestricted general funds less unrestricted fixed assets.

The trustees are of the opinion that negative reserves do not prejudice the effective financial management of the School for the following reasons:

- The School has agreed long-term overdraft facilities with the Bank.
- Significant deferred income is included in creditors (this arises from the payment of fees and deposits in advance).
- The school has significant fixed assets, which would enable further funds to be raised should the situation demand it.

Accordingly, the policy of the trustees is for the school always to maintain a level of reserves, as defined by the Charity Commission, in the light of the value of the freehold estate and the School's operating margins, so as to ensure that appropriate capital investment may be undertaken and debts paid as they fall due.

### **Going concern**

The school's cash flow forecast for the forthcoming financial year continues to show comfortable liquid funds available on a month by month basis; pupil numbers continue to be high and profit forecasts are such that there is a reasonable expectation of the net current liabilities on the balance sheet being cleared within the next two years. In the interim, the school's payments in advance scheme continues to be popular with parents and in high demand.

**GREAT WALSTEAD LIMITED**  
**REGISTERED COMPANY NUMBER: 00751662**  
**TRUSTEES' REPORT**

Therefore, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. They continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**FUTURE PLANS**

The School's Strategic Development Plan (SDP) is reviewed annually with plans and objectives set in the light of this over a five year period. Central to the SDP are plans to redevelop the School to improve its facilities, particularly in EYFS, Pre-Prep and Art/CDT. The School's architects presented a master plan for approval during the year and the School put forward a planning application to the local authorities which was granted in September 2016. Planning permission has also recently been granted to build a new Keep, which will cater for the School's wrap-around care facilities.

**TRUSTEES**

The trustees set out below have held office during the whole of the period from 1 September 2015 to the date of this report, unless otherwise stated. The guarantees given by the trustees holding office on 31 August 2016 were as shown below:

Trustee's name	31 August 2016	1 September 2015
	£	£
Mr M R Searle (Chair)	1	1
Mr R P Backhouse	1	1
Mr R Bainbridge	1	1
Mrs C A Chandler Bowne	1	1
Mrs S E Crichton	1	1
Mrs J Crouch	1	1
Mrs C Mitchell	1	1
Mr R A Hopkins (appointed 21 November 2015)	1	-
Mrs P Hoyle	1	1
Mrs C J Ward	1	1
Professor A J Nunn (retired 21 November 2015)	-	1
Mr J H Taylor	1	1
Mr S J Ulph	1	1

**AUDITORS**

A resolution to re-appoint Mazars LLP as auditors will be proposed at the forthcoming annual general meeting.

Approved by the board on 26 November 2016 and signed on its behalf by



Mr M R Searle  
Trustee



**INDEPENDENT AUDITOR'S REPORT OF THE MEMBERS OF GREAT WALSTEAD LIMITED**

We have audited the financial statements of Great Walstead Limited for the year ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

**Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 2, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report is made solely to the charity'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 charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2016 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

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

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

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

*N J Wakefield*

Nicola Wakefield (Senior Statutory Auditor)  
For and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
Times House, Throwley Way, Sutton, Surrey SM1 4JQ

21st December 2016

# GREAT WALSTEAD LIMITED

## Statement of Financial Activities (including income and expenditure account) For the Year Ended 31 August 2016

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2016 £	Total funds 2015 (restated) £
<b>Income from:</b>					
Donations and legacies		1,771	5,010	6,781	17,993
<i>Other trading activities:</i>					
Rental income		81,588	-	81,588	69,249
Clothing sales		54,504	-	54,504	48,040
<i>Charitable activities:</i>					
Fees		4,791,971	-	4,791,971	4,433,631
Disbursements and other	3	375,075	-	375,075	306,970
Income					
Investments		2,816	-	2,816	-
<b>Total income</b>		<u>5,307,725</u>	<u>5,010</u>	<u>5,312,735</u>	<u>4,875,883</u>
<b>Expenditure on:</b>					
Raising funds	4	126,813	-	126,813	167,773
Charitable activities	5	4,919,776	853	4,920,629	4,523,639
<b>Total expenditure</b>		<u>5,046,589</u>	<u>853</u>	<u>5,047,442</u>	<u>4,691,412</u>
<b>Net income</b>		261,136	4,157	265,293	184,471
<b>Total funds brought forward</b>		<u>7,877,974</u>	<u>3,106</u>	<u>7,881,080</u>	<u>7,696,609</u>
<b>Total funds carried forward</b>		<u>8,139,110</u>	<u>7,263</u>	<u>8,146,373</u>	<u>7,881,080</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities

The notes on pages 12 to 24 form part of these financial statements.

**GREAT WALSTEAD LIMITED**  
**REGISTERED COMPANY NUMBER: 00751662**

**GREAT WALSTEAD LIMITED**

**Balance Sheet at 31 August 2016**

	Notes	2016 £	2015 (restated) £
<b>FIXED ASSETS</b>			
Tangible fixed assets	11	8,536,021	8,578,266
Investments – group undertakings	12	1	1
		<u>8,536,022</u>	<u>8,578,267</u>
<b>CURRENT ASSETS</b>			
Stocks		46,934	36,188
Debtors	13	235,680	185,611
Cash at bank and in hand		845,570	881,873
		<u>1,128,184</u>	<u>1,103,672</u>
<b>CURRENT LIABILITIES</b>			
Creditors: Amounts falling due within one year	14	(1,366,083)	(1,286,147)
		<u>(237,899)</u>	<u>(182,475)</u>
<b>NET CURRENT LIABILITIES</b>			
Creditors: Amounts falling due after one year	15	(151,750)	(514,712)
		<u>(237,899)</u>	<u>(514,712)</u>
<b>NET ASSETS</b>			
		<u>8,146,373</u>	<u>7,881,080</u>
<b>Unrestricted funds</b>			
Unrestricted funds	17	333,182	256,517
School Development fund	17	184,471	-
Revaluation reserve	17	7,621,457	7,621,457
Restricted funds	17	7,263	3,106
		<u>8,146,373</u>	<u>7,881,080</u>
<b>TOTAL FUNDS</b>			
		<u>8,146,373</u>	<u>7,881,080</u>

Approved by the trustees on 26 November 2016 and signed on their behalf by



Mr M R Searle - Trustee

# **GREAT WALSTEAD LIMITED**

## **Statement of Cash Flows for the year ended 31 August 2016**

	Notes	2016 £	2015 £
<b>Net cash provided by operating activities</b>	20	32,049	607,762
<b>Cash flows from investing activities:</b>			
Dividends and interest received		2,816	-
Purchase of property, plant and equipment		(71,168)	(100,625)
<b>Net cash used in investing activities</b>		(68,352)	(100,625)
<b>Change in cash and cash equivalents in the reporting period</b>		(36,303)	507,137
<b>Cash and cash equivalents at the beginning of the reporting period</b>		881,873	374,736
Net movement in cash for the year		(36,303)	507,137
<b>Cash and cash equivalents at the end of the reporting period</b>	21	845,570	881,873

## **1 ACCOUNTING POLICIES**

### **(a) Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards, and 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. They are drawn up on the historical accounting basis. The charity meets the definition of a public benefit entity under FRS 102.

The financial statements are those of the company, Great Walstead Limited. Its subsidiary, Walstead Estates Limited, is dormant, and has not been consolidated as it is not material to the results of Great Walstead Limited.

The financial statements have been prepared on a going concern basis.

### **(b) Transition to SORP (FRS 102)**

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 the restatement of comparative items was required. Details of the restatements made are provided in note 24.

### **(c) Income**

Fees receivable represent the amounts invoiced in respect of the provision of educational and related services for children. Such services are exempt from value added tax. A provision is made for disbursements incurred in the last school term which are invoiced in the following term.

Appeal income is accounted for on a cash basis as a restricted fund.

Cash donations are accounted for on a receipts basis.

Tax related to covenanted donations is accounted for on a receivable basis.

### **(d) Expenditure**

Expenditure is accounted for on an accruals basis. These are allocated between categories of expenditure on an individual invoice basis.

All charitable expenditure in furtherance of the charity's objectives relate to the provisions of educational services.

Cost of raising funds includes costs directly attributable to raising income for the provision of the charity's objectives.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

**1 ACCOUNTING POLICIES (continued)**

**(e) Tangible fixed assets and depreciation**

The charity has taken advantage of the option to use the value of land and buildings at the date of transition to FRS 102 (1 September 2014) as deemed cost.

All building work which is considered to increase the economic value of the property is capitalised with the exception of maintenance work designed to restore the buildings to their previous condition.

Expenditure on equipment with a useful potential life of five years or more is capitalised.

No depreciation is provided on the freehold buildings on the grounds of immateriality as in the opinion of the trustees the residual value of the asset is not materially different from its carrying value. The company policy is to ensure that its freehold land and buildings are maintained to a consistently high standard.

No depreciation is required on freehold land.

Depreciation is calculated to write off the cost of the other fixed assets over their estimated useful economic lives. The rates used are shown in note 11.

**(f) Operating leases**

Rents payable under operating leases are charged on a straight line basis over the term of the lease.

**(g) Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is calculated using a first-in-first-out method and consists of material costs only.

**(h) Taxation**

As a charity, Great Walstead is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

**(i) Investments**

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

**1 ACCOUNTING POLICIES (continued)**

**(j) Fund accounting**

Funds held by the charity are either unrestricted general funds or restricted funds. See note 17.

Unrestricted general funds are funds which can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

**2 SEGMENTAL INFORMATION**

The fees receivable, net income and accumulated funds are attributable to the principal activity, the provision of educational facilities for children.

The charity operates in the UK and the whole of the fees receivable are from UK based activities.

**3 OTHER INCOME**

	<b>Total 2016 £</b>	<b>Total 2015 £</b>
Disbursements	298,404	245,080
Pupil insurance	19,760	17,773
Registration fees and forfeited deposits	16,393	9,900
Temporary boarding	5,139	3,581
Other income	35,379	30,636
	<hr/>	<hr/>
Total	375,075	306,970
	<hr/> <hr/>	<hr/> <hr/>

**4 RAISING FUNDS**

	<b>2016 £</b>	<b>2015 £</b>
Advertising	59,449	74,556
Clothing sales	32,342	47,034
Support costs	35,022	46,183
	<hr/>	<hr/>
	126,813	167,773
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**5 CHARITABLE ACTIVITIES**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2016 £</b>	<b>Total 2015 £</b>
Teaching salaries	2,236,198	-	2,236,198	2,089,238
Pensions	272,013	-	272,013	227,920
Other staff costs	77,268	-	77,268	18,761
School books and stationery	75,488	-	75,488	78,185
Catering	182,261	-	182,261	172,175
Games/Sport	123,951	-	123,951	94,168
Other educational	56,819	853	57,672	52,657
Transport	31,990	-	31,990	42,586
Magazine	6,734	-	6,734	9,524
Pupil insurance	21,393	-	21,393	19,610
Staff training	38,519	-	38,519	32,502
Rates	38,353	-	38,353	47,120
Light and heat	95,666	-	95,666	113,026
Repairs and renewals	197,326	-	197,326	173,467
Insurance	33,521	-	33,521	31,477
Cleaning	21,980	-	21,980	23,548
Equipment hire	28,265	-	28,265	27,915
Bad debts	8,366	-	8,366	6,806
Support costs	1,353,341	-	1,353,341	1,240,183
Governance costs	20,324	-	20,324	22,771
<b>Total</b>	<b>4,919,776</b>	<b>853</b>	<b>4,920,629</b>	<b>4,523,639</b>

**6 GOVERNANCE COSTS**

	<b>2016 £</b>	<b>2015 £</b>
Audit and accountancy	14,711	16,503
Support costs	5,613	6,268
	<b>20,324</b>	<b>22,771</b>



**7 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS**

	<b>Charitable activities £</b>	<b>Costs of raising funds £</b>	<b>Governance £</b>	<b>Total 2016 £</b>	<b>Total 2015 £</b>
Administration salaries	405,751	10,500	1,682	417,933	407,138
Ancillary salaries	479,404	12,406	1,988	493,798	485,198
Pensions (administration and ancillary)	18,086	468	75	18,629	17,577
Office expenses	88,463	2,289	367	91,119	73,982
Legal	5,796	150	24	5,970	924
Sundry administration	238,597	6,175	990	245,762	179,090
Bank charges	7,137	185	30	7,352	7,381
Depreciation	110,107	2,849	457	113,413	121,344
	<u>1,353,341</u>	<u>35,022</u>	<u>5,613</u>	<u>1,393,976</u>	<u>1,292,634</u>

Support costs have been allocated over costs of raising funds, charitable activities and governance according to their respective percentages of total costs.

**8 NET INCOME**

Net income is stated after charging:

	<b>2016 £</b>	<b>2015 £</b>
Provision for bad debts written off	8,366	6,806
Depreciation of owned tangible fixed assets	113,413	121,344
Auditors remuneration- audit	14,159	15,951
Auditors remuneration- other	552	552
Staff costs	3,515,840	3,245,829
Amounts payable under operating leases	<u>44,458</u>	<u>59,984</u>

**9 STAFF COSTS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,947,698	2,788,366
Social security costs	220,156	193,205
Other pension costs	290,642	245,497
Other staff costs	57,344	18,761
	<u>3,515,840</u>	<u>3,245,829</u>

The average headcount was 163 staff (2015: 158 staff) and the average number of employees (full-time equivalents), analysed by function, was:

	<b>2016</b>	<b>2015</b>
Educational services	73	67
Support Services	37	37
	<u>110</u>	<u>104</u>

The number of employees received emoluments in the following bands were:

	<b>2016</b>	<b>2015</b>
£70,001-£80,000	1	1
	<u>1</u>	<u>1</u>

The pension costs relating to higher paid employees were £11,725 (2015: £9,965).

The key management personnel comprise the Head Teacher, Deputy Head Academic, Deputy Head Pastoral, Bursar, Head of EYFS, Head of Learning Support and HR director. The total employee benefits of the key management personnel were £375,220 (2015: £310,553).

Termination payments of £19,924 were made in the year (2015: £nil).

**10 TRUSTEES**

No remuneration was paid to any of the trustees during either year.

Expenses reimbursed to two (2015: two) trustees in relation to travel expenses and training amounted to £895 (2015: £547).

**11 TANGIBLE FIXED ASSETS**

	Freehold land and buildings £	Fixtures, fittings, plant and equipment £	Synthetic pitch £	Total £
<b>COST</b>				
At 1 April 2015	7,990,000	2,017,605	240,191	10,247,796
Additions	-	71,168	-	71,168
	<u>7,990,000</u>	<u>2,088,773</u>	<u>240,191</u>	<u>10,318,964</u>
At 31 March 2016	<u>7,990,000</u>	<u>2,088,773</u>	<u>240,191</u>	<u>10,318,964</u>
<b>ACCUMULATED DEPRECIATION</b>				
At 1 April 2015	-	1,645,511	24,019	1,669,530
Charge for the year	-	89,394	24,019	113,413
	<u>-</u>	<u>1,734,905</u>	<u>48,038</u>	<u>1,782,943</u>
At 31 March 2016	<u>-</u>	<u>1,734,905</u>	<u>48,038</u>	<u>1,782,943</u>
<b>NET BOOK VALUE</b>				
At 31 March 2016	<u>7,990,000</u>	<u>353,868</u>	<u>192,153</u>	<u>8,536,021</u>
At 31 March 2015	<u>7,990,000</u>	<u>372,094</u>	<u>216,172</u>	<u>8,578,266</u>

Depreciation rates:

Plant, fixtures and fittings and equipment	20% reducing balance
Synthetic pitch	10% straight line

The freehold property was professionally valued at £7,990,000 as at 1 September 2014 by Savills on a fair value basis. The charity has taken advantage of the transition arrangements in FRS 102 to treat this value as deemed cost.

The original cost of the freehold land and buildings valued in 1981 was £363,543.

The net book value at 31 August 2016 represents fixed assets used for charitable purposes.

An overdraft facility is secured by means of a fixed charge on the freehold land and property at Great Walstead.

**12 FIXED ASSET INVESTMENT – WALSTEAD ESTATES LIMITED**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Unlisted:		
At cost:		
300 ordinary £1 shares and 5,600 7% fixed cumulative preference shares of £1 each in Walstead Estates Limited	5,434	5,434
Less: Aggregate amount written off	(5,433)	(5,433)
	<u>1</u>	<u>1</u>
	<u><u>1</u></u>	<u><u>1</u></u>

A further 100 £1 ordinary shares are held by a nominee on behalf of the company.

Walstead Estates Limited, an estate management company registered in England and Wales, is a wholly owned subsidiary.

	<b>Net assets</b>	<b>Profit for the year</b>
Additional information on subsidiary company:	Nil	Nil

Walstead Estates Limited is dormant; all assets and liabilities were transferred to Great Walstead Limited on 31 March 1997. Great Walstead Limited has carried on all of Walstead Estates Limited's business activities since 1 April 1997.

The results of Walstead Estates Limited are not consolidated, on the grounds of immateriality.

**13 DEBTORS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	100,740	59,435
Prepayments and other debtors	134,940	126,176
	<u>235,680</u>	<u>185,611</u>
	<u><u>235,680</u></u>	<u><u>185,611</u></u>

**14 CREDITORS**  
**– AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade creditors	106,593	132,387
Other creditors	231,085	185,823
Pension costs	35,045	31,013
Taxation and social security	65,587	56,637
Accruals	44,537	58,465
Deferred income	883,236	821,822
	<u>1,366,083</u>	<u>1,286,147</u>

**15 CREDITORS**  
**– AMOUNTS FALLING DUE AFTER ONE YEAR**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Parent's deposit	151,750	140,850
Deferred income	-	373,862
	<u>151,750</u>	<u>514,712</u>

**16 DEFERRED INCOME**

The deferred income included in notes 14 and 15 above is broken down as follows:

	<b>£</b>
Deferred income at 1 September 2015	1,195,684
Released in the year	(821,822)
Deferred in the year	509,374
	<u>883,236</u>
Deferred income at 31 August 2016	<u>883,236</u>

Deferred income represents fees in advance.

**GREAT WALSTEAD LIMITED****REGISTERED COMPANY NUMBER: 00751662****Notes to the Financial Statements for the Year Ended 31 August 2016****17 RESERVES**

	At 1 September 2015 (restated)	Income	Expenditure	Transfers	At 31 August 2016
	£	£	£	£	£
<b>Unrestricted funds</b>					
General fund	256,517	5,307,725	(5,046,589)	(184,471)	333,182
Revaluation reserve	7,621,457	-	-	-	7,621,457
School	-	-	-	184,471	184,471
Development fund	-	-	-	-	-
	<u>7,877,974</u>	<u>5,307,725</u>	<u>(5,046,589)</u>	<u>-</u>	<u>8,139,110</u>
<b>Restricted funds</b>					
Wilmot fund	200	-	-	-	200
FOGWA fund	2,906	5,010	(853)	-	7,063
	<u>3,106</u>	<u>5,010</u>	<u>(853)</u>	<u>-</u>	<u>7,263</u>
	<u>7,881,080</u>	<u>5,312,735</u>	<u>(5,047,442)</u>	<u>-</u>	<u>8,146,373</u>

The Wilmot Fund is a fund set up to provide academic prizes (there were no movements during the year).

The FOGWA Fund is donations received from the Friends of Great Walstead.

**18 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	8,536,022	-	8,536,022
Current assets	1,120,921	7,263	1,128,184
Current liabilities	(1,366,083)	-	(1,366,083)
Creditors due after more than one year	(151,750)	-	(151,750)
	<u>8,139,110</u>	<u>7,263</u>	<u>8,146,373</u>

**19 CAPITAL COMMITMENTS**

There are no capital commitments as at 31 August 2016.

**20 RECONCILIATION OF NET INCOME TO OPERATING CASH INFLOW**

	2016 £	2015 £
Net income	265,293	184,471
Depreciation	113,413	121,344
Interest received	(2,816)	-
(Increase)/decrease in stock	(10,746)	3,810
(Increase)/decrease in debtors	(50,069)	17,973
(Decrease)/increase in creditors	(283,026)	280,164
	<u>32,049</u>	<u>607,762</u>

**21 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 September 2015 £	Cash flows £	At 31 August 2016 £
Cash at bank and in hand	<u>881,873</u>	<u>(36,303)</u>	<u>845,570</u>

**22 PENSION COMMITMENTS**

**Teachers' Pension Scheme (TPS)**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £272,013 (2015: £227,920) and at the year-end £35,045 (2015: £31,013) was accrued in respect of contributions to this scheme.

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's Department. The latest actuarial valuation of the TPS was prepared as at 31 March 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%.

This employer rate will be payable until the outcome of the next actuarial valuation, which is due to be prepared as at 31 March 2016, with any resulting changes to the employer rate expected to take effect from 1 April 2019. 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.

**23 OTHER FINANCIAL COMMITMENTS**

At 31 August 2016 the company had commitments under operating leases, payable as follows:

			<b>2016</b>	<b>2015</b> (restated)
	<b>Motor</b>	<b>Equipment</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Within 1 year	13,332	28,508	41,840	56,230
Within 2 to 5 years	14,738	21,466	36,204	37,904
	<u>28,070</u>	<u>49,974</u>	<u>78,044</u>	<u>94,134</u>

The total lease payments recognised as an expense were £44,458 (2015: £59,984).

**24 TRANSITION TO FRS 102 AND THE CHARITIES SORP (FRS 102)**

The year ended 31 August 2016 is the first year that the charity has presented its financial statements under FRS 102 and the Charities SORP (FRS 102). The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and the Charities SORP (FRS 102) was therefore 1 September 2014. As a consequence of adopting FRS 102 and the Charities SORP (FRS 102), a number of accounting policies have changed to comply with those standards.

An explanation of how the transition to FRS 102 and the Charities SORP (FRS 102) has affected the charity's financial position and financial performance, is set out below.

	<b>1 September 2014</b>	<b>31 August 2015</b>
<b>Financial Position</b>		
<b>Total reserves under previous SORP</b>	6,706,609	8,057,080
Revaluation of freehold land and buildings	990,000	(176,000)
<b>Total reserves under FRS 102</b>	<u>7,696,609</u>	<u>7,881,080</u>
<b>Financial Performance</b>		
<b>Surplus for the year under previous SORP</b>		1,350,471
Revaluation adjustments re land and buildings		(1,166,000)
<b>Surplus for the year under FRS 102</b>		<u>184,471</u>

The charity has opted to value the freehold land and buildings at the date of transition and to use this value as the deemed cost.