

PAPPLEWICK EDUCATIONAL TRUST LIMITED

(BY GUARANTEE)

FINANCIAL STATEMENTS

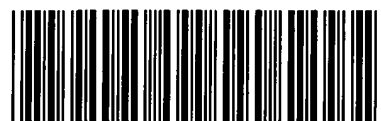
31ST AUGUST 2016

Registered Company Number: 00826017

Registered Charity Number: 309087

**Jacob Cavenagh & Skeet
Chartered Accountants
5 Robin Hood Lane
Sutton
Surrey SM1 2SW**

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PAPPLEWICK EDUCATIONAL TRUST LIMITED

(BY GUARANTEE)

FINANCIAL STATEMENTS

31ST AUGUST 2016

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PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the fifty-first Annual General Meeting of the company will be held at Papplewick School, Windsor Road, Ascot, Berkshire SL5 7LH at 12.00pm on the twenty-second day of February 2017 for the following purposes:

- 1 To receive and consider the financial statements for the year ended 31st August 2016, together with the reports of the Council of Management and the auditors thereon.
- 2 To re-elect three members to the Council of Management.
- 3 To re-appoint Jacob Cavenagh & Skeet as auditors and to authorise the Council of Management to fix their remuneration.
- 4 To transact any other business which, under the company's Articles of Association, may be transacted at an Ordinary General Meeting.

Dated this twenty-third day of November 2016



S G Burrows
Secretary

Papplewick School
Windsor Road
Ascot
Berkshire SL5 7LH

A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote for him or herself, and such proxy need not be a member of the company. Such notice of appointment of proxy must be lodged at the registered office not later than 48 hours before the meeting:

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

REPORT OF THE COUNCIL OF MANAGEMENT TO THE MEMBERS

The Council of Management hereby presents its Annual Report and Strategic Report for the year ended 31 August 2016 under the Charities Act 2011, together with audited financial statements for the year, and confirms that the latter comply with the requirements of the Act, the Trust Deed, the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and the Financial Reporting Standard 102 (FRS 102). The Annual Report serves the purpose of both a Trustees' Report and a Directors' Report under company law.

REFERENCE AND ADMINISTRATIVE INFORMATION

Papplewick Educational Trust Limited was formed in 1964 as a company limited by guarantee. It is a charity, with the registered number 309087.

Governors

The Governors of the School are also the charity's trustees. The Governors who served during the year were:

Council of Management	Brigadier A R E Hutchinson (Chairman) Dr S J Abbott J P C Frost T G F Lord R T F Fleming The Venerable N A Russell D G Seligman (retired on 3 December 2015) A A M Try (appointed on 6 January 2016) S D Walker S G Burrows
Secretary	

Professional advisers and key personnel

The Headmaster Mr T W Bunbury BA University College Durham, PGCE

The Bursar Mr S G Burrows FCA

Principal and registered office address
Papplewick School
Windsor Road
Ascot
Berkshire SL5 7LH

Solicitors
Osborne Clarke
2 Temple Back East
Bristol BS1 6EG

Auditor
Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey SM1 2SW

Bankers
Lloyds Bank plc
1-2 Market Place
Reading
Berks RG1 2EQ

The key management personnel are the members of the Council of Management, the Headmaster and the Bursar.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity's objects, powers and constitution are all set out in its Memorandum and Articles of Association which are dated 4th November 1964.

Recruitment and training of Governors

The Charity's elected Governors are appointed at the termly meeting of the Council of Management based on a recommendation from the Chairman of Governors having taken into account eligibility, personal competence, specialist skills and local availability of the individual concerned. In accordance with new regulations, the training policy in place for Governors is kept under rolling review.

Organisation

The Council of Management determines the general policy of the school. The day to day management of the school is delegated to the Headmaster and the Bursar. The directors of the company are the Charity's trustees and they form the Council of Management of the school. The Council of Management comprises a minimum of 5 and a maximum of 15 Governors. At the AGM each year, one third of the Council of Management retires from office. The remuneration of the key management personnel is set by the Council of Management at their Summer Term meeting each year.

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

REPORT OF THE COUNCIL OF MANAGEMENT TO THE MEMBERS (continued)

Council Members

The current Council of Management is as shown at the beginning of this report. Mr Frost, the Venerable Norman Russell and Mr Walker retire by rotation and, being eligible, offer themselves for re-election.

Statement of Trustees' Responsibilities

The trustees (who are also directors of Papplewick Educational Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

OBJECTIVES AND AIMS

The charity's aim is the provision of education for boarding and day students within an environment where each pupil can achieve his potential.

Reserves policy

The Council of Management has established a general reserve policy to afford some protection to the school and its charitable programme and to provide time to adjust to changing financial circumstances. The policy is to continue building up reserves by means of annual operating surpluses and judicious management, supplemented by appeals from time to time. The Council of Management has continued to keep the secured loan and overdraft facilities under review to ensure that in the absence of free reserves they remain adequate to cover the school's working capital requirements.

Investment policy

The School holds cash assets to fund operational or capital expenditure within a foreseeable timeframe. As such, capital volatility must be minimised and cash assets must therefore be held in cash or near cash investments denominated in sterling.

Disclosure of information to auditors

To the knowledge and belief of the Council of Management, there is no relevant information that the company's auditors are not aware of. The Council of Management has taken all steps necessary to ensure it is aware of any relevant information, and to establish that the company's auditors are aware of any such information.

Auditors

A resolution to re-appoint Jacob Cavenagh & Skeet will be put to the members at the Annual General Meeting.

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

REPORT OF THE COUNCIL OF MANAGEMENT TO THE MEMBERS (continued)

STRATEGIC REPORT

Objectives for the year

This year the focus continued to be on the education and academic performance of students as well as on maintaining the involvement of pupils in extra-curricular activities. The school made general improvements to all the facilities available to the students. Attention was given to maintaining the expertise of teaching staff, as well as to succession planning and staff development.

Strategies to achieve the year's objectives

These included developments to the curriculum, the ongoing provision of pastoral care to all students and efforts to maintain good relationships with parents. All staff at the school work very hard to ensure that pupils develop their academic, sporting, artistic, musical and social skills. This helps students to fulfil their potential, thereby building self-confidence and inculcating a desire to help the wider community. Our bursaries and scholarship programme continues

to make awards available to deserving students, and there has been a further development of links with other schools including the granting of wider access to our facilities.

Achievements and Performance

The trustees have complied with their duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission. The charity is pleased to have provided the education for around 200 pupils per term this year. Demand for the school continues to be strong and the school has been successful in maintaining its high academic performance. In terms of its wider responsibilities, the school's charitable programme has included:

- providing means tested bursaries of £180,534 or 3.7% of gross fees during the course of the academic year;
- the provision of its sports facilities to a local boys football team;
- weekly visits by the pupils to a local day care centre for the elderly, and singing by the choir at local events on other occasions;
- encouraging links with local state schools through sports fixtures and other activities;
- the provision of educational resources on its website with open access to all;
- a pen pal programme raising money for disadvantaged children in Nigeria;
- holding an annual sponsored walk for pupils, their parents and friends that this year raised money for Sebastian's Action Trust;
- supporting other charities through weekly collections in chapel and other fund raising events;
- donating text books, surplus school clothing and other equipment to deserving local and international causes.

Financial Review

Details of the school's net income of £506,380 (2015: net income of £393,696) are shown in the Statement of Financial Activities.

The school had total funds of £6,718,011 (2015: £6,211,631) at the end of the reporting period of which £1,328,470 (2015: £1,148,355) are restricted and not available for the general purposes of the school. Of the general funds, £5,258,612 (2015: £5,073,407) could only be realised by the disposal of the school's fixed assets and the remaining reserves are £130,929 (2015: £nil). This level of reserves is consistent with the school's reserves policy.

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

REPORT OF THE COUNCIL OF MANAGEMENT TO THE MEMBERS (continued)

Principal risks and uncertainties

The Council of Management is responsible for the management of risk within the school. Detailed consideration of all risk is delegated to the Headmaster, the Bursar, the Senior Management Team and the Health & Safety Committee. Risks are identified, assessed and controls established throughout the year. A formal review of the school's risk management processes is undertaken on a periodic basis.

The main risks that the Governors have identified and the plans to manage those risks are:

- **Reputation:** The School's success is built on its reputation for the education and well-being of our pupils. We manage this risk through safeguarding policies, staff recruitment policies, pastoral support for both pupils and staff and active identification and resolution of health and safety related issues.
- **Finance:** Our ability to continue is reliant on pupil fees and the ability to pay bills as they fall due. This risk is managed by marketing activity, having a reputation for academic excellence and active cash-flow management
- **Curriculum:** Academic excellence requires the most able teachers with state of the art facilities delivering the curriculum to able students. We manage this risk by combining attractive salaries, on-going investment in our estate and an approach to enrolment that works with supportive parents whose children have an appetite for learning and a bursary scheme that recognises pupil achievement and aptitude.

Through these risk management processes the Council of Management is satisfied that the major risks identified have been adequately mitigated where necessary in order to minimise any impact they may have on the school in the future. It is recognised that systems only provide reasonable but not absolute assurance that major risks have been adequately managed.

Plans for the Future

The future plans of the school include:

- maintaining the school roll at around existing levels;
- maintaining the current high standards of academic achievement;
- maintaining the current high levels of pastoral support for the students;
- continuing to balance academic achievement with a curriculum allowing full scope for the development of sporting, artistic, musical and social skills;
- continuing to offer means-tested bursaries in order to widen access to the school;
- continuing to build links with other schools, organisations and the local community
- continuing to develop the School's buildings and facilities.

The Report of the Council of Management and the Strategic Report were signed on behalf of the Council.

Registered office

Papplewick School
Windsor Road
Ascot
Berkshire SL5 7LH



A R E Hutchinson
Member of Council

Dated this twenty-third day of November 2016

**REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF
PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)**

We have audited the financial statements of Papplewick Educational Trust Ltd. for the year ended 31st August 2016 on pages 8 to 21. 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).

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

Respective responsibilities of governors and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 3, 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Council of Management to identify material inconsistencies with the audited financial statements, and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

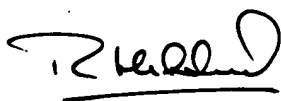
In our opinion the information given in the Report of the Council of Management for the financial year for which the financial statements are prepared is consistent with the financial statements.

REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF
PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

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.



Richard Haffenden MA (Cantab) FCA CTA
Senior Statutory Auditor
For and on behalf of
Jacob Cavenagh & Skeet
Statutory Auditor
Chartered Accountants
5 Robin Hood Lane
Sutton, Surrey, SM1 2SW

29 November 2016

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

**STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST AUGUST 2016**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Unrestricted Funds £	Restricted Funds £	Total 2015 £
INCOME FROM							
Charitable activities:							
School fees	3	4,367,855	-	4,367,855	3,995,257	-	3,995,257
Other educational income	4	8,124	-	8,124	5,209	-	5,209
Other trading activities		3,938	-	3,938	2,549	-	2,549
Investments							
Interest from UK bank accounts		12,170	-	12,170	11,175	-	11,175
Donations		73,526	284,546	358,072	94,762	201,279	296,041
Other income		<u>5,519</u>	<u>-</u>	<u>5,519</u>	<u>7,610</u>	<u>-</u>	<u>7,610</u>
Total income		<u>4,471,132</u>	<u>284,546</u>	<u>4,755,678</u>	<u>4,116,562</u>	<u>201,279</u>	<u>4,317,841</u>
EXPENDITURE ON:							
Raising funds:							
Finance costs under advanced fee scheme		566	-	566	517	-	517
Bank interest		<u>2,054</u>	<u>-</u>	<u>2,054</u>	<u>12,642</u>	<u>-</u>	<u>12,642</u>
		2,620	-	2,620	13,159	-	13,159
Charitable activities:							
School and grant making		<u>4,142,247</u>	<u>104,431</u>	<u>4,246,678</u>	<u>3,889,451</u>	<u>21,535</u>	<u>3,910,986</u>
Total expenditure	5	<u>4,144,867</u>	<u>104,431</u>	<u>4,249,298</u>	<u>3,902,610</u>	<u>21,535</u>	<u>3,924,145</u>
Net income for the year	16, 17	326,265	180,115	506,380	213,952	179,744	393,696
Transfers		<u>-</u>	<u>-</u>	<u>-</u>	<u>(34,688)</u>	<u>34,688</u>	<u>-</u>
Net movement in funds		326,265	180,115	506,380	179,264	214,432	393,696
Reconciliation of funds							
Funds balances brought forward		<u>5,063,276</u>	<u>1,148,355</u>	<u>6,211,631</u>	<u>4,884,012</u>	<u>933,923</u>	<u>5,817,935</u>
Funds balances carried forward		<u>5,389,541</u>	<u>1,328,470</u>	<u>6,718,011</u>	<u>5,063,276</u>	<u>1,148,355</u>	<u>6,211,631</u>

There were no discontinued or acquired activities during the current year.

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

**BALANCE SHEET
AS AT 31ST AUGUST 2016**

		2016		2015	
	Note	£	£	£	£
Fixed assets					
Tangible assets	8		5,258,612		5,367,711
Current assets					
Debtors	9	996,313		1,081,495	
Investments	10	1,340,000		1,065,000	
Cash at bank and in hand	11	<u>1,736,288</u>		<u>1,498,757</u>	
		4,072,601		3,645,252	
Creditors: amounts falling due within one year	12	<u>2,204,962</u>		<u>2,204,738</u>	
Net current assets			<u>1,867,639</u>		<u>1,440,514</u>
Total assets less current liabilities			7,126,251		6,808,225
Creditors: Amounts falling due after more than one year	13		(281,240)		(478,594)
Provisions for liabilities	14		(127,000)		(118,000)
Net assets			<u>6,718,011</u>		<u>6,211,631</u>
Funds					
Unrestricted funds	16	5,389,541		5,063,276	
Restricted funds	17	<u>1,328,470</u>		<u>1,148,355</u>	
Total funds		<u>6,718,011</u>		<u>6,211,631</u>	

The financial statements were approved on 23 November 2016 and signed by:



Brigadier A R E Hutchinson

Member of Council

Company Number: 00826017

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2016**

	2016	2015
	£	£
Cash provided		
from operating activities (see below)	890,894	865,851
Cash flows from investing activities		
Interest received	12,170	11,175
(Increase) in cash on deposit	(275,000)	(155,000)
Payments to acquire tangible fixed assets	(106,822)	(193,243)
Cash used in investing activities	(369,652)	(337,068)
Cash flows from financing activities		
Interest paid	(2,620)	(13,159)
Increase/ (decrease) in Confirmations of Entry	30,645	71,961
Increase / (decrease) in Fees in Advance	(17,432)	(25,788)
Capital repayments of bank loan	(294,304)	(266,021)
Cash used in financing activities	(283,711)	(233,007)
Net cash inflow	286,441	295,776
Cash and cash equivalents brought forward	<u>1,498,757</u>	<u>1,202,981</u>
Cash and cash equivalents carried forward	<u>1,736,288</u>	<u>1,498,757</u>

Cash flows from operating activities

	2016	2015
	£	£
Net income	506,380	393,696
Interest paid shown in financing activities	2,620	13,159
Interest received shown in investing activities	(12,170)	(11,175)
Depreciation	215,921	220,555
Decrease in stocks	-	1,459
Decrease in debtors	85,182	24,460
Increase in creditors	83,961	199,697
Increase in provisions	<u>9,000</u>	<u>24,000</u>
Cash provided from operating activities	<u>890,894</u>	<u>865,851</u>

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2016

1 ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Accounting convention

The financial statements have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting. There are no material uncertainties about the charity's ability to continue in operation.

Papplewick Educational Trust Limited meets the definition of a public benefit entity under FRS 102. The accounts are presented in sterling rounded to the nearest pound.

Reconciliation with previous UK Generally Accepted Accounting Practice

In preparing the financial statements, the Governors have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 for the first time (effective 1 September 2014), the restatement of comparative items was required. No such restatement was considered necessary.

Depreciation

Depreciation is provided on all tangible fixed assets on a straight line basis, at rates calculated to write off the cost less estimated residual value of the asset over its expected useful life as follows:

Leasehold property	- over 50 years
Plant and machinery	- 5% straight line
Furniture and equipment	- 15% straight line
Computers	- 33 1/3% straight line
Motor vehicles	- 20% straight line

Stocks

Stocks are stated at the lower of cost and net realisable value.

Leasing

Payments in respect of operating lease agreements (being agreements not giving rights approximating to ownership) have been charged to expenditure on a straight line basis.

Fees receivable, extras chargeable and interest receivable

These are all accounted for on a receivable basis.

Donations

Donations and gift aid donations are accounted for when received. Income tax recoverable is also accounted for on a received basis.

Advance fees scheme

The school on occasion offers parents the opportunity to pay up to five years tuition fees in advance in accordance with a written contract. The amount received bears interest which is accrued to contracts. When the fees become due the accrued interest is offset against the fees payable.

Raising funds

This comprises all expenditure related to obtaining and maintaining funding of the charity, including school fees receivable.

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2016 (continued)

1 ACCOUNTING POLICIES (continued)

Charitable expenditure

This comprises all expenditure directly related to the objects of the charity. Expenditure is accounted for on an accruals basis.

Governance costs

This comprises all the expenditure of running the charity, including strategic planning for future development, also external audit, any legal advice for the Governors, and all the costs of complying with constitutional and statutory requirements.

Pension costs

The charitable company participates in a multi-employer defined benefit pension scheme, the Teachers' Superannuation Scheme, the assets of which are held separately from those of the charitable company in a fund independently administered by the Teachers' Pensions Scheme. The charitable company also contributes to money purchase personal pension plans held by individual employees. Contributions are charged to the statement of financial activities for the period in which they are payable to the scheme.

Investments

Current asset investments represent cash on deposit held for investment purposes rather than to meet short-term cash commitments as they fall due.

Debtors

Fee debtors and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

Cash at bank

Cash at bank includes cash and short term highly liquid investments with a maturity of twelve months or less from the date of opening of the deposit.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognized at transaction value and subsequently measured using amortised cost on the effective interest rate method.

2	NET INCOME	2016 £	2015 £
	This is stated after charging:		
	Depreciation	215,921	220,555
	Auditors' remuneration:		
	Audit fees	6,260	5,740
	Non-audit fees	1,480	720
	Interest payable	<u>2,620</u>	<u>13,159</u>

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2016 (continued)**

3 SCHOOL FEES		2016	2015
		£	£
The School fee income comprised			
Gross fees		4,831,045	4,466,922
Less: Total bursaries and scholarships		(493,394)	(502,037)
		4,337,651	3,964,885
Income from music tuition		<u>30,204</u>	<u>30,372</u>
		<u>4,367,855</u>	<u>3,995,257</u>
4 OTHER INCOME		2016	2015
		£	£
Other educational and charitable			
Entrance and registration fees		7,323	4,508
Courses and sub lettings		<u>801</u>	<u>701</u>
		<u>8,124</u>	<u>5,209</u>
5 EXPENDITURE			
	Staff costs	Other costs	Dep'n
	£	£	£
Raising funds			
Finance costs	-	2,620	-
	-	<u>2,620</u>	-
Charitable activities			
Teaching costs	1,931,605	199,899	-
Welfare	163,969	473,513	-
Premises	206,674	409,273	-
Support costs of schooling:			
Salaries and pensions	268,676	-	-
Depreciation	-	-	215,921
Printing, postage and stationery	-	45,717	-
Bad debts	-	16,832	-
Professional fees	-	62,280	-
Motor and travel	-	19,964	-
Insurance	-	16,574	-
Other support costs	-	95,543	-
Governance costs	<u>9,547</u>	<u>6,260</u>	-
Total support costs	278,223	263,170	215,921
Development project expenditure	-	79,417	-
Grants, awards and prizes (see below)	-	<u>25,014</u>	-
Total charitable expenditure	<u>2,580,471</u>	<u>1,450,286</u>	<u>215,921</u>
	<u>2,580,471</u>	<u>1,452,906</u>	<u>215,921</u>
			<u>4,249,298</u>

Grants, awards and prizes were awarded in the following amounts:

	£
Individuals	25,014
Institutions	-
	<u>25,014</u>

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2016 (continued)**

6 STAFF COSTS

	2016	2015
	£	£
Salaries and wages	2,109,947	2,092,850
Social security costs	202,528	186,272
Employers contribution to defined contribution pension schemes	32,711	22,659
Employers contribution to multi-employer defined benefit scheme	<u>235,285</u>	<u>192,724</u>
	<u>2,580,471</u>	<u>2,494,505</u>

The average number of employees during the year was made up as follows:

	2016	2015
	No.	No.
Teaching staff	34	32
General, office and domestic	<u>32</u>	<u>31</u>
	<u>66</u>	<u>63</u>

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	2016	2015
	No.	No.
£60,000 - £70,000	1	1
£70,000 - £80,000	-	-
£80,000 - £90,000	1	1
£90,000 - £100,000	-	1
£100,000 - £110,000	1	-

Of the above employees, two are currently accruing benefits under a defined benefit pension scheme and one under a money purchase pension scheme.

No remuneration was paid to any member of the Council of Management during the year.

The employee benefits of the key management personnel were £240,791 (2015: £215,799).

3 (2015: 2) governors claimed for travelling expenses during the year totalling £549 (2015: £587).

7 TAXATION

The company is registered with the Charity Commissioners as an educational charity (registered number 309087) and is exempt from taxation in accordance with Part 10 of the Income Tax Act 2007.

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2016 (continued)**

8 TANGIBLE FIXED ASSETS

	Computers £	Furniture and equip- ment £	Motor vehicles £	Long leasehold property £	Plant and machinery £	Total £
Cost						
At 1st September 2015	302,506	369,054	100,274	6,676,125	171,104	7,619,063
Additions	<u>16,305</u>	<u>41,784</u>	<u>-</u>	<u>43,890</u>	<u>4,843</u>	<u>106,822</u>
At 31st August 2016	<u>318,811</u>	<u>410,838</u>	<u>100,274</u>	<u>6,720,015</u>	<u>175,947</u>	<u>7,725,886</u>
Depreciation						
At 1st September 2015	260,992	179,620	72,578	1,626,950	111,212	2,251,352
Provided for the year	<u>29,961</u>	<u>50,318</u>	<u>13,638</u>	<u>112,745</u>	<u>9,259</u>	<u>215,921</u>
At 31st August 2016	<u>290,953</u>	<u>229,938</u>	<u>86,216</u>	<u>1,739,695</u>	<u>120,471</u>	<u>2,467,274</u>
Net book value						
At 31st August 2015	<u>41,514</u>	<u>189,434</u>	<u>27,696</u>	<u>5,049,175</u>	<u>59,892</u>	<u>5,367,711</u>
At 31st August 2016	<u>27,858</u>	<u>180,900</u>	<u>14,058</u>	<u>4,980,320</u>	<u>55,476</u>	<u>5,258,612</u>

The school extended the leasehold from the Crown on its premises back up to a period of 99 years with effect from 9 December 2011. The cost of the extension was £1,800,000.

9 DEBTORS

	2016 £	2015 £
Fees and extras receivable	947,502	1,026,497
Prepayments	42,336	39,544
Other debtors	<u>6,475</u>	<u>15,454</u>
	<u>996,313</u>	<u>1,081,495</u>

10 INVESTMENTS

	2016 £	2015 £
Papplewick Development Fund cash on deposit	<u>1,340,000</u>	<u>1,065,000</u>

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2016 (continued)**

11	CASH AT BANK AND IN HAND	2016	2015
		£	£
	General school funds	1,725,590	1,439,149
	Papplewick Development Fund	<u>10,698</u>	<u>59,608</u>
		<u>1,736,288</u>	<u>1,498,757</u>
12	CREDITORS: Amounts falling due within one year	2016	2015
		£	£
	Bank loans	-	66,305
	Fees billed in advance	1,441,718	1,415,076
	Advance Fees scheme (note 15)	-	17,432
	Trade creditors	280,695	300,788
	Other creditors	345,414	271,607
	Taxation and social security	55,522	49,925
	Accruals	<u>81,613</u>	<u>83,605</u>
		<u>2,204,962</u>	<u>2,204,738</u>
13	CREDITORS: Amounts falling due after more than one year	2016	2015
		£	£
	Bank loans:		
	Repayable between one and two years	-	67,366
	Repayable between two and five years	-	140,861
	Repayable in five years or more	-	19,772
	Confirmations of entry	<u>281,240</u>	<u>250,595</u>
		<u>281,240</u>	<u>478,594</u>

The bank loans were secured by a letter of negative pledge.

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2016 (continued)**

14 PROVISIONS FOR LIABILITIES AND CHARGES

	Legal Fees £	Papplewick Development Fund £	Building & Grounds Repairs £	Total £
At 1st September 2015	15,000	48,000	55,000	118,000
Provisions and transfers during year	-	9,000	-	9,000
Provisions expended	-	-	-	-
At 31st August 2016	<u>15,000</u>	<u>57,000</u>	<u>55,000</u>	<u>127,000</u>

The provision for the Papplewick Development Fund covers the costs of launching the Fund to the wider school community, for which expenditure is likely to commence at the end of 2016. The provision for Legal Fees covers costs that may be incurred in the future in respect of existing legal matters. The provision for Building and Grounds Repairs covers the estimated cost of necessary work which the school feels it likely will be required in the future, but which has not yet been completed.

15 ADVANCE FEES SCHEME

Parents may from time to time be allowed enter into a contract to pay to the school up to the equivalent of five years' tuition fees in advance. The money may be returned subject to specific conditions but, assuming pupils will remain in the school, advance fees will be applied as follows:

	2016 £	2015 £
Repayable within one year	-	17,432
Repayable between one and two years	<u>-</u>	<u>-</u>
	<u>-</u>	<u>17,432</u>

The balance represents the accrued liability under the contracts. The movements during the year were as follows:

	£
Balance as at 1st September 2015	17,432
New contracts	-
Amount utilised in payment of fees to the school	<u>(17,432)</u>
Balance as at 31st August 2016	<u>-</u>

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2016 (continued)**

16 UNRESTRICTED FUNDS

	Other General Funds £	General £	Total £
Income	73,526	4,397,606	4,471,132
Expenditure	(46,561)	(4,098,306)	(4,144,867)
Net income	26,965	299,300	326,265
Transfers	-	-	-
Balance brought forward	<u>76,028</u>	<u>4,987,248</u>	<u>5,063,276</u>
Balance carried forward	<u>102,993</u>	<u>5,286,548</u>	<u>5,389,541</u>

Other General Funds comprise funds set aside by the Governors to fund specific projects in different areas of the school.

17 RESTRICTED FUNDS

	Papplewick Development Fund £	Daphne Watson Fund £	Prize and Tour Funds £	Total £
Income	262,426	-	22,120	284,546
Expenditure	(79,417)	(1,545)	(23,469)	(104,431)
Net income	183,009	(1,545)	(1,349)	180,115
Transfers	-	-	-	-
Balance brought forward	<u>1,124,608</u>	<u>9,693</u>	<u>14,054</u>	<u>1,148,355</u>
Balance carried forward	<u>1,307,617</u>	<u>8,148</u>	<u>12,705</u>	<u>1,328,470</u>

The Papplewick Development Fund has been established in order to facilitate the raising of funds for future improvements to the school's premises and for bursary awards.

The Daphne Watson Fund has been created by a donation with the purpose of assisting pupils with the cost of their music tuition whilst at the school.

Prize and Tour Funds are accumulated in order to provide annual prizes for achievement in specified areas of the school and to contribute to the cost of sporting and cultural tours.

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2016 (continued)**

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Investment £	Cash and Bank £	Other assets and liabilities £	Total £
Unrestricted funds	5,258,612	-	1,704,737	(1,573,808)	5,389,541
Restricted funds	-	1,340,000	31,551	(43,081)	1,328,470
	<u>5,258,612</u>	<u>1,340,000</u>	<u>1,736,288</u>	<u>(1,616,889)</u>	<u>6,718,011</u>

19 CONSTITUTION OF THE COMPANY

The company is incorporated in England & Wales and is limited by guarantee with its registered office at Papplewick School, Windsor Road, Ascot, Berkshire SL5 7LH. Each member is under covenant to contribute a sum not exceeding £1 in certain circumstances as set out in clause 6 of the Memorandum of Association.

The number of members is 8 (2015: 8).

20 COMMITMENTS UNDER OPERATING LEASES

The total future minimum payments under non-cancellable operating leases are as follows:

	2016 £	2015 £
Within one year	20,952	20,952
Between two and five years	<u>20,952</u>	<u>41,904</u>

Operating lease payments recognised as an expense this year were £20,952 (2015: £20,952).

21 RELATED PARTY TRANSACTIONS

The Governor, T G F Lord, is also a director of the Berkshire Riding Centre Limited and £5,817 was paid to this company by the school for riding lessons for boys during the year. (2015: £5,713).

The Governor, J P C Frost, has a son at the school and paid school fees during the year at the standard rate.

22 PENSION COMMITMENTS

Introduction

The School 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. The School accounts for this scheme as if it were a defined contribution scheme.

The pension charge for the year includes contributions payable to the TPS of £235,285 (2015: £192,724).

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. This report confirmed that the employer contribution rate for the TPS will increase from 14.1% to 16.4% from 1 September 2015. Employers will in addition from 1 September 2015 pay a scheme administration levy of 0.08% of the employers' salary costs which will increase the total employer payment rate from 16.4% to 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.

The School also participated in five defined contribution pension schemes for five members of staff (2015: five members). The assets of the scheme are held separately from those of the School in independently administered funds. The School contributes 8.0% - 16.48% of pensionable salary.

The pension cost relating to these schemes for the year was £32,711 (2015: £22,659).

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST AUGUST 2016**

2015 £	Note	Autumn Term £	Spring Term £	Summer Term £	Total £
INCOME					
4,466,922	Gross fees receivable	3 1,584,355	1,560,595		1,696,780
4,841,730					
(502,037)	Less: Bursaries	(167,793)	(165,606)	(170,680)	(504,079)
3,964,885	Net fees receivable		1,416,562	1,394,989	1,526,100
4,337,651					
30,372	Music fees	12,179	8,458	9,567	30,204
12,819	Sundry income	3,926	4,709	5,008	13,643
11,175	Interest receivable	4,038	3,578	4,554	12,170
2,549	Merchandising receipts	1,200	1,502	1,236	3,938
<u>4,021,800</u>		<u>1,437,905</u>	<u>1,413,236</u>	<u>1,546,465</u>	<u>4,397,606</u>
EXPENDITURE					
590,040	Establishment	28 200,172	208,635	207,140	615,947
599,492	Board and housekeeping	29 217,702	203,776	216,004	637,482
1,974,586	Teaching	30 706,892	699,153		725,459
2,131,504					
442,001	Administration	31 146,313	147,493	180,555	474,361
5,990	Audit fee	2,110	2,050	2,100	6,260
1,960	Pensions	-	-	-	-
220,555	Depreciation and loss on disposal	8 68,264	69,492	78,165	215,921
10,217	Provision for doubtful debts	6,670	5,127	5,034	16,831
<u>3,844,841</u>		<u>1,348,123</u>	<u>1,335,726</u>	<u>1,414,457</u>	<u>4,098,306</u>
<u>176,959</u>	Excess of income over expenditure for the year	26 <u>89,782</u>	<u>77,510</u>	<u>132,008</u>	<u>299,300</u>

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

**NOTES TO DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST AUGUST 2016**

**26 RECONCILIATION FROM DETAILED INCOME AND EXPENDITURE ACCOUNT
TO STATEMENT OF FINANCIAL ACTIVITIES**

	2016		2015	
	£	£	£	£
Excess of income over expenditure per Income and Expenditure Account		299,300		176,959
Unrestricted Fund Movements:				
Income:				
Other General Funds	73,526		94,762	
		73,526		94,762
Expenditure:				
Other General Funds	(46,561)		(57,769)	
		326,265		213,952
Restricted Fund Movements:				
Income:				
Development Fund	262,426		179,059	
Daphne Watson Memorial Fund	-		-	
Prize and Award and other Funds	22,120		22,220	
		284,546		201,279
Expenditure:				
Development Fund	(79,417)		-	
Daphne Watson Memorial Fund	(1,545)		(1,515)	
Prize and Award and other Funds	(23,469)		(20,020)	
		(104,431)		(21,535)
Net income per Statement of Financial Activities		<u>506,380</u>		<u>393,696</u>

27 PUPILS AND FEES

	Autumn Term	Spring Term	Summer Term
Duration of term (days)	98	70	84
Number of pupils	No.	No.	No.
Boarders	88	87	120
Day boys	120	119	96
Fees	£	£	£
Boarders	8,995	8,995	8,995
Day boys	6,905	6,905	6,905

PAPPLEWICK EDUCATIONAL TRUST LIMITED (BY GUARANTEE)

**NOTES TO DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST AUGUST 2016 (continued)**

28 ESTABLISHMENT

2015		Autumn	Spring	Summer	Total
£		Term	Term	Term	£
		£	£	£	
177,711	Buildings	62,567	70,137	42,049	174,753
136,958	Cleaning	46,667	47,161	47,423	141,251
176,508	Maintenance	58,112	56,744	71,981	186,837
23,360	Staff Accommodation	8,950	5,416	9,226	23,592
<u>75,503</u>	Grounds & Gardens	<u>23,876</u>	<u>29,177</u>	<u>36,461</u>	<u>89,514</u>
<u>590,040</u>		<u>200,172</u>	<u>208,635</u>	<u>207,140</u>	<u>615,947</u>

29 BOARD AND HOUSEKEEPING

103,559	Matrons	35,391	34,823	35,359	105,573
34,824	Medical	11,649	12,588	11,653	35,890
45,519	Housekeeping	15,697	15,522	16,543	47,762
<u>415,590</u>	Catering	<u>154,965</u>	<u>140,843</u>	<u>152,449</u>	<u>448,257</u>
<u>599,492</u>		<u>217,702</u>	<u>203,776</u>	<u>216,004</u>	<u>637,482</u>

30 TEACHING

1,802,377	Salaries, NI & Pensions	635,144	636,049	660,412	1,931,605
51,951	General Teaching Costs	22,368	20,828	18,985	62,181
63,643	Information Technology	24,504	23,687	27,599	75,790
4,968	Art	2,474	1,847	1,791	6,112
4,302	Design Technology	1,359	1,437	1,756	4,552
6,192	Music	4,616	5,161	4,230	14,007
13,362	Sport	5,138	2,443	2,030	9,611
16,387	English	5,063	5,288	5,679	16,030
<u>11,404</u>	Other Departments	<u>6,226</u>	<u>2,413</u>	<u>2,977</u>	<u>11,616</u>
<u>1,974,586</u>		<u>706,892</u>	<u>699,153</u>	<u>725,459</u>	<u>2,131,504</u>

31 ADMINISTRATION

228,842	Bursary & Secretarial	87,672	92,989	105,884	286,545
20,185	Postage & Telephone	7,932	8,166	7,701	23,799
20,944	Stationery & Printing	9,888	6,894	5,137	21,919
56,124	Professional Fees	16,067	16,665	29,548	62,280
43,227	Motor & Travel	1,854	5,563	12,547	19,964
15,120	Insurance	5,398	5,403	5,773	16,574
13,159	Bank charges & Interest	4,634	475	(2,489)	2,620
<u>44,400</u>	Sundry Expenses	<u>12,868</u>	<u>11,338</u>	<u>16,454</u>	<u>40,660</u>
<u>442,001</u>		<u>146,313</u>	<u>147,493</u>	<u>180,555</u>	<u>474,361</u>