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**Ashfold School Trust Limited
(Limited by Guarantee)**

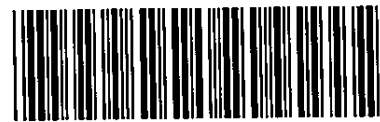
Accounts

for the year ended

31st August 2008

WENN TOWNSEND

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COMPANIES HOUSE

Wenn Townsend

Chartered Accountants

Oxford

Ashfold School Trust Limited
(Limited by Guarantee)

Governors: R G Williams (Chairman)
M J Tuckey (Deputy Chair)
T C Bailey
Mrs J Foster (appointed 1st September 2008)
Mrs A Henderson
Mrs M K Henderson
A E Reekes
Mrs A J Sanderson (retired 25th June 2008)
H Taylor
Dr A Wallersteiner

Members of Finance Committee:

M J Tuckey (Chair)
R G Williams
T C Bailey

Secretary: M J Tuckey

Headmaster: M Chitty

Registered Office: Dorton House
Dorton
Aylesbury
Bucks

Registered Number: 1287451

Charity Number: 272663

Auditors: Wenn Townsend
Chartered Accountants
Oxford

Bankers: Barclays Bank plc
High Wycombe

**Ashfold School Trust Limited
(Limited by Guarantee)**

**Report of the Governors
31st August 2008**

Structure, governance and management

1. Introduction

The Governors present their report and the financial statements for the year ended 31st August 2008. The information with respect to Governors, advisors and officers is set out on page 1.

2. Constitution and administration

The school is a company limited by guarantee and was incorporated on 23rd November 1976. The company is also a registered charity, number 272663. The company is governed by the Articles of Association dated 23rd November 1976.

3. Organisational structure

The board of governors meet at least once a term. The day to day management is delegated to the headmaster, Mr M Chitty. The finance committee is a sub-committee with particular responsibility for finance and reports to the full board. It meets at least once a term.

New board members receive an induction appropriate to their particular professional qualification or area of expertise and the board is regularly updated on educational, staff and charitable matters.

4. Risk management

The board has conducted its own review of the major risks to which the charity is exposed, and systems have been implemented to mitigate those risks.

Objectives and activities

1. Principal activity

The principal activity of the company is that of operating as a coeducational preparatory school providing education to children between the ages of 3 and 13.

2. Charitable objects

The object for which the Trust was established was to promote and provide for the advancement of education of children so that it and its pupils benefit society in general and the local community in particular.

Ashfold aims to fulfil the potential of each child, giving them the firmest possible grounding in the core academic subjects, developing their widest interest through the great breadth of its curriculum and ensuring they are thoroughly prepared for life at their chosen secondary schools by developing in them the skills, values and habits they need to enable them to thrive there.

The School aims to extend further its relationship with the parents of pupils, the local community and to enhance the quality of the learning environment and facilities generally.

3. Review of achievements

Examinations. This year's examination results were tremendously encouraging. A third of our sixth form sat scholarship examinations and four of them won academic, Art, DT and all-rounder scholarships. Every one of our sixth formers passing 13+ Common Entrance and all of those who sat 11+ and 12+ Common Entrance also passed to their chosen secondary schools.

Design Technology. Four children's design for a Speed Searcher won The Ideal Home Exhibition's Innovation Nation competition. That theirs was the only invention by children to reach the short-list and was then voted the 'most exciting new invention' by the general public.

Music. Almost 75% of all children now receive instrumental or singing lessons. School concerts and the Christmas carol Service were wonderfully impressive, but the highlight of the year was the Senior Choir's trip to Rome where they sung at such prestigious venues as The Pantheon and St Peter's Basilica.

**Ashfold School Trust Limited
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**Report of the Governors
31st August 2008**

3. Review of achievements (continued)

Drama. This year's Senior Musical 'Olivia', Senior Play 'A Haunting We Will Go' and Junior Musical 'Wind in the Willows' were all spectacular productions.

Sport. On the games field the school has continues to punch way above its size with children playing representative sport at county, national, international and even European levels. At **County** Level 17 boys and girls trained regularly training with hockey, rugby, tennis and squash teams. At **National** Level our two teams came first and second in the School's Clay Shooting Challenge, whilst our three teams came second and third equals in the National Championships, and one child won the 'Prep School High Gun' award for being the best Prep School shot in the country this year. At **International and European** levels one child represented England at squash in Home Internationals and has been playing all year on the European Championship circuit where he is now ranked No 4. in Europe. The new Astroturf has also made a dramatic impact upon the quality of our girls and boys hockey with every one of our boys and girls teams having winning seasons and overall winning or drawing almost three-quarters of all their fixtures.

In netball we are so well regarded that when we held a tournament for local schools over a hundred girls showed up, many from the most prestigious local public and prep schools.

Boarding. Boarding and Evening Activities have never been so popular with, in the Summer Term, a record 98% of all Form III-VI children taking part in Evening Activities at least once a week and 85% of them boarding.

4. Public Benefit

Despite being such a small school, the board considers it contributes significantly to public benefit in the following areas:

Financial

As a matter of policy we provide access to our education to children from less affluent backgrounds. Last year the School supported 32 boys and girls on bursaries, discounts and scholarships at an annual cost to the school of £79k (2007: 98k). This represents discounts to the value of 3% of fee income.

We educated 280 children from our local community at nil cost to the state, thereby saving the public purse in excess of £1.3m.

Educational

Whilst nationally the numbers of children studying languages has declined, Ashfold continues to teach all children modern foreign languages and Latin, with the vast majority continuing these subjects to GCSE level at least.

Ashfold screens all children for Special Educational Needs. 17% of its children have been so identified and these are provided with specialist support. Providing for these needs is in itself a public good.

The standards of our education are reviewed annually against national benchmarks and our education exceeds those benchmarks.

We use our own resources to recruit people into the teaching profession and to induct and train them. We actively assist teachers in achieving Qualified Teacher Status (two qualifying this year), which qualifies teachers to move to the maintained sector.

**Ashfold School Trust Limited
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**Report of the Governors
31st August 2008**

4. Public Benefit (continued)

We are active members of an Early Years Link Group, whose members include local maintained schools teachers, and which meets occasionally at Ashfold. We also invite teachers and children from local maintained schools to training days at Ashfold.

Music, sports and the community

The School Choirs sing regularly in local churches and at an old peoples' home. A Parents Choir, rehearses weekly, performs twice a year and is supported by numerous singers from the local community.

The school is particularly strong at games. A few represent their Counties and around 70% of our children regularly represent their local clubs in sporting fixtures. Our Sports Hall, Astro turf pitch, Cricket fields and Soccer pitches are loaned to local state schools, county Hockey squads, local clubs and groups for practice, training and for league and cup competitions. Our Swimming Pool and Tennis Courts are made available for use by local residents.

We provide significant funding of the Parish Church last year amounting to £1,351 and the school is used by the Church community for festivals and gatherings. Additionally, the school last year raised £4,471 for local and national charities.

Financial review

1. The financial results

The Statement of Financial Activities for the year is set out on page 6. This shows net incoming resources of £88,637 (2007: £306,851).

The school has invested in an Astro turf playing surface for use throughout the year for hockey, netball, tennis and soccer.

2. Reserves and investment policy

The governors are currently borrowing to invest in the development of the school and funding interest out of current income. This is seen as essential at this stage in the school's life. The long term aim is to increase reserves such that the school is not dependant on borrowing.

3. Changes since the year end

There have been no significant changes since the year end and the school is expected to operate on a similar basis in the foreseeable future.

Future plans

The board, together with the Headmaster and Bursar, routinely review the School's longer term aims, together with its 5 year rolling development plan. Academic and pastoral policies remain under constant review to ensure that Ashfold continues to offer the best possible education to its pupils.

During 2008/09 the school plans to:

Enhance further the School's excellent academic record through the implementation of a number of new initiatives including the assessment for learning, stretching Gifted and Talented pupils, and strengthening whole school curriculum links.

Continue to widen access to the School and its facilities, in particular by strengthening links with local state primary schools.

Continue to refurbish the Grade 1 listed mansion and surrounding buildings in which the School operates.

**Ashfold School Trust Limited
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**Report of the Governors
31st August 2008**

Auditors

Wenn Townsend have agreed to offer themselves for reappointment.

Governors' responsibilities

Company law requires the governors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the governors are required to:

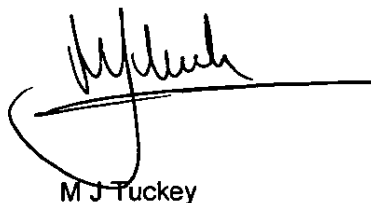
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company exemptions

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies under Part VII of the Companies Act 1985.

On behalf of the board



M J Tuckey

3rd December 2008

**Ashfold School Trust Limited
(Limited by Guarantee)**

Independent Auditors' Report to the members of Ashfold School Trust Limited

We have audited the financial statements of Ashfold School Trust Limited (being a charitable Company) for the year ended 31st August 2008 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the Charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Governors 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 Company and the Trustees as a body, for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of governors and auditors

As described in the Statement of Governors' responsibilities, the Governors are responsible for the preparation of the Governors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Governors' Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records by law, if we have not received all the information and explanations we require for our audit, or information specified regarding Trustees' remuneration and transactions is not disclosed.

We read the Governors' Annual Report and consider whether it is consistent with the audited financial statements. We consider the implication for our report as we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

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

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

Opinion

In our opinion:

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



Wenn Townsend
Chartered Accountants
Oxford

3rd December 2008

**Ashfold School Trust Limited
(Limited by Guarantee)**

**Statement of Financial Activities
for the year ended 31st August 2008**

		Unrestricted Funds	Restricted Fund	2008 Total	2007 Total
Incoming resources	Note				
Income from charitable activities					
Fees	2	2,728,770	-	2,728,770	2,548,744
Other educational income		105,950	-	105,950	100,793
Ancillary income	3	42,992	-	42,992	51,063
Incoming resources from generated funds					
Investment income	4	1,448	-	1,448	273
Donations		29,250	8,057	37,307	114,237
Total incoming resources		<u>2,908,410</u>	<u>8,057</u>	<u>2,916,467</u>	<u>2,815,110</u>
Resources expended					
Costs of generating funds					
Overdraft interest		11,326	-	11,326	29,196
Fee composition discount		21,770	-	21,770	13,322
		<u>33,096</u>	<u>-</u>	<u>33,096</u>	<u>42,518</u>
Charitable activities					
School running costs	5	2,784,390	-	2,784,390	2,455,830
Governance costs	6	10,344	-	10,344	9,911
Total resources expended		<u>2,827,830</u>	<u>-</u>	<u>2,827,830</u>	<u>2,508,259</u>
Net incoming resources		80,580	8,057	88,637	306,851
Transfers between funds		8,057	(8,057)	-	-
Net movement in funds		<u>88,637</u>	<u>-</u>	<u>88,637</u>	<u>306,851</u>
Balances brought forward at 1st September 2007		2,622,149	-	2,622,149	2,315,298
Balances carried forward at 31st August 2008		<u>£ 2,710,786</u>	<u>£ -</u>	<u>£ 2,710,786</u>	<u>£ 2,622,149</u>

All amounts are derived from continuing activities.

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

The notes on pages 8 to 13 form an integral part of these financial statements.

Ashfold School Trust Limited
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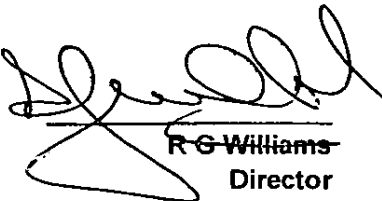
Balance Sheet
31st August 2008

2007

	Note		
Fixed assets			
Tangible assets	10	3,703,135	3,893,372
Current assets			
Stocks		4,765	19,461
Debtors	11	80,007	28,675
Cash at bank and in hand		1,302	1,309
		<u>86,074</u>	<u>49,445</u>
Creditors: Amounts falling due within one year	12	<u>(1,078,423)</u>	<u>(1,320,668)</u>
Net current liabilities		(992,349)	(1,271,223)
Net assets		<u>2,710,786</u>	<u>£ 2,622,149</u>
Reserves			
Unrestricted funds			
Revaluation reserve	13	1,569,320	1,569,320
Income and expenditure account	13	1,141,466	1,052,829
Restricted fund			
Restoration fund	13	-	-
		<u>£ 2,710,786</u>	<u>£ 2,622,149</u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the Board on 3rd December 2008 and signed on its behalf by:


R G Williams
 Director

The notes on pages 8 to 13 form an integral part of these financial statements.

**Ashfold School Trust Limited
(Limited by Guarantee)**

**Notes to the Accounts
for the year ended 31st August 2008**

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules as modified by the revaluation of buildings and in accordance with applicable Accounting Standards, the Companies Act 1985 and the Statement of Recommended Practice (SORP) - Accounting by Charities – reissued in March 2005.

Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard 1, on the grounds that it qualifies as a small company under the Companies Act 1985.

Incoming resources

Incoming resources represents the amount derived from the provision of goods and services falling within the company's activities in the UK, recognised on an accruals basis.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Governance costs are those incurred in connection with administration of the Charity as a legal entity and are not connected with generating income or charitable expenditure.

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to expenditure.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land and historic buildings	Nil
Modern classrooms	Over 20 years
Freehold improvements and outbuildings	Over 10 - 15 years
Furniture and equipment	Over 5 - 10 years
Vehicles and mowers	Over 5 years
Computers	Over 3 years

The historic freehold buildings form an important part of the character of the school and are continually maintained in order that their life is extended indefinitely and therefore a charge to depreciation would not be material. The governors perform annual impairment reviews to ensure that the recoverable amount is not lower than carrying value. The school has taken advantage of the transitional provisions of FRS15 whereby the valuation of its property has been frozen at its value as at 31st August 1999. Subsequent additions are to be included at cost.

**Ashfold School Trust Limited
(Limited by Guarantee)**

**Notes to the Accounts
for the year ended 31st August 2008**

Leases and hire purchase contracts

Rentals paid under operating leases are charged to income as incurred.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Donations

The governors gratefully acknowledge the significant amount of volunteer time given by the parents committee.

Pensions

Pension costs represent contributions under the DES Teachers' Superannuation Scheme and a defined contribution scheme. The Teachers Superannuation Scheme, operated by the Teachers' Pension Agency is specifically for teaching staff. It is an unfunded defined benefit scheme providing benefits based on final pensionable salary. The scheme funds are valued every five years by the Government Actuary who determines the approximate level of contributions. The contributions to The Teachers' Superannuation Scheme and to the defined contribution scheme are charged to income and expenditure as they become payable. The cost of pensions is thus recognised during the employees working lives at the school.

Fund accounting

Unrestricted funds consist of a general fund which the Trustees may use, for the furtherance of the objects of the Charity at their discretion.

Restricted funds are subject to specific conditions imposed by the donor or by the terms of an appeal, these conditions being legally binding upon the Trustees.

2. School fees

	2008	2007
Fees	2,824,455	2,659,345
Discounts and awards	(95,685)	(110,601)
	<u>£2,728,770</u>	<u>£ 2,548,744</u>

3. Other incoming resources

School fee insurance	12,424	11,595
Rent and letting	20,390	17,499
Other income	10,178	21,969
	<u>£ 42,992</u>	<u>£ 51,063</u>

**Ashfold School Trust Limited
(Limited by Guarantee)**

**Notes to the Accounts
for the year ended 31st August 2008**

4. Investment income

	2008	2007
Bank interest receivable	£ 1,448	£ 273
	<u> </u>	<u> </u>

5. Charitable activities

	Staff costs	Other costs	2008 Total	2007 Total
Teaching	1,344,212	168,399	1,512,611	1,512,047
Welfare	140,589	141,550	282,139	252,388
Premises	201,594	607,020	808,614	554,488
Support costs of schooling	85,554	95,472	181,026	136,907
	<u>1,771,949</u>	<u>1,012,441</u>	<u>2,784,390</u>	<u>2,455,830</u>

The major components of support costs include:-

	2008	2007
Administrative staff costs	85,554	88,369
Postage, stationery, telephone and other administrative costs	39,788	22,796
Marketing and recruitment	20,372	21,093
Bad debts	19,860	(13,539)
Legal and professional fees	5,157	8,072
Training costs	8,596	5,850
Bank charges	1,699	4,266
	<u>£ 181,026</u>	<u>£ 136,907</u>

6. Governance costs

Audit and accountancy	9,244	8,783
Other	1,100	1,128
	<u>£ 10,344</u>	<u>£ 9,911</u>

Ashfold School Trust Limited
(Limited by Guarantee)

Notes to the Accounts
for the year ended 31st August 2008

7. Employees

	2008	2007
Wages and salaries	1,484,067	1,441,201
National insurance	110,742	109,458
Pension costs	159,338	145,727
	<u>£ 1,754,147</u>	<u>£ 1,696,386</u>

Pension costs are analysed thus:

DES pension contributions	134,034	126,834
Defined contribution scheme	25,304	18,893
	<u>£ 159,338</u>	<u>£ 145,727</u>

Average number of persons employed:

Teaching	35	35
Domestic	24	21
Administration	4	4
	<u>63</u>	<u>60</u>

The governors received no remuneration or reimbursement of expenses during the year (2007: Nil).
One employee received emoluments of between £70,001 and £80,000. For this member of staff, pension contributions of £11,912 (2007: £11,488) were made in the year.

8. Deferred income

During the year fees amounting to £150,955 (2007: £321,843) were received in advance for students for future years. Fees released to income amounted to £168,482 (2007: £146,236).

The amount owing at the 31st August 2008 is shown as a liability in note 12.

9. Net incoming resources

Results for the year are stated after charging:

	2008	2007
Depreciation	£ 228,204	£ 201,840
Auditors fees : audit work	£ 5,994	£ 5,693
: non-audit work	£ 3,250	£ 3,100
	<u>£ 237,448</u>	<u>£ 210,633</u>

**Ashfold School Trust Limited
(Limited by Guarantee)**

**Notes to the Accounts
for the year ended 31st August 2008**

10. Tangible fixed assets

	Freehold Property	Vehicles Furniture & Equipment	Total
Cost or valuation			
At 1st September 2007	4,105,095	1,000,626	5,105,721
Additions	-	37,967	37,967
At 31st August 2008	£ 4,105,095	1,038,593	5,143,688
Depreciation			
At 1st September 2007	715,864	496,485	1,212,349
Charge for the year	142,458	85,746	228,204
At 31st August 2008	£ 858,322	582,231	1,440,553
Net book values			
At 31st August 2008	£ 3,246,773	456,362	3,703,135
At 31st August 2007	£ 3,389,231	504,141	3,893,372

The cost of depreciable assets included in freehold property at 31st August 2008 was £2,079,382 (2007: £2,079,382).

The amount of land and buildings, included above at a valuation of £2,000,000, determined according to historical cost accounting rules is £1,962,370. A revaluation was carried out on 24th March 1997 by Savills, International Property Consultants, on an open market value assuming freehold with vacant possession (this valuation is subject to further assumptions and conditions and should not be relied upon without written reference to Savills). Subsequent improvements are included at cost. The school has taken advantage of the transitional provisions of FRS15 whereby the valuation of its property has been frozen at its value as at 31st August 1999.

11. Debtors

	2008	2007
Trade debtors	3,160	5,860
Other debtors and prepayments	76,847	22,815
	£ 80,007	£ 28,675

12. Creditors: amounts falling due within one year

	2008	2007
Bank overdraft (secured)	341,115	611,979
Trade creditors	202,703	198,994
Accruals	101,413	83,160
Taxation and social security	35,594	35,232
Other creditors	26,921	32,869
Fees received in advance	370,677	358,434
	£ 1,078,423	£ 1,320,668

The bank overdraft is secured on the freehold property owned in Dorton, Buckinghamshire.

Ashfold School Trust Limited
(Limited by Guarantee)

Notes to the Accounts
for the year ended 31st August 2008

13. Reserves

	Astroturf Fund	Revaluation Reserve	Income and Expenditure	Total
At 1st September 2007	-	1,569,320	1,052,829	2,622,149
Net incoming resources for the year	8,057	-	80,580	88,637
Transfer between funds	(8,057)	-	8,057	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st August 2008	£ -	£ 1,569,320	£ 1,141,466	£ 2,710,786
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Monies were transferred to fund the construction of the Astroturf all weather pitch, which was completed during the year.

14. Capital expenditure

Expenditure of £9,647 was authorised and committed at the year end.

15. Related parties

Parent governors are charged normal school fees.

During the year, the company engaged the services of Bower and Bailey, of which Mr T C Bailey, Governor, is a partner, for legal advice. No payments were made to Bower and Bailey during the year.

16. Leasing commitments

At 31st August 2008 the company had annual commitments under operating leases as follows:

	2008	2007
Expiry date		
Between one and five years	£ 8,138	£ 6,638
	<hr/>	<hr/>

17. Contingent liability

The company is currently defending a claim for wrongful dismissal but the governors are confident that the claim will prove unjustifiable.

18. Approval of accounts

These accounts were approved by the governors at a meeting held on 3rd December 2008.