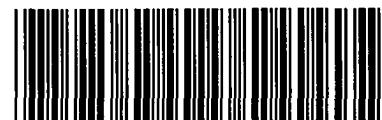


TUDOR HALL SCHOOL

**REPORT OF THE TRUSTEES AND THE CONSOLIDATED
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014**

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COMPANIES HOUSE

**REGISTERED COMPANY NUMBER: 2995266 (England and Wales)
REGISTERED CHARITY NUMBER: 1042783**

TUDOR HALL SCHOOL
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

	Page
Report of the Trustees	1 to 10
Report of the Independent Auditors	11
Consolidated Statement of Financial Activities	12
Balance Sheets	13
Consolidated Cash Flow Statement	14
Notes to the Consolidated Cash Flow Statement	15 to 16
Notes to the Financial Statements	17 to 32

TUDOR HALL SCHOOL
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2014

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report, including the Strategic Report, with the financial statements of the charity for the year ended 31 August 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
2995266 (England and Wales)

Registered Charity number
1042783

Registered office
Wykham Park
Banbury
Oxfordshire
OX16 9UR

Trustees

Mr J S G Gloag ^{1 3 4 5}	Chairman	
Mr A T Brett ^{1 6}		
Mr C P Dodson		Resigned 25/03/2014
Miss C P Duncombe ^{1 5}	Chairman of The Friends of Tudor Hall Trust	
Mrs K. Fidgeon	Director Tudor Hall School Enterprises Ltd	Appointed 26/06/2014
Mr B T Gamble ^{1 3}	Chairman Finance and General Purposes Committee	From 03/06/14
Mrs V Harley ⁴		
Mrs R. Hayes ^{2 4 6}	Vice Chairman	
Miss H Holden-Brown ²		
Miss M. Kinnear ⁶	Governor Carrdus School Ltd	Appointed 26/06/2014
Mr J W Lewis ^{1 3 5}	Chairman Finance and General Purposes Committee	Until 03/06/14
	Director Tudor Hall School Enterprises Ltd	
Mrs L Mayne ²	Chairman Education Committee	
Ms S. Maxted		Appointed 26/06/2014
Mr A Mobley ⁴	Governor Carrdus School Ltd	Resigned 17/10/2014
Mrs N Odey ⁴	Chairman Design Committee	Resigned 18/09/2014
Mr R Wilson	Chairman Carrdus School Ltd	
Mr P C R Whittle ^{1 2 5}		Resigned 26/06/2014

¹ denotes members of the Finance and General Purposes Committee

² denotes members of the Education Committee

³ denotes members of the Nominations Committee

⁴ denotes members of the Design Committee

⁵ denotes members of The Friends of Tudor Hall Trust

⁶ denotes members of the Carrdus Committee from 1 September 2014

In accordance with the Articles of Association, Mr Brett, Mr Gamble, Mrs Hayes, and Mrs Harley will retire at the forthcoming Annual General Meeting, and being eligible, will stand for re-election.

Headmistress
Miss W J Griffiths

Company Secretary
Miss H L Jackson

Auditors
Baker Tilly UK Audit LLP
Chartered Accountants
St Philips Point
Temple Row
Birmingham
B2 5AF

Investment Managers
Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Bankers
Svenska Handelsbanken
7th Floor Seacourt Tower
West Way
Botley
Oxford

Solicitors
Hewitsons
Elgin House
Billing Road
Northampton
NN1 5AU

TUDOR HALL SCHOOL

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 AUGUST 2014

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Tudor Hall itself was established in 1850. It was first incorporated as Tudor Hall Limited in January 1944, this company being registered as a charity on 23 May 1963. Tudor Hall School Limited as a company limited by guarantee was incorporated on 28 November 1994 and registered as a charity on 13 December 1994. The company was created under a Memorandum of Association, which established the objects and powers of the charitable company, and is governed under its Articles of Association. Tudor Hall Limited was dissolved on 10 October 1995. On the 18 January 2011 the charity updated its Articles of Association and changed its name from Tudor Hall School Limited to Tudor Hall School.

On 15 April 2011 Tudor Hall School formed the subsidiary Carrdus School Ltd, which acquired Carrdus School, an independent day preparatory school for 3-11 year olds and previously an educational trust. Carrdus School as a company limited by guarantee was incorporated on 19 January 2011 and registered as a charity on 7 February 2011. The company was created under a Memorandum of Association, which established the objects and powers of the charitable company, and is governed under its Articles of Association. Carrdus School is a significant feeder school to Tudor Hall School but continues to send pupils to other schools; this is seen as a benefit to both schools. The Schools have a mutually supportive and collaborative approach to ensuring the continued strength and individuality of each school. From 1 September 2014 Carrdus School was fully merged with Tudor Hall and ceased to be a separate company and charity. Carrdus School Ltd will be wound up in December 2014.

On 13 July 2011 Tudor Hall School Enterprises Limited (THSE Ltd) was established for commercial lettings. The company was created under a Memorandum of Association, which established the objects and powers of the company, and is governed under its Articles of Association.

Governance

The principal responsibility of the board is to ensure that the School is run in accordance with its charitable objectives and that all the functions of the School are authorised by the powers provided by its Articles of Association, company and charity law and in relation to risk management and legal compliance. The strategy and development of the School is set by the Governors who approve the plans and budgets presented by the Headmistress and Bursar. The Full Board meets once a term and is supported by the Finance and General Purposes, Education, Carrdus and Nominations Committees. Each Committee meets at least once a term and submits reports and recommendations to the Board. Carrdus School, THSE Ltd and The Friends of Tudor Hall Trust papers are submitted to the Tudor Hall board for consideration. External professional advice is sought as and when necessary. Trustee indemnity provision is in place.

Recruitment, Induction and Training

The Board seeks to ensure that the board has breadth and depth of experience to carry out its duties effectively and efficiently. It is considered essential that trustees have empathy with the objects, aims and ethos of the School. New trustees receive an induction to their role as trustees including a detailed handbook outlining their responsibilities. All trustees are encouraged to spend a day in school each academic year and to attend as many events as possible. All trustees are encouraged and expected to attend training courses as appropriate. Training also forms part of the termly board meetings. A bi-annual Away Day is arranged with external speakers.

Management

The day-to-day running of the School is delegated to the Headmistress and the Bursar who both attend the Board and relevant Committees, together with the Head of Carrdus School as appropriate. Other members of senior management attend relevant meetings as required.

Management Team and Staff

The trustees would like formally to recognise the hard work and commitment of the Headmistress, Head, Senior Management Team, teaching, boarding, administrative and support staff of the School. Their enthusiasm for the School is reflected in the successes of the pupils.

Sector

The School continues to be an active member of the Girls' Schools Association and of the Boarding Schools Association. The Headmistress will be Chairman of the Boarding Schools Association in 2014/15.

From the 1 September 2014 the School is also a member of the Independent Association of Preparatory Schools.

TUDOR HALL SCHOOL

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 AUGUST 2014

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

OBJECTIVES AND ACTIVITIES

As set out in the Articles of Association:

The School's objects are the advancement of education, the advancement of the Christian religion, and the advancement of any other charitable purposes including by:

- Maintaining a school at Wykham Park, Banbury, Oxfordshire, providing a broad education and associated facilities for the spiritual, academic, cultural, physical, and community development of pupils in an environment which encourages the Christian faith and values
- Establishing, acquiring or maintaining any other school according to the principles set out above
- Advancing education or other charitable purposes in the community resident near any school maintained by the School or elsewhere

The aims and activities of the charity remain unchanged and continue to focus on the above.

STRATEGIC REPORT

Achievements and Performance – TUDOR HALL SCHOOL

This has been another busy and successful year with our girls flourishing and achieving beyond expectation.

The academic results are particularly pleasing and at both A Level and GCSE the Value Added data shows that our girls are performing above what would be expected in similar schools for girls of the same ability.

We are absolutely delighted with the A level results: another year of 100% pass rate, 95% of all grades being A*–C, and 79% A*–B. Our girls are ambitious and out of the 40 girls who applied through UCAS, 25 have confirmed offers from Russell group universities with Bristol, Edinburgh, Exeter, Manchester and Newcastle being popular destinations. The courses chosen vary enormously but range from medicine and engineering to history and business management.

Our GCSE girls have covered themselves in glory too: 100% achieving 5A*–C including English and Mathematics. Although this in itself is impressive, we are particularly proud that 69% of all passes were A* or A.

The Music Department has had a varied, exciting and active year with numerous performance opportunities, events and achievements. We welcomed 'Trio Elegiaque', three women from Korea, Italy and China, who had all met at the Royal Academy of Music, one of whom is a visiting music teacher here. Their programme for piano, cello and violin was superb and enthralled the audience. The Chamber Choir took part in mastering the challenging 'Scratch Youth Messiah' at the Royal Albert Hall along with 1,000 other singers, and an audience of 3,000. Our Spring Concert was held in aid of 'End Polio Now', in conjunction with Banbury's Rotary Club, and we were delighted to contribute over £400 to their cause as a result. The Chamber Choir took part in a May Day Concert at Broughton Castle's Church, with the choir being the only participants, performing 20 pieces to a packed, very appreciative audience. Two of our girls reached the finals of the Banbury Young Musician of the Year Competition, with one coming away with five trophies. Our Composer's Series of concerts continued with music, diary readings and reminiscences from the life of Robert Schumann. Our regular concerts in the Music School, our Ballroom Recitals and Contemporary Concerts continued throughout the year, along with another Open Mic night, held in conjunction with Bloxham School. A number of girls continue with auditioned membership of the Spires Orchestra, ESO and the National Youth Choir of Great Britain.

In sport this year the outstanding team performance was the U14A XI hockey team winning the county tournament and being crowned county champions. In the regional round they came 3rd in their section scoring the most points on record at regional level for a Tudor team. The U13 7-a-side team followed in their footsteps and also won their county tournament and progressed through to the regional round. Six girls were selected for the JAC hockey teams. Following strong performances for JAC (county) teams four girls were also selected to attend Junior Regional Performance Centre (JRPC) training in their respective age groups. One of our girls went one step further and was selected for HiPAC and National Age Group (NAGS) training.

TUDOR HALL SCHOOL

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 AUGUST 2014

Despite carrying injuries, in the ESAA Cross Country Cup, the intermediate team from Tudor Hall came 2nd in the county round, 3rd at the regional stage and thus secured a place in the National Final again at Southend on sea. The senior girls won the county cross-country championships and the intermediate team came third. Following the county cross-country championships four girls were selected to run for Oxfordshire. The junior and intermediate runners combined brilliantly in the U19 age group to win the prestigious Wellington College relay.

At the British Schoolgirls' ski races, the combined results placed the girls 24th out of more than 50 teams – the best ever finish for a Tudor Hall team. In the netball season, the 1st and U16 VII netball teams both lost just one school match all season and in the summer term the U13B Aegon tennis team reached the finals of the county round of the tournament.

Drama provision at Tudor continues to evolve as we look forward to the acquisition of a new drama studio. Work is well underway and exciting ideas for the future are already finding their way onto next year's calendar. This year has also seen excellent progression made by girls across all year groups, and there have been some truly inspiring performances, most notably from the Vs and UVI. Our gifted and talented group of actors, The Well-Made Players, performed an abridged version of 'The Tempest' at Chipping Norton Theatre using puppetry. They performed alongside three other schools in what is the country's largest youth drama festival. The senior school musical combined traditional and contemporary elements in an innovative adaptation of Dickens' 'A Christmas Carol'. The cast of IVs–UVI presented the original story with the addition of contemporary pop songs to complement the narrative. Children from a local primary school came to watch the performance as they, too, were to perform the same show at their school. GCSE students enjoyed a workshop with professional actor, George Dillon, who led the girls on an exciting journey through the world of physical theatre. A-Level students enjoyed an equally successful workshop with sixth formers from other schools, and explored the text, 'Woyzeck' in different acting styles. The IIIs thoroughly enjoyed their visit to the RSC to see 'Wendy and Peter Pan', resulting in some great theatre reviews, which will be published in the forthcoming Tudorian. Other theatre trips have included: 'A Doll's House', 'Pygmalion', 'A Midsummer Night's Dream', 'One Man, Two Guvnors', and 'The History Boys'. Audiences were treated to a junior production of 'The Lion, The Witch and The Wardrobe' in June which provided some excellent performances from girls in the Todds–IIIs.

The Art Department travelled with Year 10 to Berlin to study and enrich their understanding of German art as well as add some first-hand research on landmarks for their project on Art and War. The destination and theme for their portfolio of work was chosen to commemorate the centenary of the First World War. They visited the Reichstag, the Brandenburg Gate, the Berlin TV Tower, and the imperialistic Berliner Dom on Museum Island. They also visited modern art galleries such as the East Side Gallery with its remaining one mile of the Berlin wall graffiti, the Bauhaus museum where the girls learnt that Hitler persecuted not only the Jews but Avant Garde artists, the Berlinische Gallery containing only German art produced in the 20th century, and the Käthe-Kollwitz-Museum dedicated to the effect of the two world wars on women and children. The girls, with the guidance of Mrs Craske, used public transport throughout the trip to enable them to understand East and West Berlin and the famous U-Bahn and S-Bahn metro system. It has enabled them to gather inspiration for their main pieces of work in oil painting, ceramics and printmaking.

Our Model United Nations team achieved outstanding success throughout the year with several girls being awarded Best Delegates for their committees as well as Highly Commended and Commended Delegates. The school has been doing outreach work training young people at local schools on the skills required for MUN. Tudor Hall's competition, 'MUNTH', took place for the third time and was opened by Kenneth Lowles from Amnesty International.

The Geography Department attended the Afghan Connection lecture at the RGS, a workshop with Chipping Norton School and a revision lecture for the LVI at Bloxham. The Vs were taken to Bicester Village to collect data for their controlled assessment, the LVI to Shropshire for their Applied Skills examination and the IIIs to Osmington Bay for their coastal fieldwork. Bilton Grange and Carrdus participated in a geography game show morning and the department also hosted a geography morning for Winchester House, with the help of our LVI geographers, and a British Cartographic Survey tsunami workshop in June for our IVs and Bloxham GCSE students. We are setting up a local schools group of geography staff – Bloxham, Chipping Norton and BGN.

The City and Guilds Cookery Group undertook their version of 'Come Dine with Me' again this year. Each week they took it in turn to cook for twelve guests. They were judged on the food and the overall ambience of the evening. The standard was extremely high and the invitations were highly sought after.

TUDOR HALL SCHOOL

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 AUGUST 2014

During the course of this academic year the girls achieved a total of 8 Gold, 11 Silver and 55 Bronze Duke of Edinburgh Awards.

We have had three Young Enterprise companies this year - 'PB & J', 'Sweat' and 'Doolallie'. PB & J won the North Oxfordshire final, the Best Manufacturing award and Best Company report and went through to the Oxfordshire County final at Said Business School, Oxford.

Links with the community

Our links with local schools are well established and we continue to host an extensive programme of activity days to challenge and inspire primary pupils. These have included 'We Will Remember' poetry, history, geography and drama mornings, science and orchestral days, and a multi-activity day. On the day, children were able to try foreign language lessons, cookery, and science experiments.

In addition, we hosted Oxbridge workshops for local secondary schools in June and October.

The History Department has been visiting local primary schools with the 'We Will Remember Them' programme where lessons and activities have been planned to commemorate the centenary of the start of WWI and to broaden their understanding of this conflict. Lesson plans are on the school website for anyone to access as part of the programme. Tudor is now a partner in the Imperial War Museums Centenary Partnership Programme. We are also working with Soldiers of Oxfordshire on their initiative for 2014–18. We have run a 'We Will Remember' Open Morning, involving local primary schools, the British Legion, and Soldiers of Oxfordshire.

Our Head of English helped the Forward Arts Foundation launch their Young Judges competition and, with other members of English Department staff, posted resources online for teachers to use via the TES and the Thomas Hardy society.

The annual Geography Morning for primary schools this year focused on both human and physical geography.

The Classics Department continued to provide classics for beginners at a local primary school, with sessions on Latin and Ancient Rome.

The Modern Languages Department hosted three foreign language plays and two academic conferences and invited local schools to attend. The department again hosted the local Business Meets Languages conference for fourth year linguists and students from local schools in June.

The Mathematics Department operate a primary schools maths morning where local primary schools are invited to bring their keen mathematicians to be challenged and engaged with some interesting and usually slightly 'off syllabus' mathematical topics and concepts.

We hosted a Strings Day for junior boys from Warwick School and an Orchestral Day for 50 pupils from local primary and prep schools.

We continue to involve our students in voluntary work in local organisations. This year we have placed students at a wide variety of organisations including Adderbury Library, Leonard Cheshire Disability Centre, Frank Wise School, Harriers School, Godswell Park Residential Care Home and Banbury Health and Wellbeing Centre (Day Care for the elderly).

We continue to support three overseas projects in Bolivia, India and South Africa.

Charity Fundraising

For the third year running the A Level, AS and GCSE textiles pupils put together a first class fashion show showcasing their work. The evening was a huge success and £8,500 was raised for Breakthrough Breast Cancer Trust.

TUDOR HALL SCHOOL

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 AUGUST 2014

Our Sixth Formers continue to lead the school on charity fundraising. This year the selected school charity has been The Art Room. Pupils, parents and staff are generous with their time and money and over £10,500 was raised for a diverse group of charities which include: Alalay Foundation (Bolivia), Ebenezer World Living Word Matriculation College (India), Sparrow Schools' Foundation (South Africa), the Art Room, BYHP Supporting Young People in Housing Need, Carefree Northants, CLIC Sargent, End Polio Now, Katharine House Hospice, Philippines Typhoon Appeal, Rainbows Hospice for Children and Young People, Sport Relief, and Zoë's Place.

Achievements and Performance – CARRDUS SCHOOL

This year has seen the continued development of the educational offer for pupils including the extra-curricular programme.

Carrdus School had 133 full time equivalent pupils in the Summer Term, twenty-two girls left from Year 6 to go to Headington, King's High, Northampton High, Oxford High, Tudor Hall, Wycombe Abbey, Bloxham and Tring. One girl was offered a scholarship to the Tring School of Performing Arts and one girl was awarded an academic scholarship to Tudor Hall. Boys leaving in Year 3 went to Sibford, Maidwell, Summer Fields and Winchester House.

The school year provided a range of exciting opportunities for the children to participate in, these included:

- A culture week on Brazil, dancing the Samba, playing music and creating an enormous mobile inspired by the Brazilian artist Beatriz Milhazes
- Founders day, during which The Electro City Workshop worked with Reception to Year 6 to construct a city of Lego with a working railway, which they then lit up using basic circuits
- A production of Starlight Express, a triumph with 45 children putting on an amazing performance of singing and roller skating
- Year 5 & 6 went on a geography field trip to Illam in the Peak District
- Other trips included Reception and Year 1 to the Cotswold Wildlife Park, Year 2 on safari to Woburn, Year 3 spent the day as Romans at Chedworth, Year 3 & 4 were pond dipping at Sutton Courtney, Year 5 & 6 to the Black Country Museum, Year 6 went on an adventure trip to the Isle of Wight
- 8 children had their pictures selected for the Young Art Oxford Exhibition 'The Natural World' at the Ashmolean Museum
- The end of term plays; the lower school performed Hansel and Gretel, the upper school performed 'Hoodwinked' a special Carrdus version of Robin Hood

Four new Carrdus houses were launched this year with competition mounting during the year for the most points, and a new school council got straight down to business with regular meetings to discuss ways in which the children thought the school could be improved. Their ideas included a vegetable garden, which was created in the Summer Term.

Netball and hockey were played in the Autumn Term; the U11A team were runners up at the Princethorpe Tournament and winners at the Tudor Hall Tournament. Teams also played at the IAPs Netball Tournament and the South regional Hockey Tournament. Thirty-four girls competed in the Wade Gymnastics Competition, two girls won gold on the vault, one girl won bronze on the floor and one girl won bronze overall, the team also achieved team silver and team bronze in the Year 3 & 4 age group and team gold in the Year 1 & 2 age group. Individuals won in Year 1, 2 & 3.

Cross country featured strongly in the Spring Term to improve personal fitness and individuals performed well in competitions. The equestrian team performed well at the Princethorpe Dressage Competition, winning places in the various classes. An individual girl participated in the Horse of the Year show.

During the Summer Term Year 3 & 4 achieved their maximum distances, in Year 5 fourteen girls achieved their 3000m badge. Pupils from Year 3 – 6 competed at the annual swimming gala against Headington and Rye St Antony producing great individual performances with Carrdus finishing as overall winners.

The inaugural carol service at King's Sutton church was a resounding success with the children surpassing themselves musically, followed by an excellent end of term concert the next day.

TUDOR HALL SCHOOL

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 AUGUST 2014

75 children took part in the Carrdus music festival performing solos, along with 15 ensembles. Four girls took part in the Chipping Norton Music festival, three girls were awarded commended and one girl was awarded distinction for her first song and outstanding for her second song. The music provision continues to expand at Carrdus and the choir is open to all children in Year 4 -6, the Senior Choir was third at the Kingham Hill Choir Competition.

Developments included a new library, new equipment in the kitchen and dining hall, decoration of Reception, Year 1 & 2 classrooms, upgrade of the internet to fibre broadband, the relocation of the music classroom, a new piano and furniture for Year 1 & 2.

Scholarships and Bursaries Awarded by Tudor Hall and Carrdus School

The Schools made awards as follows:

Scholarships: awarded to pupils at Tudor Hall who demonstrate ability and potential in the fields of academia, music, art, drama, and sports. The awards are a mark of merit and are awarded as a half award £500 p.a. or a full award £1,000 p.a. 148 pupils received Scholarships in 2013/14.

Bursaries: awarded to the parents of new and current pupils who are in financial need, assessed on their individual circumstances. Applicants are considered by the Finance and General Purposes Committee and are means tested. The value of the bursary ranges from 10% to 100% of the basic fee. A 100% bursary also includes extras. 14 Tudor Hall School and 6 Carrdus School pupils received 100% bursaries and an additional 24 Tudor Hall School and 6 Carrdus School pupils received smaller awards in 2013/14. Total bursaries awarded were £646k.

The total concessions awarded in 2013/14 were £808,402 (2012/13: £901,032) financed out of unrestricted funds.

Subsidiary undertaking The Friends of Tudor Hall Trust

The Trust supports bursaries to local day girls from the income generated by investments. The Trust has delegated the management of the investments to Sarasin & Partners and reviews the progress of the investments termly. The performance of the portfolio reflected the stock market fluctuations. The Trust was able to award bursaries to the value of £13k in 2013/14.

Public Benefit

In setting objectives and planning activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit and confirm that they have complied with their duty in Section 17 of the Charities Act 2011.

Our immediate beneficiaries are young people whose attendance at our school can be funded by parents or guardians or else from scholarships, bursaries or other forms of charitable grant support, or a combination of these. The local, national and international community also benefits from access to our facilities. The general public are the ultimate beneficiaries of our education of young people who will eventually contribute to society.

Financial Review

The group has achieved total incoming resources of £10,925,289 (2013 £10,428,810), an increase of 4.8%. This included £235,698 (2013 £406,947) of fundraising stated as Restricted Funds. Incoming resources from charitable activities increased by 7.6% to £10,482,573 (2013 £9,743,385). Expended resources increased by 10.7% reflecting the investment in staff and infrastructure. The School pupil numbers at Tudor Hall rose by 6 to 336, and Carrdus School achieved 133 full time equivalent pupils.

Charitable activities of £10,328,264 (2013 £9,286,860) included £442,567 (2013 £72,165) of refurbishment works funded from our operating surplus. These works included the fifth form house, and the conversion of old outbuildings into new offices and facilities for IT support and outdoor pursuits. At Carrdus School we completed a new library and refurbished the kitchens and dining room.

TUDOR HALL SCHOOL

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 AUGUST 2014

The table below shows that year on year our underlying incoming resources adjusted for refurbishment costs increased by 3.9%.

	2014	2013
	£'000	£'000
Net Incoming resources before Transfers	387	907
Less Voluntary Income (Restricted Funds)	(236)	(407)
Incoming Unrestricted Funds per Accounts	151	500
 Add back Refurbishment costs	 443	 72
 Underlying Incoming Resources	 594	 572

We continue to attract, recruit and retain excellent staff at both schools. Careful management of our cost base allows us to achieve a surplus for investment in providing and continuously improving our educational and extra-curricular offer.

The Tudor Hall Summer Camp is now firmly established and has a strong local reputation, with many children returning year after year. Aimed at children from 5 to 12 years it assisted in generating additional funds and plays a part in our local marketing strategy.

The School is mindful of the need to balance educational, pastoral and financial performance with the fees charged to parents. As an educational charity the School benefits from tax exemptions on the fees charged for the provision of education; the benefit is reapplied to provide education and public benefit through bursaries.

During the year we have repaid £450,000 of our long term bank loans and maintained our overall liquid resources as represented by cash and investments.

	2014	2013
	£'000	£'000
Investments	1,441	797
Cash	1,409	2,088
 Liquid Resources	 2,850	 2,885

Tudor Hall School Enterprises Limited accommodates the development of the lettings business and saw a drop in income during the year. Although we retained the same customer base, student numbers were down on previous years, the company gift-aided its profits to Tudor Hall School.

Investment Powers and Policy

The trustees have delegated the management of its investments to Sarasin & Partners who report to the Finance and General Purposes Committee. There are termly reports and additional meetings between the discretionary manager and the representative of the Finance and General Purposes Committee. The investment funds, which had been held in cash were redistributed as follows: £ 505,000 was reinvested when it was deemed appropriate to do so, £ 400,000 was used to reduce the loan and £ 400,000 was withheld to assist the cashflow during the construction of the drama studio. Future policy is to grow the investment fund as part of the Reserve Policy.

Fixed asset investments grew by 125.4% in Tudor Hall School and by 5.6% in The Friends of Tudor Hall School.

Reserves Policy

The School surplus is used to make improvements to the School's facilities. Total Funds at the balance sheet date were £13.7m (2013: £13.3m). A £3 million loan facility was entered into to provide liquidity to fund a major construction project to refurbish the Sixth Form house. The Loan is due to be fully repaid by 2021 and currently stands at £2.3m. A further loan of £1m, maturing in April 2021, was drawn down to finance the acquisition of Carrdus School. The trustees consider that the existing level of reserves is appropriate to meet the scheduled loan repayments. The Policy would be to build up the investment fund to the equivalent of a term's expenditure as a reserve.

TUDOR HALL SCHOOL

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 AUGUST 2014

Principal Funding Sources

The large majority of funding arises from fees charged for education. Further funding is obtained from fundraising, returns on investments and the rental of school facilities. We have established a small development office team to support our Building Development Plan and Bursary Fund. The development fund received £ 235,698 (£ 396,250 in 2012/13) towards building projects and bursaries. The School would like to thank all the donors for their generosity and support.

PLANS FOR FUTURE PERIODS

The School carries out regular reviews of the School Development Plan and the Strategic Plan to meet the School aims. The key aspects for 2014/15 are:

1. Excellent financial management to ensure strong surplus for future development of resources both human and physical
2. Commitment to constantly improving the educational offer ensuring pupils have the best extra-curricular experience and achieve the best results possible
3. Continued investment in staff through training, salaries and providing the best working environment
4. Ensuring that marketing allows the school to access all suitable pupils
5. Development of Carrdus School to ensure long term sustainability
6. Fundraising to assist in development of outstanding specialist facilities for pupils
7. Continued commitment to constantly improving facilities and resources

The Building Development Plan includes the creation of a drama studio, gym, dance studio, fitness studio and additional classrooms. Work has begun on the drama studio, due to be completed in January 2015. Planning permission has been granted for the extension to the sports hall and a new teaching building, which form part of the Tudor Hall development programme. Improvements continue to be made to teaching, boarding and staff accommodation through the planned maintenance programme, including the refurbishment of the hall. All planned development is essential to extend and support the educational and pastoral needs of the girls and provide them with the means to achieve their best.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk Management

The trustees have conducted a review of the major risks to which the charity is exposed i.e. strategic, business, compliance, educational, pastoral, and operational. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for the authorisation of all transactions and projects. A formal review of the School's risk management process is undertaken on a termly basis by the Senior Management Team and Trustees. The School employs a Risk Management Consultant to advise on health and safety and provide training. The Risk Management Team meets twice a term to monitor and improve the School's health and safety performance.

Price and Cost Risk

The School reviews its fees on an annual basis. The fees are agreed on the basis of providing a well-balanced package of educational, pastoral and extra-curricular activity whilst achieving a surplus that is re-invested to deliver a high standard of education and pastoral care, and to meet its strategic and development plans. Salary levels form part of an annual review process. Operational costs are continually assessed to ensure best value.

Credit Risk

Fee debts are manageable; fees are due in advance each term and unpaid fees are followed up promptly each term. The bad debt provision has been reviewed and is considered adequate.

Liquidity Risk

The School is repaying a development loan of £3m, the level of the loan at the balance sheet date was £2.3m and is now £2m. The loan is repaid out of current and future income. The School owns the estate and there is no charge on the property.

The subsidiary, Carrdus School, took out a loan of £1m to facilitate the purchase of Carrdus School Educational Trust. The bank loan is secured by a first legal mortgage over the Carrdus School freehold property and by a guarantee from Tudor Hall School, in favour of Carrdus School Ltd. The charge was transferred to Tudor Hall School on completion of the merger and secured on Carrdus School freehold property.

TUDOR HALL SCHOOL

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 AUGUST 2014

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Tudor Hall School for the purposes of company law) are responsible for preparing the Report of the Trustees 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then 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 in business.

The trustees are responsible for keeping proper accounting records that 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 the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.


In so far as the trustees are aware:


- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

Baker Tilly UK Audit LLP have indicated their willingness to continue in office.

The Trustees Report including the Strategic Report is approved by and signed on behalf of the Board:


Mr B.T. Gamble
Trustee
2 December 2014


Miss H.L. Jackson
Bursar and Clerk to the Governors
2 December 2014

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TUDOR HALL SCHOOL

We have audited the group and parent charity financial statements of Tudor Hall School ("the financial statements") for the year ended 31 August 2014 on pages 12 to 32. 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 10 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 (APB's) Ethical Standards for Auditors.

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 <http://www.frc.org.uk/auditscopeukprivate>

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2014 and of the group's 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 Companies Act 2006.

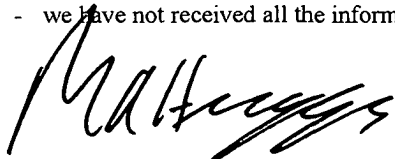
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report and the incorporated Strategic 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:

- the parent charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.



MICHAEL HUGGINS (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
St Philips Point
Temple Row
Birmingham
B2 5AF

17 December 2014

TUDOR HALL SCHOOL

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2014**

	Notes	Unrestricted Funds £	Restricted Funds £	2014 Total Funds £	2013 Total Funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income		15,183	235,698	250,881	406,947
Trading income		151,587	-	151,587	227,047
Investment income	2	40,248	-	40,248	51,431
Incoming resources from charitable activities	3	<u>10,482,573</u>	<u>-</u>	<u>10,482,573</u>	<u>9,743,385</u>
Total incoming resources		<u>10,689,591</u>	<u>235,698</u>	<u>10,925,289</u>	<u>10,428,810</u>
RESOURCES EXPENDED					
Costs of generating funds					
Trading costs		146,624	-	146,624	185,330
Investment management costs		866	-	866	1,858
Charitable activities	5	<u>10,328,264</u>	<u>-</u>	<u>10,328,264</u>	<u>9,286,860</u>
Governance costs	4	<u>62,473</u>	<u>-</u>	<u>62,473</u>	<u>47,391</u>
Total expended resources		<u>10,538,227</u>	<u>-</u>	<u>10,538,227</u>	<u>9,521,439</u>
NET INCOMING RESOURCES BEFORE TRANSFERS		151,364	235,698	387,062	907,371
Transfers between funds		234,128	(234,128)	-	-
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS/(LOSSES)		385,492	1,570	387,062	907,371
Other recognised gains/(losses)					
Realised gains/(loss) on investment assets	11	<u>33,966</u>	<u>-</u>	<u>33,966</u>	<u>(1,303)</u>
Net income for year		419,458	1,570	421,028	906,068
Other recognised gains/(losses)					
Unrealised gains on investment assets	11	<u>24,153</u>	<u>-</u>	<u>24,153</u>	<u>51,583</u>
Net movement in funds		443,611	1,570	445,181	957,651
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>12,864,609</u>	<u>396,250</u>	<u>13,260,859</u>	<u>12,303,208</u>
TOTAL FUNDS CARRIED FORWARD		<u>13,308,220</u>	<u>397,820</u>	<u>13,706,040</u>	<u>13,260,859</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Statement of Financial Activities.

None of the group's activities were discontinued during the year or the prior year.

TUDOR HALL SCHOOL

COMPANY REGISTRATION NO. 2995266

**BALANCE SHEETS
AT 31 AUGUST 2014**

		Group		Company Restated on Merger	
	Notes	2014	2013	2014	2013
		£	£	£	£
FIXED ASSETS					
Goodwill	9	58,926	182,461	58,926	182,461
Tangible assets	10	15,987,842	15,988,945	15,987,842	15,988,945
Investments	11	1,441,250	797,317	1,127,481	500,186
		<u>17,488,018</u>	<u>16,968,723</u>	<u>17,174,249</u>	<u>16,671,592</u>
CURRENT ASSETS					
Stocks	12	28,562	30,883	28,562	30,883
Debtors	13	438,677	618,400	488,547	709,591
Cash at bank and in hand		1,409,357	2,088,372	1,333,864	1,924,805
		<u>1,876,596</u>	<u>2,737,655</u>	<u>1,850,973</u>	<u>2,665,279</u>
CREDITORS					
Amounts falling due within one year					
Bank Loans		(300,000)	(300,000)	(300,000)	(300,000)
Other amounts falling due within one year		(2,059,506)	(2,310,163)	(2,027,075)	(2,240,458)
	14	<u>(2,359,506)</u>	<u>(2,610,163)</u>	<u>(2,327,075)</u>	<u>(2,540,458)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(482,910)</u>	<u>127,492</u>	<u>(476,102)</u>	<u>124,821</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>17,005,108</u>	<u>17,096,215</u>	<u>16,698,147</u>	<u>16,796,413</u>
CREDITORS					
Amounts falling due after more than one year					
Bank Loans		(3,000,000)	(3,450,000)	(3,000,000)	(3,450,000)
Other amounts falling due after more than one year		(299,068)	(385,356)	(299,068)	(385,356)
	15	<u>(3,299,068)</u>	<u>(3,835,356)</u>	<u>(3,299,068)</u>	<u>(3,835,356)</u>
NET ASSETS		<u>13,706,040</u>	<u>13,260,859</u>	<u>13,399,079</u>	<u>12,961,057</u>
FUNDS					
Restricted funds	20	397,820	396,250	397,820	396,250
Unrestricted funds	20	13,308,220	12,864,609	13,001,259	12,564,807
TOTAL FUNDS		<u>13,706,040</u>	<u>13,260,859</u>	<u>13,399,079</u>	<u>12,961,057</u>

The financial statements were approved by the Board of Trustees and authorised for issue on **2** December 2014 and were signed on its behalf by:

Mr B.T. Gamble
Trustee

Mr J.S.G. Gloag
Trustee

Miss H.L. Jackson
Bursar and Clerk to the Governors

TUDOR HALL SCHOOL
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	2014 £	2013 £
Net cash inflow from operating activities	i	1,129,688	1,396,962
Returns on investments and servicing of finance	ii	(97,273)	(106,284)
Capital expenditure and financial investment	ii	(1,166,608)	(907,614)
Acquisitions and disposals	ii	(80,000)	(500,000)
		<u>(214,193)</u>	<u>(116,936)</u>
Management of liquid resources			
Movement in current asset bank deposits		-	1,305,000
Financing	ii	(464,822)	(100,530)
		<u>(679,015)</u>	<u>1,087,534</u>
(Decrease)/increase in cash in the period		<u>(679,015)</u>	<u>1,087,534</u>

	Notes	2014 £	2013 £
Reconciliation of net cash flow to movement in net debt	iii		
(Decrease)/increase in cash in the period		(679,015)	1,087,534
Cash movement from changes in debt and lease financing		<u>464,822</u>	<u>100,530</u>
Change in net debt/funds resulting from cash flows		(214,193)	1,188,064
Movements in liquid resources		-	(1,305,000)
New finance leases		<u>-</u>	<u>-</u>
Movement in net (debt) in the period		(214,193)	(116,936)
Net debt at 1 September 2013		<u>(1,676,450)</u>	<u>(1,559,514)</u>
Net debt at 31 August 2014		<u>(1,890,643)</u>	<u>(1,676,450)</u>

TUDOR HALL SCHOOL

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2014

i. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2014	2013
	£	£
Net incoming resources	387,062	907,371
Depreciation and amortisation charges	585,433	549,684
Interest received	(4,204)	(28,361)
Interest paid	135,749	153,608
Interest element of hire purchase and finance lease rental payments	1,772	4,107
Dividends received	(36,044)	(23,070)
Decrease in stocks	2,321	5,861
Decrease/(increase) in debtors	179,723	(137,827)
Decrease in creditors	<u>(122,124)</u>	<u>(34,411)</u>
Net cash inflow from operating activities	<u>1,129,688</u>	<u>1,396,962</u>

ii. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2014	2013
	£	£
Returns on investments and servicing of finance		
Interest received	4,204	28,361
Interest paid	(135,749)	(153,608)
Interest element of hire purchase and finance lease rental payments	(1,772)	(4,107)
Dividends received	<u>36,044</u>	<u>23,070</u>
Net cash outflow from returns on investments and servicing of finance	<u>(97,273)</u>	<u>(106,284)</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(580,794)	(902,134)
Purchase of fixed asset investments	(1,377,602)	(4,643)
Dividends reinvested	(25,506)	(6,998)
Proceeds from sale of fixed asset investments	<u>817,294</u>	<u>6,161</u>
Net cash outflow from capital expenditure and financial investment	<u>(1,166,608)</u>	<u>(907,614)</u>
Financing		
New loans in year	-	200,000
Loans redeemed in year	(450,000)	(250,000)
HP Capital repayments in year	<u>(14,822)</u>	<u>(50,530)</u>
Net cash (outflow) from financing	<u>(464,822)</u>	<u>(100,530)</u>
Acquisitions and disposals		
Purchase of trade and net assets	<u>(80,000)</u>	<u>(500,000)</u>
Net cash outflow from acquisitions and disposals	<u>(80,000)</u>	<u>(500,000)</u>

TUDOR HALL SCHOOL

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014**

iii. ANALYSIS OF CHANGES IN NET DEBT

	At 1/9/13 £	Cash flow £	At 31/8/14 £
Net cash:			
Cash at bank and in hand	2,088,372	(679,015)	1,409,357
	<u> </u>	<u> </u>	<u> </u>
Debt:			
Hire purchase	(14,822)	14,822	-
Bank loans	(3,750,000)	450,000	(3,300,000)
	<u>(3,764,822)</u>	<u>464,822</u>	<u>(3,300,000)</u>
Total	<u>(1,676,450)</u>	<u>(214,193)</u>	<u>(1,890,643)</u>

TUDOR HALL SCHOOL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES

Basis of preparation

The accounts are prepared under the Companies Act 2006 and under the historical cost convention as modified by the revaluation of investment assets and in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities", The Charities SORP 2005. The accounts consolidate those of the charity and its subsidiary undertakings, The Friends of Tudor Hall Trust, Carrdus School, and Tudor Hall School Enterprises Limited. Intra-group transactions and profit are eliminated on consolidation. All undertakings have coterminous financial year ends.

On 31 August 2014 the assets and liabilities of Carrdus School were transferred to Tudor Hall School and the activities formerly undertaken by Carrdus School have been undertaken by Tudor Hall School since 1 September 2014. The transfer has been accounted for in accordance with the principles of merger accounting.

Under the principles of merger accounting the assets and liabilities of Carrdus School have been brought in at their book values under the accounting policies of Tudor Hall School and the financial statements have been prepared as if the merger had always been effective. The prior period comparatives for Tudor Hall School have therefore been restated to reflect the merger.

The school has taken advantage of the exemption available under Section 408 of the Companies Act 2006 and paragraph 397 of the Charities SORP 2005 not to include the parent charity's income and expenditure account and Statement of Financial Activities. The parent charity's surplus for the year is disclosed in note 20.

Incoming resources

Fees receivable and charges for services are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions allowed by the school from its unrestricted funds.

Income from school fees received in advance is deferred in the financial statements until the commencement of the school year to which it relates.

Income from investments and deposits are credited to the Statement of Financial Activities on a receivable basis.

Resources expended

Expenditure comprises both expenditure directly relating to the activities of the charity together with governance costs. Costs are either specifically identified or apportioned according to time spent between expenditure headings for the purposes of charitable activities, costs of generating funds and governance.

Liabilities are recognised when either a constructive or legal obligation exists.

Charitable activities

Charitable activities include expenditure on providing education and include both direct costs and support costs relating to the activity.

Costs of generating funds

Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Governance costs

Governance costs comprise the costs of running the charity. This includes external audit, any legal advice for the Governors and all costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Allocation and apportionment of support costs

Support costs include central functions and have been allocated to activity cost categorised on a basis consistent with the use of resources e.g. staff costs by the time spent and other costs by their usage.

TUDOR HALL SCHOOL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (CONTINUED)

Investments

Investments are valued in the balance sheet at their mid-market value at the balance sheet date. All movements in value arising from investment changes or revaluation are recognised in the Statement of Financial Activities. Investments in subsidiary undertakings have been included at trustees' estimate of open market value.

Liquid resources

Cash deposits held by the investment managers are classified as liquid resources and are held within current asset investments. These deposits are available for reinvestment.

Intangible assets – goodwill

Goodwill representing the excess consideration for an acquired undertaking, or acquired trade and assets, compared with the fair value of net assets acquired is capitalised and written off evenly over 20 years, as in the opinion of the trustees this represents the period over which the goodwill is expected to give rise to economic benefits. Goodwill is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Tangible fixed assets

Assets are capitalised and held in the balance sheet at historical cost.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	-	2% on cost
Fixtures and fittings	-	25% on reducing balance
Motor vehicles	-	25% on cost
Computer equipment	-	25% on cost

Assets under construction are not depreciated until brought into use.

Where applicable, finance costs are capitalised gross.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. The restricted funds comprise donations earmarked by the donors, or the terms of the appeal, for specific purposes.

Hire purchase finance and operating leases

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the statement of financial activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

TUDOR HALL SCHOOL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (CONTINUED)

Pension costs and other post-retirement benefits

The group operates two defined contribution pension schemes. Contributions payable to the defined contribution pension schemes are charged to the Statement of Financial Activities in the period to which they relate.

Retirement benefits to certain employees of the school are provided by the Teachers' Pension Scheme ('TPS'). This is a defined benefit scheme, contracted out of the State Earnings Related Pension Scheme.

It is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 19, the TPS is a multi-employer scheme and the school is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

2. INVESTMENT INCOME

	2014 £	2013 £
Dividends receivable from investments and unit trusts	36,044	23,070
Interest receivable	<u>4,204</u>	<u>28,361</u>
	<u>40,248</u>	<u>51,431</u>

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2014 £	2013 £
Gross fees receivable	10,220,722	9,636,412
Total bursaries, grants and allowances	(808,402)	(901,032)
Disbursements and extras	1,012,794	919,083
Registration fees	31,109	45,682
School shop income	8,255	15,935
Educational letting income	18,095	19,573
Donations	<u>-</u>	<u>7,732</u>
	<u>10,482,573</u>	<u>9,743,385</u>

4. GOVERNANCE COSTS

	2014 £	2013 £
Merger costs	11,017	-
Legal fees	19,006	17,501
Audit and accountancy	<u>32,450</u>	<u>29,890</u>
	<u>62,473</u>	<u>47,391</u>

TUDOR HALL SCHOOL

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

5. COST OF CHARITABLE ACTIVITIES

	2014 £	2013 £
School costs	10,189,662	9,123,153
Bank interest	135,749	153,608
Hire purchase	1,772	4,107
Cost of educational lettings	<u>1,081</u>	<u>5,992</u>
	<u>10,328,264</u>	<u>9,286,860</u>

Included above are support costs of £2,452,488 (2013: £1,924,396) which are all considered to be attributable to school costs.

	2014 £	2013 £
Support costs:		
Establishment costs	1,980,727	1,607,632
Administration costs	<u>471,761</u>	<u>316,764</u>
	<u>2,452,488</u>	<u>1,924,396</u>

6. NET INCOMING RESOURCES

Net incoming resources are stated after charging:

	2014 £	2013 £
Auditors' remuneration (current year)	20,030	19,800
Auditors' remuneration (prior year)	360	1,500
Auditors' remuneration for non-audit work	12,060	8,400
Depreciation - owned assets	545,433	499,593
Depreciation - assets on hire purchase contracts and finance leases	36,465	39,954
Amortisation of goodwill	<u>3,535</u>	<u>10,137</u>

TUDOR HALL SCHOOL

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2014 nor for the year ended 31 August 2013.

Trustees' Expenses

A total of 10 (2013: 8) trustees received £2,254 (2013: £1,716) in total for travel expenses. Trustees' indemnity insurance of £2,237 (2013: £2,237) was paid.

8. STAFF COSTS

	2014	2013
	£	£
Wages and salaries	4,870,199	4,481,274
Social security costs	381,527	322,102
Other pension costs	495,111	463,785
	<u>5,746,837</u>	<u>5,267,161</u>

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

	2014	2013
	No	No
Teachers	123	122
Other staff	<u>101</u>	<u>98</u>
	<u>224</u>	<u>220</u>

The number of staff whose salary falls into the following bands was:

	2014	2013
	No	No
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
£110,001 - £120,000	-	1
£120,001 - £130,000	<u>1</u>	<u>-</u>
	<u>3</u>	<u>3</u>

Included within the above, two (2013: two) members of staff are accruing benefits under the Teachers' Pension Scheme and contributions totalling £7,800 (2013: £7,450) were paid into the defined contribution scheme for the other employee.

TUDOR HALL SCHOOL

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

9. GOODWILL

GROUP AND COMPANY (restated on merger)	Acquired goodwill £
COST:	
At 1 September 2013	206,106
Contingent Purchase consideration adjustment	<u>(120,000)</u>
At 31 August 2014	<u>86,106</u>
	£
AMORTISATION:	
At 1 September 2013	23,645
Charge for the year	<u>3,535</u>
At 31 August 2014	<u>27,180</u>
NET BOOK VALUE	
At 31 August 2014	<u>58,926</u>
At 31 August 2013	<u>182,461</u>

Goodwill relates to the acquisition of the trade, property and net assets of Carrdus School on 15 April 2011.

The consideration in respect of the acquisition was paid in instalments as follows:

	£
On completion (15 April 2011)	500,000
On 15 April 2012	300,000
On 15 April 2013	500,000
On 14 September 2013	80,000
	<u>1,380,000</u>

The Contingent consideration was payable dependent on pupil numbers in any of the three years to 31 August 2014. Any consideration became payable within 14 days following the end of the academic year in which the target of pupil numbers is met. There is no further contingent consideration due.

The maximum contingent consideration is £nil (2013: £120,000) (see note 15).

TUDOR HALL SCHOOL

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

10. TANGIBLE FIXED ASSETS

GROUP AND COMPANY (restated on merger)	Freehold property	Fixtures and fittings	Motor Vehicles	Computer equipment	Assets Under Construction	Totals
	£	£	£	£	£	£
COSTS						
At 1 September 2013	18,767,696	1,268,145	50,310	810,995	-	20,897,146
Additions	34,401	191,714	-	185,020	169,660	580,794
Reclassification	(64,468)	-	-	-	64,468	-
At 31 August 2014	<u>18,737,629</u>	<u>1,459,859</u>	<u>50,310</u>	<u>996,015</u>	<u>234,128</u>	<u>21,477,941</u>
DEPRECIATION						
At 1 September 2013	3,440,891	792,719	50,310	624,281	-	4,908,201
Charge for year	376,324	123,701	-	81,873	-	581,898
At 31 August 2014	<u>3,817,215</u>	<u>916,420</u>	<u>50,310</u>	<u>706,154</u>	<u>-</u>	<u>5,490,099</u>
NET BOOK VALUE						
At 31 August 2014	<u>14,920,414</u>	<u>543,439</u>	<u>-</u>	<u>289,861</u>	<u>234,128</u>	<u>15,987,842</u>
At 31 August 2013	<u>15,326,805</u>	<u>475,426</u>	<u>-</u>	<u>186,714</u>	<u>-</u>	<u>15,988,945</u>

Included in freehold property is freehold land at £302,000 (2013: £302,000) which is not depreciated. Freehold property includes £13,550 (2013: £13,550) of finance costs relating to a loan arrangement fee.

The Freehold property is a functional asset and is shown at cost less depreciation on buildings. The value of the property to the group is maintained by a full programme of repair and maintenance. The market value of the land and property at the balance sheet date is not considered by the trustees to be materially different to the carrying value in the accounts.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

GROUP AND COMPANY (restated on merger)	Computer equipment £
COST	
At 1 September 2013	181,019
Additions	-
At 31 August 2014	<u>181,019</u>
DEPRECIATION	
At 1 September 2013	99,237
Charge for year	<u>36,465</u>
At 31 August 2014	<u>135,702</u>
NET BOOK VALUE	
At 31 August 2014	<u>45,317</u>
At 31 August 2013	<u>81,782</u>

TUDOR HALL SCHOOL

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

11. FIXED ASSET INVESTMENTS

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Market value:				
At 1 September	797,317	741,557	500,186	462,488
Additions	1,367,429	36,360	1,066,020	20,023
Disposal proceeds	(817,294)	(6,161)	(517,545)	-
Realised investment gains/(losses)	33,966	(1,303)	21,735	-
Unrealised investment gains	24,153	51,583	24,153	30,434
Dividends reinvested	25,506	6,998	25,506	6,998
Cash invested	<u>10,173</u>	<u>(31,717)</u>	<u>7,426</u>	<u>(19,757)</u>
At 31 August	<u>1,441,250</u>	<u>797,317</u>	<u>1,127,481</u>	<u>500,186</u>

The analysis of investments at the year end is as follows:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Fixed interest	169,145	121,353	132,321	54,287
UK equities	415,393	476,526	324,958	367,469
Global equities	596,459	118,734	466,604	21,448
Property	100,942	-	78,966	-
Alternatives	116,012	64,328	90,755	41,163
Liquid assets	<u>43,299</u>	<u>16,376</u>	<u>33,877</u>	<u>15,819</u>
At 31 August	<u>1,441,250</u>	<u>797,317</u>	<u>1,127,481</u>	<u>500,186</u>

The historical cost of the investments held in the school is £1,103,328 (£364,740 in 2013). The historical cost of the group investments is £1,408,041 (£605,617 in 2013).

TUDOR HALL SCHOOL

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

11. FIXED ASSET INVESTMENTS (continued)

The following investments within the portfolio are considered to be individually material. Material is defined as greater than 5% of fixed and current asset investments:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Charishare Common Investment Fund				
Accumulation	-	225,553	-	225,553
M&G Investment Management Ltd				
- Optimal Income Stg. I Net Inc	-	-	-	27,437
Jupiter Global Fund SKVA				
- Global convertibles I Inc NAV	-	-	-	26,850
NB Private Equity				
- ZDP Shs NPV	-	-	-	28,600
Capital Financial Mangers				
- Trojan S Inc NAV	-	-	-	27,931
CG Portfolio Fund PLC				
- Participating Shs GBP	-	-	-	25,510
	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,510</u>

12. STOCKS

	Group		Company	
	2014	2013	2014	Restated on merger 2013
	£	£	£	£
School supplies	<u>28,562</u>	<u>30,883</u>	<u>28,562</u>	<u>30,883</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2014	2013	2014	Restated on merger 2013
	£	£	£	£
Trade debtors	104,027	291,916	82,411	246,110
Other debtors	52,264	88,955	47,815	88,176
Prepayments	282,386	237,529	282,386	237,528
Amounts owed by group undertakings	<u>-</u>	<u>-</u>	<u>75,935</u>	<u>137,777</u>
	<u>438,677</u>	<u>618,400</u>	<u>488,547</u>	<u>709,591</u>

TUDOR HALL SCHOOL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2014	2013	2014	Restated on merger 2013
	£	£	£	£
Bank loans (see note 16)	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>
Other amounts falling due within one year:				
Trade creditors	450,605	319,190	422,494	254,135
Social security and other taxes	128,398	125,908	128,398	125,908
Accruals	139,245	338,264	134,925	333,614
Deferred income	1,207,497	1,288,305	1,207,497	1,288,305
Other creditors	86,579	85,574	86,579	85,574
Deferred purchase consideration	-	80,000	-	80,000
Hire purchase (see note 17)	-	14,822	-	14,822
Deposits	35,978	58,100	35,978	58,100
Building retentions	<u>11,204</u>	<u>-</u>	<u>11,204</u>	<u>-</u>
	<u>2,059,506</u>	<u>2,310,163</u>	<u>2,027,075</u>	<u>2,240,458</u>
	<u>2,359,506</u>	<u>2,610,163</u>	<u>2,327,075</u>	<u>2,540,458</u>

Included within creditors are unpaid pension contributions amounting to £77,238 (2013: £68,664).

Deferred income relating to school fees received in advance and included in the above:

	Group		Company	
	2014	2013	2014	Restated on merger 2013
	£	£	£	£
At start of period	1,288,305	1,326,528	1,288,305	1,326,528
Released during period	(1,291,527)	(1,218,944)	(1,291,527)	(1,218,944)
Deferred in period	<u>1,210,719</u>	<u>1,180,721</u>	<u>1,210,719</u>	<u>1,180,721</u>
At end of period	<u>1,207,497</u>	<u>1,288,305</u>	<u>1,207,497</u>	<u>1,288,305</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2014	2013	2014	Restated on merger 2013
	£	£	£	£
Bank loans (see note 16)	<u>3,000,000</u>	<u>3,450,000</u>	<u>3,000,000</u>	<u>3,450,000</u>
Other amounts falling due after more than one year:				
Contingent purchase consideration	-	120,000	-	120,000
Hire purchase (see note 17)	-	-	-	-
Deposits	<u>299,068</u>	<u>265,356</u>	<u>299,068</u>	<u>265,356</u>
	<u>299,068</u>	<u>385,356</u>	<u>299,068</u>	<u>385,356</u>
	<u>3,299,068</u>	<u>3,835,356</u>	<u>3,299,068</u>	<u>3,835,356</u>

TUDOR HALL SCHOOL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

16. LOANS

An analysis of the maturity of loans is given below:

Group	2014	2013	2014	2013	Restated on merger 2013
Amounts falling due within one year:	300,000	300,000	300,000	300,000	300,000
Amounts falling due between one and two years:	300,000	300,000	300,000	300,000	300,000
Bank loans – 1 – 2 years	300,000	300,000	300,000	300,000	300,000
Amounts falling due between two and five years:	900,000	900,000	900,000	900,000	900,000
Bank loans – 2 – 5 years	900,000	900,000	900,000	900,000	900,000
Amounts falling due in greater than five years:	1,800,000	2,250,000	1,800,000	2,250,000	2,250,000
Bank loans – greater than five years	1,800,000	2,250,000	1,800,000	2,250,000	2,250,000

The £3m bank loan held by Tudor Hall School was reissued on 30 September 2011 and is repayable by seven annual instalments of £300,000 starting on 30 September 2013 with a final instalment of £900,000. The loan was drawn down in two equal parts, £1.5m is on a fixed interest rate of 4.6% per annum and another £1.5m on a variable interest rate of 1.75% over LIBOR per annum. A voluntary payment of £150,000 (2013: £250,000) was made during the year making the total outstanding balance at year end £2.3m.

A £500,000 bank loan was drawn down on the acquisition of Cardus School on 15 April 2011. A further £300,000 was drawn on 15 April 2012 and a further £200,000 on 15 April 2013. Interest only is paid until the maturity date of 15 April 2021. Interest on the bank loan is payable quarterly on the initial £500,000 loan at a fixed rate of 5.49% per annum, on the £300,000 loan at a fixed rate of 4.62% per annum, and on the £200,000 which was drawn down on 15 April 2013 at a fixed rate of 3.66% per annum.

17. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

GROUP AND COMPANY

	2014	2013
Net obligations repayable:		
Within one year	-	14,822
Within two to five years	-	-
	-	14,822

TUDOR HALL SCHOOL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2014

18. SECURED DEBTS

The following secured debts are included within creditors falling due after more than one year:

	Group		Company	Restated on merger 2013
	2014 £	2013 £	2014 £	2013 £
Bank loans	<u>3,300,000</u>	<u>3,750,000</u>	<u>3,300,000</u>	<u>3,750,000</u>

Of the £3.3m loan, £1m is secured against the Carrdus School freehold property.

19. PENSION AND SIMILAR OBLIGATIONS

Teachers' Pension Scheme

The Teachers' Pensions Scheme ("TPS") is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010. Retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pensions Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pensions Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. Many of these are being discussed in the context of the design for a reformed TPS, as set out in the Proposed Final Agreement, and scheme valuations are, therefore, currently suspended.

The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate ("SCR") is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 - 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 million. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

TUDOR HALL SCHOOL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2014

19. PENSION AND SIMILAR OBLIGATIONS (continued)

Teachers' Pension Scheme (continued)

Employer and employee contribution rates

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced – effective for the first time for the 2008 valuation – a 14% cap on employer contributions payable.

From 1 April 2013 to 31 March 2014, the employee contribution rate ranged between 6.4% and 11.2%, depending on a member's Full Time Equivalent salary and for 2014/15 will range between 6.4% and 12.4%. Thereafter members will be expected to pay an average contribution rate of 9.6%.

HM Treasury has published the final Directions and the expected outcome of the TPS valuation is a total contribution rate of 26%. The new TPS employer rate will be 16.4% from September 2015. The rate is subject to confirmation following the scheme actuaries valuation report is finalised, and will be payable until the net valuation. The Public Service Pensions Act 2013 provides the legal framework for full actuarial valuations to be carried out every 4 years.

The Government, however, has set out a future process for determining the employer contribution rate under the new scheme, and this process will involve a full actuarial valuation.

Under the definitions set out in Financial Standards (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The school is unable to identify its share of the underlying assets and liabilities of the scheme.

Accordingly, the school has taken the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined-contribution scheme. The school has set out above the information available on the scheme and the implications for the school in terms of the anticipated rates.

The total contributions paid relating to the Teacher's Pension Scheme are included within other pension costs and are as follows:

	Group		Company	
	2014	2013	2014	Restated on merger 2013
	£	£	£	£
Contributions paid	<u>442,642</u>	<u>458,922</u>	<u>442,642</u>	<u>458,922</u>
Contributions accrued at the year end	<u>37,181</u>	<u>62,233</u>	<u>37,181</u>	<u>62,233</u>

Pension Commitments

Total pension commitments, including TPS, for the next year are expected to be £588,906 (2013: £542,355).

TUDOR HALL SCHOOL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2014

20. MOVEMENT IN FUNDS

	At 31/8/13 £	Net movement in funds £	At 31/8/14 £
Restricted funds			
Tudor Hall School – Tudor Hall Development Fund	396,250	1,570	397,820
Unrestricted funds			
Tudor Hall School	12,496,249	505,010	13,001,259
Tudor Hall School Enterprises Limited	-	-	-
The Friends of Tudor Hall Trust	299,803	7,158	306,961
The Carrdus School	68,557	(68,557)	-
TOTAL GROUP FUNDS	<u>13,260,859</u>	<u>445,181</u>	<u>13,706,040</u>

Net movement in funds, included in the above are as follows:

GROUP

	Incoming resources £	Resources expended £	Transfers	Gains and Losses £	Donation of net Assets £	Movement in funds £
Restricted funds						
Tudor Hall School – Tudor Hall Development Fund	235,698	-	(234,128)	-	-	1,570
Unrestricted funds						
Tudor Hall School	9,297,037	9,165,142	234,128	45,888	93,099	505,010
Tudor Hall School Enterprises Limited	151,698	151,698		-	-	-
The Friends of Tudor Hall Trust	10,564	15,637		12,231	-	7,158
The Carrdus School	1,243,292	1,218,750		-	(93,099)	(68,557)
	<u>10,702,591</u>	<u>10,551,227</u>	<u>234,128</u>	<u>58,119</u>	<u>-</u>	<u>443,611</u>
TOTAL GROUP	<u>10,938,289</u>	<u>10,551,227</u>	<u>-</u>	<u>58,119</u>	<u>-</u>	<u>445,181</u>
	Incoming resources £	Resources expended £		Gains and Losses £		Movement in funds £
Total funds						
Tudor Hall School	10,777,071	10,384,936		45,888		438,023

The total group net assets of £13,706,040 (2013: £13,260,859) are represented by the restricted and unrestricted funds of the group. The restricted funds of £397,820 are represented by cash at bank.

Tudor Hall Development Fund

During the previous year a development fund was set up with the intention of raising funds for future building projects and bursaries at Tudor Hall. A total of £235,698 (2013: £396,250) was raised during the year and £234,128 has been transferred to unrestricted funds representing expenditure to the balance sheet date on the Drama Studio. Work on the Drama Studio project started in the summer and is due for completion in January 2015. Planning permission has been obtained for a Sports Hall extension and Teaching building.

TUDOR HALL SCHOOL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2014

21. RELATED PARTY TRANSACTIONS

Exemption has been taken, under the provisions of FRS 8, to not disclose transactions between the parent and subsidiary undertakings as all subsidiary undertakings are included in the consolidated accounts which are publicly available.

22. SUBSIDIARY UNDERTAKINGS

The Friends of Tudor Hall Trust, an unincorporated charity registered in England, is treated as a subsidiary undertaking of Tudor Hall School, by virtue of the control exercised by the school over the trust, through its power to appoint and recruit trustees to the board of the trust. The trust supports bursaries to girls at Tudor Hall School from the income generated by its investment portfolio.

Carrdus School is a charitable company limited by guarantee and registered in England. It is treated as a subsidiary undertaking by virtue of the control exercised by the school through its power to appoint and recruit trustees to the board of the trust. Carrdus School is a significant feeder school to Tudor Hall School. Tudor Hall School and Carrdus School merged on 31 August 2014.

Tudor Hall School Enterprises Limited is a wholly owned subsidiary of Tudor Hall School and was incorporated in England on 13 July 2011. This company operates the trading activities of the group.

The trustees have valued the investment in subsidiary undertakings as at 31 August 2014 at £nil (2013: £nil).

At 31 August 2014:

	Net assets £	Income £	Expenditure £	Other gains/losses £	Net profit/loss for period £
The Friends of Tudor Hall Trust	306,961	10,564	(15,637)	12,231	7,158
Carrdus School	-	1,243,292	(1,311,849)	-	(68,557)
Tudor Hall School Enterprises Limited	<u>1</u>	<u>151,698</u>	<u>(151,698)</u>	<u>-</u>	<u>-</u>

23. ULTIMATE CONTROLLING PARTY

The trustees of Tudor Hall School are the ultimate controlling party of the company and group.

24. MERGER

On 31 August 2014 the merger of Carrdus School and Tudor Hall took place. There were no adjustments made to the net assets of either party to achieve consistency of accounting policies and no adjustments to the net assets of either party as a consequence of the merger.

The table below sets out the principal components of the Statement of Financial Activities for the two parties for the current and prior year. There were no discontinued activities as a result of the merger; the activities formerly undertaken by Carrdus School have been undertaken by Tudor Hall since 1 September 2014.

TUDOR HALL SCHOOL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2014

24. MERGER (continued)

	Tudor Hall £	2014 Carrdus £	Total £	Tudor Hall £	2013 Carrdus £	Total £
Total Incoming Resources	9,532,735	1,243,292	10,776,027	9,110,859	1,127,562	10,238,421
Net Incoming Resources	367,592	24,542	392,134	876,356	32,752	909,108
Realised Gains	21,735	-	21,735	-	-	-
Unrealised Gains	24,153	-	24,153	30,434	-	30,434
Net Asset Value at 31 August 2014	<u>13,305,980</u>	<u>93,099</u>	<u>13,399,079</u>	<u>12,892,500</u>	<u>68,557</u>	<u>12,961,057</u>

25. CAPITAL COMMITMENTS – GROUP AND COMPANY

The school has entered into a contract to build a Drama Studio, the total value of the contract is £1.1m. At 31 August £123k had been certified, including retentions of £6k. The contract is scheduled for completion in January 2015. There were no capital commitments at 31 August 2013.