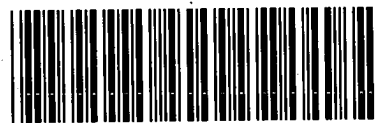


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**WORTH SCHOOL**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2019**

CHAIRMAN'S OVERVIEW .....	3
TRUSTEES' REPORT .....	5
REFERENCE & ADMINISTRATIVE INFORMATION .....	5
STRUCTURE, GOVERNANCE AND MANAGEMENT .....	6
STRATEGIC REPORT .....	9
AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES .....	9
REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR .....	10
FUNDRAISING POLICY AND ACTIVITIES .....	13
FINANCIAL REVIEW AND RESULTS FOR THE YEAR .....	15
FUTURE PLANS .....	17
TRUSTEES' RESPONSIBILITIES STATEMENT .....	18
INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF WORTH SCHOOL .....	19
WORTH SCHOOL STATEMENT OF FINANCIAL ACTIVITIES .....	22
WORTH SCHOOL BALANCE SHEET .....	23
WORTH SCHOOL CASH FLOW STATEMENT .....	24
NOTES TO THE FINANCIAL STATEMENTS .....	25

## CHAIRMAN'S OVERVIEW

The School reconvened in September 2018 with 616 pupils compared to 594 the previous year; in September 2019 there were 614 pupils. Steady pupil numbers are helping to support the School's financial performance. Also pleasing is the roughly equal ratio of boys to girls in the Sixth Form. It is only ten years since the first girls joined the School in September 2008 and this special anniversary was celebrated with a commemorative magazine and a reunion of the first cohort of girls.

I am delighted to report that the School is benefitting from a generous gift from a former pupil that will allow us to build a new Sixth Form Centre in the heart of the campus.

As we approach the 60-year milestone, thanks are due to the monks of Worth Abbey without whom the School would not have been founded and whose support over the years has been so valuable. The ethos we enjoy today is based on Benedictine values, and the rhythm of prayer and worship in the Abbey Church is a backdrop to life at Worth.

The COVID-19 pandemic and the closure of the physical school in March 2020 has caused us many new challenges. The online method of teaching, known as "Worth-Online", which the School adopted during this period received much praise from parents and I am very heartened by the way the teaching staff rose to this challenge. As the School re-opens fully in September 2020 we have 601 pupils on the roll which puts us in good stead looking forward.

### Purpose

The mission of Worth School is to provide education in the Benedictine tradition, to advance the Roman Catholic faith and to support the work of Worth Abbey.

### Academic performance

At GCSE 36% of all grades were at 8–9 and 50% of all grades were at 7–9. For the fourth consecutive year, the top grade (9 or A\*) was the most commonly awarded grade to Worth students; 21% of all results were graded at this level.

In the Sixth Form, just under two thirds all grades were at A\*–B standard. Students completing the IB scored an average of 34.5 points, up on 33 points in 2018. Of those students who completed an EPQ (Extended Project Qualification), which counts as half an A Level, over 80% achieved a grade at A\* or A.

Students have gone on to take up courses at a range of universities, including Bath, Bristol, Durham, Exeter, Imperial College, King's College London, St Andrew's, Warwick and York. They are studying courses across disciplines from Law to Pharmacy; two students have begun courses to study Medicine and one to study Veterinary Medicine.

### Pastoral care

Worth prides itself on the care it takes of its pupils – each is known, supported and encouraged in his or her particular path in life. Each pupil belongs to a House that has a Housemaster or Housemistress who is supported by a team of a deputy, matron, tutors and a Chaplain. The Chaplaincy team consists of young lay evangelists, known as the Forerunners, monks and an Anglican priest. Throughout the year the team works to offer pupils new ways to explore their faith and to develop a culture of worship, prayer, service to others, friendship and community involvement.

A major addition to the School calendar this year was 'Worth Week' which took place in the first week of the academic year and involved all staff and pupils. This week helped build relationships and a shared ethos through undertaking a range of activities together, from bush craft to a South Downs walk.

### Wider curriculum

The School is committed to the all-round development of its pupils. The School offered some 132 activities, clubs and

societies which are adjusted every year to reflect the interests of pupils. There is also a full weekend programme for boarders and day pupils are also welcome to participate. As well as being a licensed centre for the Duke of Edinburgh's Award, the School organises trips, sports tours and departmental study trips in the UK and overseas. New trips added for 2018-19 included a service expedition to Borneo, a rugby tour to the US and Canada and a girls' pre-season hockey tour to Frankfurt.

The School maintains an outstanding reputation for performing arts. There are 16 musical groups in the School as well as many contemporary bands and the *Schola Cantorum*. There are three concerts per term, most of them in the Abbey Church and open to the public. The Drama department staged three major productions — 'Witness for the Prosecution', 'Blood Brothers' and 'Mary Poppins' — as well as running the Inspire theatre company for Drama Scholars.

In terms of sport, Worth fielded teams and individuals in 17 different sports over the course of the year. This year was the inaugural year for the Performance Golf Squad who have the opportunity to train 35 weeks a year. Worth was named as a Top 100 Cricketing School by 'The Cricketer' magazine which recognised the good work which has gone on with cricket at Worth over many years; we are particularly pleased that the School's 1<sup>st</sup> XI includes both boys and girls.

### Public benefit

Worth School is committed to advancement of education in its widest sense. Each year we offer a range of scholarships and bursaries, including a small number of full bursaries. We also run activities for, and offer our facilities to, local state schools and have built a closer partnership with the local primary school at Turners Hill and with City Academy Whitehawk in Brighton. Worth reaches into the community with various events that support all age groups, from primary school children through to care home residents and the homeless. In addition, the School encourages its pupils to fundraise for charities of their choosing. Worth School was nominated for a 'Junior Fundraiser of the Year' award for its work with animal welfare centre Raystede.

### Financial performance

Worth School made a surplus from its core activities to the year ended 31 August 2019 of £971,000 plus a gift from Worth Abbey Projects Ltd of £166,000. With this, the Trustees made a gift to Worth Abbey of £936,000.

Since the physical closure of the School in March 2020 the Trustees have met more times than usual so as to have clear oversight of the School's financial performance and projections. Based on this, the performance we expect to see in 2019-20, and the opening pupil roll in September 2020, the Trustees are content that the School is a going concern.

### Future developments

As we start the 2020-21 academic year, the focus is on safely re-opening the physical school. Alongside this, a very generous gift from a Worthian is enabling the School to move forward with its vision for a Sixth Form Centre. We expect the Sixth Form Centre to be followed by other major projects in the areas of sport and science as part of our longer term strategy that will be finalised shortly.

Tim Pethybridge  
Chairman of Governors

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

*The Trustees present their annual report together with the audited financial statements for 1 September 2018 to 31 August 2019. The Trustees confirm that the Annual Report and financial statements of the School comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).*

### REFERENCE & ADMINISTRATIVE INFORMATION

Worth School (the "School") is a charitable company limited by guarantee, registration number 4476558 and a registered charity, registration number 1093914. The Registered Office is at Worth School, Paddockhurst Road, Turners Hill, West Sussex, RH10 4SD, which is also the principal office of the Charity.

#### Trustees

The present Directors of the School and those who served during the year, who are also the Charity's Trustees and the School Governors, are:

The Right Reverend R L Jolly, President (Nom)  
Mr T Pethybridge, Chairman (GRC, EdCom, Nom, Risk, GSC)  
The Very Reverend J M Barrett (GRC) (Resigned 31 August 2019)  
Mr D Buxton (Ed Com, Chair of Ed Com from September 2019) (GSC) (Resigned 31 August 2020)  
Ms Mary Coller (GSC) (Appointed 25 June 2020)  
Dr Bridget Dolan QC (Risk)  
Mr B Elwes (GRC) (Resigned 31 August 2019)  
Mr J Fletcher (GRC; Chair of the GRC) (Nom)  
Mrs M Fudakowski (Ed Com) (Risk) (Safeguarding Governor) (GSC, Chair of the GSC from January 2020)  
Mr P Green  
Dom D Jarmy  
Mrs F Newton (Ed Com) (Safeguarding Governor) (Chair of the GSC from September 2019) (Resigned 6 Jan 2020)  
Mrs H Parry (GRC) (Risk, Chair of the Risk Committee)  
Dr R Townsend (Ed Com; Chair of Ed Com) (Nom) (Resigned 31 August 2019)

Participants in the relevant committee are denoted by the following:

GSC = Governors' Safeguarding Committee established September 2019

Ed Com = Governors' Education Committee

GRC = Governors' Resources Committee

Risk = Governors' Risk Committee

Nom = Governors' Nomination Committee

## Key executive and professional advisers

Head Master: Mr S McPherson

School Bursar  
and Company Secretary: The Rev P Bilton

Clerk to the Governors: Mr G Fitzsimons

Bankers: HSBC, 9 The Boulevard, Crawley, West Sussex, RH10 1UT

Solicitors: Veale Wasbrough Vizards, Orchard Court, Orchard Lane, Bristol, BS1 5DS  
Russell-Cooke LLP, 2 Putney Hill, London, SW15 6AB  
Kingsley Napley LLP, Knights Quarter 14 St John's Lane, London, EC1M 4AJ

Auditors: Crowe U.K. LLP, Riverside House, Maidstone, Kent, ME14 1JH

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

The School is governed by its Memorandum and Articles of Association, dated 1 July 2002. These were revised in December 2008.

### Governing body

The Trustees of the Charity are the School's Board of Governors. The President of the Board of Governors is the Abbot of Worth Abbey who is also the Chairman of the board of trustees of Worth Abbey.

Appointments to the Board are made by the Governors' Nominations Committee. The Nominations Committee consists of the Abbot of Worth Abbey, the Chairman of Governors and up to three other Committee members. Trustees are appointed for terms of three years which are renewable. Trustees who have served for nine or more years are subject to a particularly rigorous review before their term is renewed. This review is designed to ensure that the Board takes account of the need to progressively refresh itself.

The Board operates with four standing sub-committees, the Governors' Safeguarding Committee, Governors' Resources Committee, the Governors' Education Committee and the Governors' Risk Committee. The Governors' Resources Committee considers matters concerning finance and resources. The Education Committee oversees all aspects of academic activity and development, all aspects of pupil welfare and pastoral care and also oversees the continued application and development of the School's Catholic ethos and mission. The Governors' Risk Committee oversees all matters of operational risk. A new committee, the Governors' Safeguarding Committee, was established in September 2019 to have oversight of the School's safeguarding policies and practices. This was introduced to provide additional support to the Safeguarding Governors in their significant role.

The Trustees are covered by trustee indemnity insurance which is included in the School's insurance policy.

## **Training of Trustees**

All new Trustees are inducted into the workings of the School. At their appointment each is given relevant legal, administrative and operational information as well as specific guidance on their role as charity Trustees. Training on various governance and safeguarding topics is provided at Board meetings. Individual Governors also attend specific training courses and share the knowledge gained with other Trustees.

## **Organisational management**

The Trustees meet as a Board at least four times a year to examine issues of strategy, policy, finance, risk management and safeguarding. The Governors' Safeguarding Committee, Governors' Resources Committee and the Governors' Education Committee each meet three to four times per year and report to the following Governors' meeting. The Governors' Risk Committee meets twice a year. The day-to-day running of the School is undertaken by the Senior Leadership Team.

## **Group structure**

Worth Abbey, charity number 1093913, is the sole member of Worth School. The School leases its buildings and playing fields from Worth Abbey.

The Head Master is a member of the Headmasters' and Headmistresses' Conference ('HMC') and the School is a member of the Independent Schools' Bursars Association ('ISBA'), the Boarding Schools Association ('BSA') and the Association of Governing Bodies of Independent Schools ('AGBIS').

Worth School also supports the work of the 'Worth Society' for alumni which runs a variety of events and reunions, as well as organising networking opportunities and work experience.

## **Corporate governance and risk management**

The Board is committed to high standards of corporate governance and undertakes a review of its operations after each meeting of the Trustees. The Board is responsible for the Charity's system of internal control and for reviewing its effectiveness.

In 2018 the Clerk to the Governors led a wide-ranging review of corporate governance in the light of the Charity Commission's Governance Code. Various recommendations were discussed in June 2018 and a short list of proposals was adopted in October 2018. The Governors paid particular attention to the need to ensure a diverse Board. As part of their ongoing discussions, the Governors are also considering the appropriateness of the existing legal structure of the School.

The Governor's Risk Committee undertakes a cyclical review of the risk reporting and management structures within the School, making some recommendations for changes. It also undertakes detailed reviews of specific risks to satisfy itself that these were both appropriate and well managed. In 2018-19 it considered the maintenance and adequacy of the buildings used by the School, the School's monitoring of its Working Time Directive compliance, the School's response to the increase in Teachers' Pension Scheme contributions and Brexit, among other matters. Since February 2020, the Governor's Risk Committee has maintained a close eye on the management and impact of COVID-19. This included holding a meeting in August 2020 to review the School's re-opening plan.

There is an ongoing process for identifying, evaluating and managing the risks faced by Worth School. Specific risks are identified by staff, senior leaders and Governors and then rated according to their likelihood and impact. Risks are categorised according to whether they are strategic, financial, commercial, charitable, operational, social, environmental or ethical risks. Actions that management either is taking or can take to mitigate risks are then

identified and evaluated according to their impact on the risk. Processes are in place to confirm that management take these actions and their effectiveness is reviewed each term and after any incident. These processes are designed to manage rather than eliminate the risk of failure and can only provide reasonable, not absolute, assurance against the occurrence of any particular event, material misstatements or loss. In addition, the Board has procedures in place to ensure the School's compliance with the Bribery Act 2010.

The Board considers safeguarding to be of paramount importance. Two Governors take a lead role on safeguarding, supported by the new Governors' Safeguarding Committee. The Board receives a report on safeguarding at every meeting of the full Board. Our comprehensive recruitment policy aims to discourage and screen out unsuitable applicants. Safeguarding forms a key part of our induction process and all staff and governors receive an annual safeguarding training update.

### **Pay policy for senior staff**

The School's key management personnel comprise the Head Master, the School Bursar and the Second Master. Arrangements are in place for setting the remuneration for these personnel and the Board has taken into consideration benchmark information and market pay for these roles. This exercise, together with the overall remuneration of other personnel, forms part of the Board's annual salary review, as part of the budget process, which again takes account of market rates of pay and relevant benchmark reports.



# STRATEGIC REPORT

## AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

Worth School's objectives, as set out in its Memorandum of Association, are as follows:

- The advancement of the Roman Catholic religion.
- The advancement of education in accordance with the Benedictine tradition.
- To support the work of Worth Abbey (charity no.1093913).

## Strategic aim and intended effect

During the year the Governing Body, the Senior Leadership Team and staff of the School have worked together to continue the delivery of our current long-term strategic plan. We also began work to revisit our strategic plan to make sure it is fit for the next phase of our development. Our mission statement is below:

### Mission statement:

Worth School welcomes its pupils into a Christ-centred community to form them in humility for servant leadership in society.

During 2018-19 we revised our values to be Silence, Humility, Community, Worship, Service and Stewardship.

During 2019-20 we hope to finalise our new strategy and announce this to staff. A generous donation to Worth Abbey for a new Sixth Form Centre at the School is helping us to accelerate the implementation of our new strategy.

Pupils of a broad ability range are admitted and the School aims to achieve the highest academic levels possible whilst ensuring that pupils benefit from involvement with other activities including drama, music, sports and extensive extra-curricular activities.

The School's strategy for the success of its educational goals is pivotal to the achievement of its charitable objectives for the advancement of the Roman Catholic faith and support of the work of Worth Abbey.

The Senior Leadership Team has in addition adopted an annual development plan which is intended to focus priorities on short-term objectives that form part of the longer term vision.

## Objectives for the year

The Board's main objectives for the year were:

- to work with the Senior Leadership Team and staff to deliver the long-term strategic plan;
- to support the Senior Leadership Team in the development of a focused Catholic curriculum;
- to continue working closely with Worth Abbey to further develop the spirituality of the School;
- to provide the School's pupils with continued high standards of pastoral care and academic teaching to enable them to gain entry into their chosen universities;
- to deliver the physical facility developments needed to offer an excellent education;
- to continue to focus on the broader public benefit provided by the School including financial assistance to enable pupils to attend the School through the provision of means-tested bursaries, including the promotion of the St Benedict's Bursaries, and other financial assistance;
- to work closely with community groups and other charities;
- to refine further the longer-term estate master plan in conjunction with the Abbey Trustees.

## **Principal activity**

The School's principal activity during the year was the provision of a boarding and day school for 11 to 18 year-old boys and girls. The School was also able to provide support, both financial and through its other resources, to the work of Worth Abbey and its charitable activities during the year.

## **Supporting the work of Worth Abbey**

The School paid rent to Worth Abbey of £820,000. It also provides other support through a range of shared back-office services and through sharing in the liturgical life of the Monastic Community. Lastly, it gifts from its surpluses to the Abbey; in 2018–19 it gifted a total of £936,000 of which £770,000 was due to the core activities of the School.

## **REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR**

### **Academic teaching and pastoral care**

The School roll in September 2018 was 616 (September 2017: 594). This included 313 boarders and 303 day pupils, 401 boys and 215 girls. In September 2019 the School opened with 614 pupils.

In 2019, Worth GCSE results continued to outperform the national average. 50% of all results were graded at 7-9 (22% nationally). The top grade, 9, was the most commonly awarded grade to Worth pupils, with 21% of all results at this level. Two pupils received straight 9 grades, making them part of an elite group of just a few hundred pupils nationally.

In the Sixth Form, students completing the IB scored an average of 34.5 points – well above the world average of 29.6 points and an improvement over the 2018 result. Just under a third of all A Level grades were at A\*-A, and just under two thirds were at A\*-B. A number of students completed an EPQ (Extended Project Qualification), researching a variety of fascinating topics. Over 80% of all EPQs were graded at A\* or A. The EPQ is a research-based, supervised project that a student may undertake on any subject that interests him or her. Successful completion counts as half an A Level.

Almost half of our Year 13 leavers went on to Russell Group Universities. The most popular destinations in 2019 were King's College London, Exeter and Bristol.

The School is committed to the all-round development of its pupils. The School offered some 132 activities, clubs and societies plus a full weekend programme for boarders. The School is a licensed centre for the Duke of Edinburgh's Award. The School also organised a series of trips, expeditions, sports tours and departmental study trips in the UK and overseas.

The School maintains an outstanding reputation for performing arts. There are sixteen musical groups in the School and in addition, many contemporary bands and a Choir. There are three large-scale concerts per term, most of them in the Abbey Church and open to the public. The Drama department staged three major productions – 'Witness for the Prosecution', 'Blood Brothers' and 'Mary Poppins' which was put on by the drama scholars who comprise the 'Inspire' theatre company.

Since September 2018 matrons have been line managed by the Housemasters/mistresses in the Houses in which they work, strengthening the links in our pastoral care. A new school counsellor joined the School in 2018. The management of sanctions was amended to enhance the opportunities that pupils have to reflect on their behavioural choices. From September 2019 pastoral care for boarding girls will be split into two houses: St Mary's Middle and St Mary's Sixth.

## **Spirituality**

In 2018-19 the chaplaincy of Worth School consisted of four monks working with five youth ministers (known as the 'Forerunners') to provide pastoral accompaniment and outreach within the School for the students and staff. The chaplaincy provided liturgy for the School and prayers in the Houses. The chaplaincy also provided half-day retreats for students and successfully promoted retreats and pilgrimages to the SPEC Retreat Centre and Lourdes. It also helped in the School voluntary service programme, providing supervision for students helping at the Brendoncare, Heatherly Cheshire Home and a shopping service for the elderly. The chaplaincy coordinated the fundraising efforts in the School. Mary's Meals was the main School charity and all the Houses engaged in their own fundraising efforts supporting ten other charities.

## **Public benefit**

When considering the School's activities, the Trustees have complied with their duty under section four of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

The School has for many years offered bursaries to deserving pupils whose parents could not otherwise afford to enable their children to attend the School, including the St Benedict's Bursary which offers full fee remission for selected day students throughout their time at Worth. More details can be found in the 'Scholarships and Bursaries' section.

More broadly, the Trustees consider their public benefit work under three headings: their work with other schools, their work with the local community, and their work supporting other charitable activities in the UK and overseas. We also report for the first time on green initiatives underway as the School undertakes its environmental responsibility with a fresh vigour.

## **Scholarships and bursaries**

During the year, the School continued to provide scholarships to both academically able and musically talented pupils as well as those with other talents including sports, art and drama. Specific consideration is given to pupils from state primary schools.

The School has continued with its long-term policy of increasing the funds made available for means-tested bursaries. Entry bursaries are given to assist able pupils to come to the School where financial circumstances would otherwise preclude them from doing so. Specific means-tested awards, called 'The St Benedict's Bursary', are available for pupils entering the School at years seven, nine and twelve. These awards provide up to 100% funding for Christian children from families with limited means. In addition, one or two fully-funded places per year are made available for a Catholic scholar from Eastern Europe to study in the Sixth Form. The School also provides means-tested hardship bursaries to existing pupils whose families fall into financial difficulty and who would otherwise be unable to remain in the School. It works closely with other educational charities who provide funding for pupils in need.

A total of 236 pupils, 38% of the total, (2018: 242, 41%) benefited from fee remission through scholarships, bursaries and other fee assistance in the year. Of these 16 (2018: 15) received remission of 90% of the fee or more. The total value of fee remissions provided by the School in the year was £2,202,211 (2018: £2,018,728). Worth School is committed to continuing to provide such assistance within the financial constraints of being a charity without significant endowment funds.

## **State schools**

Worth is reaching out to other schools with events such as the Maths Challenge in June, providing sports referees for matches or master classes and the Summer Lunch Club that provides lunch and activities for local primary schools during the summer holiday.

The relationship with the local primary school at Turners Hill continues to grow. The school has for some time used Worth facilities every week for art and IT projects, and Worth students also volunteer in the school. This year, all of the pupils at Turners Hill attended the School's special matinee production of *'Mary Poppins'*. The Forest School programme continues its outreach with children attending from City Academy Whitehawk in Brighton.

In July, Worth hosted the 'Shine' event which three neighbouring Catholic state schools attended with 30 pupils to explore faith together and grow in leadership.

## **Local community**

There are a number of options in the weekly activity programme whereby Worth students connect with the community. These include, but are not limited to, visiting care homes (Avon Care Home, Brendoncare Nursing Home, Heatherly Care Home, and Schaffer House) and helping in charity shops behind the scenes with stock organisation, sorting and pricing. Students also assist at the local primary school in Turners Hill, the Raystede Centre for Animal Welfare near Lewes and at the local parish church, St Leonard's, where they clear up the churchyard and help with polishing and cleaning within the church.

Some of the Sixth Formers also make regular visits to Open House in Crawley to help with meals for the homeless. Worth has also been helping homeless people through its support of Giving Back Crawley. The Catering department at Worth cooks a hot meal which it takes to Crawley each Thursday evening assisted by a team of volunteers, which includes Worth staff.

The School's facilities are used for winter training by a local football group. All of the concerts put on by the Music department in the Abbey Church have been free and open to the public, including performances of Fauré's 'Requiem' and Handel's 'Messiah'.

Worth has continued its partnership with Refugees Welcome Crawley in its work supporting Syrian refugees. Over the course of the year, Syrian refugees have joined in walks around the Worth estate, given talks to students and taught Arabic as part of the School's activity programme. They have also been taught IT skills by Worth students and staff.

## **Home and abroad**

Students are encouraged to be aware of need in the world and their responsibility as good citizens. As part of this, each House chooses and raises money for a House Charity.

In March 2019, Worth announced that it had committed to supporting the Farsee Korma Public School in Liberia for a further three years (through to 2022) via Mary's Meals. The sponsorship provides the school's 350 children with a meal each day. Since Worth began supporting Farsee Korma School in 2017, over £20,000 has been raised.

Also in March Worth welcomed a small group of autistic children from a school in Germany for a two-day visit that included joining in Wednesday Worship.

A group of Year 12 students went on a service expedition to Borneo for 14 days in July 2019 which included spending time at the Dom Bosco Orphanage carrying out community work including clearing and cementing drainage channels, and fitting and painting doors and door frames.

This year the School began a relationship, via charity Life Reform Africa, with the St Mark Orphanage Academy School in Kitabisi, Kenya. Worth sent out a number of old laptops to the school which have allowed the children to develop their IT skills; the equipment is also available to the local community.

In July both current pupils and alumni were represented among volunteers with the Order of Malta Volunteers to take hospital pilgrims (most of whom require significant assistance in their day-to-day lives) on the Lourdes Pilgrimage.

### **Environmental responsibility**

Inspired by Pope Francis' *'Laudato Si'* encyclical about the responsibility to care for our 'common home', the Common Home committee led by the Head Boy and Head Girl, meets monthly to consider green initiatives and look at the best way to engage all of the School. Also on the committee are the Deputy Head Boy and Girl, the Head Master, some other senior managers and a student representative from each year.

The plans for the Refectory developed in 2018-19 were implemented over the summer of 2019. The new systems mean that there is better portion control, leading to less waste. The menu offers far more plant-based options which is also supporting the move to cut consumption of dairy and meat products.

The School is now purchasing its electricity from renewable sources and is looking at ways to move away from a reliance on oil in the heating system. The Household department is in the process of implementing an improved recycling scheme that will reduce the carbon footprint of the School; the scheme will allow additional materials to be recycled and provide more bins around campus with better signage. Dry waste will be processed via a new compactor and then recycled. Also under consideration is a plan to phase out single-use plastic water bottles.

### **FUNDRAISING POLICY AND ACTIVITIES**

The Development Office is under the line management of the Deputy Head (External). It works closely with the Marketing Department and Worth Society, the alumni association.

Donors to Worth School can be assured that we comply with the regulatory standards for fundraising. We are registered with the Fundraising Regulator and are committed to the Fundraising Promise and adherence to the Code of Fundraising Practice. This report covers the requirements charities must follow as set out in the Charities Act 2016.

Our fundraising efforts include encouraging donations and gifts in wills, running an Annual Fund and promoting the Bursary Fund through a direct mail appeal, the "leave your deposit" campaign and the Annual Fund, as well as through conversations with individuals. Legacy pledges and individual giving increased from the previous year.

The in-house fundraising team sent a direct mail to alumni in the previous year and this resulted in three legacies being pledged within this reporting year.

During the year, the in-house fundraising team launched the Annual Fund which aims to raise funds for important projects that enhance the curriculum and School life. Methods used included sending out an email to parents, with a link to an Annual Fund brochure and a link to the School's website, specifically to the Annual Fund page on the development

section of the site. Parents were sent occasional updates on the progress of the Annual Fund and we worked with the parents' association to support the fund. Contacting parents in these ways is set out and explained in our privacy notice, with information on how to be removed from further emails if they choose to opt-out of future communications.

A total of £78,000 was received into the fund in 2018-19, which will be spent on things ranging from trophy cases for the sports department to new mobile floodlights to restoring a music department piano.

During the year we also raised £154,000 for the bursary fund through a mixture of individual one-off donations and from the 'leave your deposit' initiative. Over time the growth of this fund will allow us to increase our support to charitable bursaries. The in-house fundraising team wrote a letter to all parents of Year 13 leavers to ask them if they would consider leaving the deposit they paid upon registering their child to the School. Nine parents donated some or all of their deposit for the bursary fund. The remaining amount was raised through individual parent donations. We had not run a bursary fund campaign for parents.

Lastly, an alumnus of the school has made a significant donation to Worth Abbey for the purposes of building and fitting out a new Sixth Form Centre for the School. No campaign was run for this capital development. This generous donation will be transformational for the School in the years to come.

We are registered with the Fundraising Regulator in order to demonstrate our commitment to high standards of ethics and professionalism and we comply with all the relevant standards set out in the Code of Fundraising Practice. The Head of Development is registered with the Institute of Fundraising.

We did not use any third party suppliers to help us raise funds over the course of the year.

We welcome feedback at any time from our community about our fundraising efforts and this serves to develop and improve our activities while promoting reflection on our practice. Developing clear feedback channels is part of our ongoing strategy. Contact made with any member of the Worth community with regard to fundraising is made with careful consideration to ensure each interaction is fair, reasonable and ethical. All communications are accurate, acknowledge a person's wishes for when and how to be communicated with and give the recipient the opportunity to opt out of future communications. Content and frequency are carefully monitored.

We are working within the guidelines of the data protection legislation; our fundraising contact with alumni has been via postal campaigns. Our new online networking platform called 'Worth Connecting' gathers consent preferences upon registration for future email, postal and telephone communications. These consent options can be changed at any time. Developing positive long-term relationships with all members of our community underpins all we do.

During the past year, we have received no complaints about our fundraising activities.

We ensure that we operate within the guidelines of current legislation on data protection to ensure our audience, including vulnerable people, are protected from any intrusions on their privacy. We have privacy notices available on our website and these have been shared with our community members, with information about how to opt-out from receiving communications at any time.

## FINANCIAL REVIEW AND RESULTS FOR THE YEAR

### Review of financial activity

#### *Unrestricted activities*

Worth School made a surplus on its core activities for the year ended 31 August 2019 of £971,000 (2018: £550,000). This was after all outgoings, including rent paid under the terms of the lease with Worth Abbey. This surplus is stated after an exceptional item of £49,000 (2018: £36,000) as we worked with Worth Abbey to provide wide-ranging evidence from our records to the Independent Inquiry into Child Sexual Abuse (IICSA).

The main cause of the improvement in surplus on core activities was an increase in pupil numbers.

In addition to its core activities, Worth School receives a gift under a deed of covenant from Worth Abbey Projects. For the year ended 31 August 2019 this amount was £166,000 (2018: £227,000).

On the basis of its core surplus and the gift from Worth Abbey Projects, the Trustees have felt able to give a gift to support the work of Worth Abbey of £936,000. The Trustees have identified a need to build their own unrestricted reserves and have retained unrestricted funds in 2018-19 of £201,000.

The table below reconciles the numbers in this section to the Statement of Financial Activities.

	Core activities of the School	Gift from Worth Abbey Projects	Gift to Worth Abbey	Total
Net fee income	15,070,136			15,070,136
Donations		165,805		165,805
Other income	<u>11,017</u>	<u>          </u>		<u>11,017</u>
<b>Total income</b>	<b>15,081,153</b>	<b>165,805</b>		<b>15,246,958</b>
Re-curring expenditure	14,062,769		935,805	14,998,574
Exceptional costs	<u>49,047</u>		<u>          </u>	<u>49,047</u>
<b>Total expenditure</b>	<b>14,111,816</b>	<b>0</b>	<b>935,805</b>	<b>15,047,621</b>
Transfer between funds	<u>1,250</u>			<u>1,250</u>
<b>Surplus</b>	<b><u>970,587</u></b>	<b><u>165,805</u></b>	<b><u>(935,805)</u></b>	<b><u>200,587</u></b>

#### *Restricted activities*

The School has three restricted funds.

- The largest is the Bursary Fund which was established to provide long term support for bursaries. This Fund was transferred from Worth Abbey on 31 August 2018. During 2018-19, the Abbey donated a further £2,000 to this

Fund and the Development Office raised £152,000 for this Fund. The main expenditure from the Bursary Fund in 2018-19 was investment management charges. In total this Fund made a surplus of £180,000 in 2018-19. From 2019-20 the Trustees anticipate that some of this fund will be used to support the School's charitable bursaries.

- The School also has an Annual Fund designed to provide smaller items that will enhance the learning experience and School life generally. The Fund was launched during 2018-19 and raised a total of £78,000. Of this £33,000 was spent by the year-end on operational items and further £1,000 was transferred to the unrestricted fund to support the depreciation on a capital item. In total, the Annual Fund made a surplus of £44,000 in 2018-19 of which £32,000 will be used during 2019-20.
- Lastly, the School has a Sports Fund established to finance new sports facilities. During 2018-19 work continued on developing a concept for a 3G pitch and this fund made an operating loss of £6,000.

## **Financial management policies**

During the year the School purchased investments with the bursary fund it acquired in 2017-18. The Governors have decided that they will follow the advice of the Abbey's Investment Committee for now when deciding on the funds to invest in. The Chairman of the board of governors sits on the Abbey's Investment Committee along with the Abbey Bursar and Abbey Chief Executive Officer.

The Bursary fund is invested in the Charifaith Common Investment Fund (CIF), managed by BlackRock Investment Management (UK) Limited. This fund was chosen on the basis of the Fund's objective of achieving capital growth and a growing level of income and its compliance with an ethical investment policy. The performance of this fund is kept under review by the Abbey's Investment Committee and the School governors.

The School continues to lend any surplus cash to the Abbey as part of the Group's treasury management arrangements. This loan is interest free and repayable on demand in line with the School's charitable objective to support the work of Worth Abbey. At 31 August 2019 the School had a cash balance of £1,381,000 (2018: £121,000) and was owed £6,315,000 by the Abbey (2018: £6,864,000)

## **Reserves policy**

The Trustees regularly review the level and nature of reserve funds for the School. During 2018-19 the Trustees identified a need to start to build up an unrestricted reserve. They are currently considering the level of reserves that will be needed and have not yet determined the final policy. As at 31 August 2019 the School had £201,000 in unrestricted reserves.

The School Trustees are looking to build up the Development Office so that it will raise significant funds for capital improvements and bursaries in the longer term. This activity is expected to lead to the School having additional restricted reserves. At 31 August 2019 the School had restricted reserves of £855,000.

## **Going concern**

Since the School physically closed on 20 March 2020 the Trustees have kept the financial performance of the School under close review. The Governor's Resources Committee has met five times and the full Board three times in this period. Key Trustees have also maintained ongoing dialogue with members of the School's senior leadership team. Cash is managed through a 12 month rolling forecast for the whole Worth Abbey group: Worth Abbey, Worth School, Worth Abbey Projects Ltd and Worth Abbey Construction Ltd. The Trustees receive regular reports of these forecasts. This heightened level of oversight has allowed the Trustees to probe and consider a wide range of scenarios.



The School made a strong surplus on its underlying activities in 2018–19. It expects to make a surplus in 2019-20 and is forecasting a surplus in 2020-21. In forming a decision on going concern the Trustees considered three cash flow projections: a base case and two downside scenarios – a further four month school closure, and a significant drop in pupil numbers by September 2021. These forecasts indicate that the group can expect to meet all its anticipated payments from its anticipated inflows and existing borrowing facilities for the next 12 months. As a result of these factors the Trustees consider that the School remains a going concern.

## **FUTURE PLANS**

As we start the 2020-21 academic year, the focus is on safely re-opening the physical school. Alongside this, a very generous gift from a Worthian is enabling the School to move forward with its vision for a Sixth Form Centre. We expect the Sixth Form Centre to be followed by other major projects in the areas of sport and science as part of our longer term strategy that will be finalised shortly.

## TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Worth School for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the School and of the incoming resources and application of resources, including the income and expenditure, of the School 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in operation.

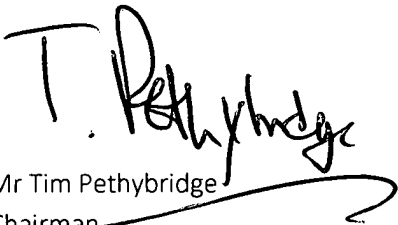
## DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as each of the Trustees of the School at the date of approval of this report is aware there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the School's auditor is aware of that information.

### AUDITORS

Crowe U.K. LLP have expressed their willingness to continue in office as auditor and a resolution proposing their reappointment will be submitted to the forthcoming Annual General Meeting.

This Annual Report, prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (effective January 2015), under the Charities Act 2011 and the Companies Act 2006, was approved by the Board on 21 September 2020, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Mr Tim Pethybridge  
Chairman

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF WORTH SCHOOL

## Opinion

We have audited the financial statements of Worth School for the year ended 31 August 2019 which comprise the statement of financial activities, balance sheet, cash flow statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of

accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

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

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

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

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

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

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

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

## Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 18, 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

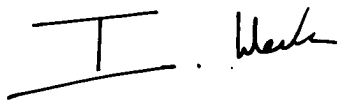
## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the

Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



Ian Weekes  
Senior Statutory Auditor  
For and on behalf of  
Crowe UK LLP  
Statutory Auditor  
Riverside House  
40-46 High Street  
Maidstone  
Kent  
ME14 1JH

Date:

29<sup>th</sup> September 2020

# WORTH SCHOOL STATEMENT OF FINANCIAL ACTIVITIES

## INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT: YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted funds	Restricted funds	Total 2019	Total 2018
		£	£	£	£
<b>INCOMING RESOURCES</b>					
<b>Voluntary income</b>					
Donations, gifts and legacies	2a	165,805	236,785	402,590	866,579
<b>Income from charitable activities</b>					
Advancement of education	2b	15,070,136		15,070,136	14,065,600
<b>Income from raising funds</b>					
Investment income	2c		13,447	13,447	113
Services provided to other group companies				0	36,745
Other		11,017		11,017	47,212
<b>TOTAL INCOMING RESOURCES</b>		<b>15,246,958</b>	<b>250,232</b>	<b>15,497,190</b>	<b>15,016,249</b>
<b>RESOURCES EXPENDED</b>					
Cost of raising funds	3b	110,433	3,000	113,433	48,657
<b>Net incoming resources available for charitable application</b>					
		15,136,525	247,232	15,383,757	14,967,592
<b>Charitable activities</b>					
Advancement of education	3b	14,001,383	40,188	14,041,571	13,363,284
Support of Worth Abbey	3b	935,805		935,805	539,686
<b>TOTAL RESOURCES EXPENDED</b>		<b>15,047,621</b>	<b>43,188</b>	<b>15,090,809</b>	<b>13,951,627</b>
<b>Net incoming resources before transfers and revaluations</b>					
		<b>199,337</b>	<b>207,044</b>	<b>406,381</b>	<b>1,064,623</b>
Transfers between funds		1,250	(1,250)	0	0
<b>NET INCOME FOR THE YEAR</b>		<b>200,587</b>	<b>205,794</b>	<b>406,381</b>	<b>1,064,623</b>
Unrealised gain on investment assets			12,019	12,019	
<b>NET MOVEMENT IN FUNDS INCLUDING NET INCOME FOR THE YEAR</b>					
		<b>200,587</b>	<b>217,813</b>	<b>418,400</b>	<b>1,064,623</b>
At 1 September 2018		0	636,879	636,879	(427,744)
At 31 August 2019		<b>200,587</b>	<b>854,692</b>	<b>1,055,279</b>	<b>636,879</b>

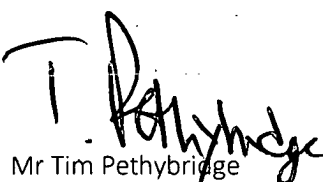
The notes on pages 25 to 41 form part of these financial statements.

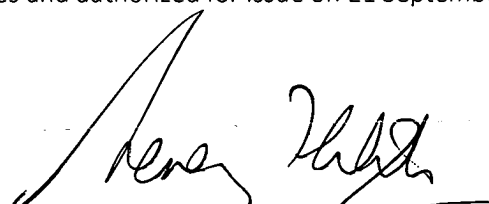
# WORTH SCHOOL BALANCE SHEET

31 AUGUST 2019

	Notes	2019	2018
		£	£
<b>FIXED ASSETS</b>			
Tangible fixed assets	4	263,380	270,928
Investments	5	459,331	
		722,711	270,928
<b>CURRENT ASSETS</b>			
Stock	6	85,960	94,592
Debtors	7	6,655,574	7,190,296
Cash at bank and in hand		1,381,181	121,069
		8,122,715	7,405,957
CREDITORS: Amounts falling due within one year	8	(5,130,003)	(4,514,884)
<b>NET CURRENT ASSETS</b>		2,992,712	2,891,073
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,715,423	3,162,001
CREDITORS: Amounts falling due after more than one year	9	(2,660,144)	(2,525,122)
<b>TOTAL NET ASSETS</b>		1,055,279	636,879
<b>FUNDS</b>			
Restricted funds	11	854,692	636,879
Unrestricted funds	12	200,587	
<b>TOTAL FUNDS</b>	13	1,055,279	636,879

The financial statements were approved by the Trustees and authorized for issue on 21 September 2020, and signed on their behalf by

  
Mr Tim Pethybridge  
Chairman

  
Mr Jeremy Fletcher  
Trustee

The notes on pages 25 to 41 form part of these financial statements.

# WORTH SCHOOL CASH FLOW STATEMENT

## YEAR ENDED 31 AUGUST 2019

	Notes	2019	2018
		£	£
<b>RECONCILIATION OF OPERATING RESULT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>			
Net income for the year		406,381	1,064,623
Returns on investment and the servicing of finance	2c	13,447	
Investment management fees	3b	3,000	
Depreciation	4	115,565	100,232
Decrease in stock	6	8,632	1,418
(Increase)/Decrease in debtors	7	534,722	(2,025,896)
Increase in creditors	8	739,808	195,073
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>		<b>1,821,555</b>	<b>(664,550)</b>
<b>CASH FLOW STATEMENT</b>			
Net cash inflow from operating activities		1,821,555	(664,550)
Returns on investment and the servicing of finance	2c	(13,447)	
Purchase of tangible fixed assets	4	(108,019)	(60,517)
(Increase) in investments	5	(450,312)	
<b>Net cash used in investment activities</b>		<b>(571,778)</b>	<b>(60,517)</b>
Increase/(Decrease) in parent's acceptance deposits	10	10,335	357,561
<b>Change in cash and cash equivalents for the year</b>		<b>1,260,112</b>	<b>(367,506)</b>
Cash and cash equivalents brought forward		121,069	488,575
<b>Cash and cash equivalents carried forward</b>		<b>1,381,181</b>	<b>121,069</b>

The notes on pages 25 to 41 form part of these financial statements.



## NOTES TO THE FINANCIAL STATEMENTS

### NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2019

#### 1. ACCOUNTING POLICIES

##### a) Company information

Worth School is a company limited by guarantee incorporated in England and Wales (company registration number 4476558 and charity number 1093914). The principal activity is that of an independent school.

Its registered address is at:-

Paddockhurst Road  
Turners Hill  
West Sussex  
RH10 4SD

##### b) Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Worth School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Trustees consider that the going concern basis of preparation remains appropriate as the forward financial projections suggest surpluses in future years. The forward cash projections of the School show that it will generate sufficient cash to meet its needs and gift and lend sums to the Abbey. Worth Abbey as the sole member of Worth School has undertaken to provide appropriate financial resources to the School for the foreseeable future.

##### c) Company status

The Charity is a company limited by guarantee. The member of the company is Worth Abbey. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

##### d) Incoming resources

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting scholarships, bursaries and other allowances. Interest income is accounted for on a receivable basis.

## NOTES TO THE FINANCIAL STATEMENTS

### e) Grants

Grants receivable are recognised when received.

### f) Gifts in kind

The values attributed to gifts in kind are either the amounts actually realised or an estimate of their value. They are recognised as incoming resources when received.

### g) Resources expended

All resources expended are accounted for on an accruals basis and are detailed under the following headings:

- Costs of raising funds – This includes non-charitable trading activities together with their related support costs.
- Charitable expenditure – This includes that expenditure incurred directly in connection with the objects of the charity and includes the cost of services, management and support costs.
- Expenditure is summarised under functional headings either on a direct cost basis or, for overhead costs, apportioned according to management estimates of expenditure incurred. The irrecoverable element of VAT is included with the item of expense to which it relates.

### h) Tangible fixed assets and depreciation

Items costing less than £2,500 are written off as an expense as acquired. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the original cost on a straight line basis over their expected useful economic life as follows:

Motor vehicles	over 4 years
Computer equipment	over 4 years
Sports Equipment	over 4 years
Fixtures and fittings	over 5 years
Plant and machinery	between 4 and 7 years

### i) Stock

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

### j) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Known bad debts are written off and provision is made for any considered to be doubtful.

## NOTES TO THE FINANCIAL STATEMENTS

### k) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### l) Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within Interest payable and similar charges.

Fees received in advance are carried forward for credit in the period to which they relate.

### m) Financial instruments

The School only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in unit trusts.

### n) Pensions

The Teachers' Pension Scheme (TPS) 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.

The School also contributes to a Worth Abbey Group Personal Pension Plan for non-teaching staff who have more than three months service, at a rate of 8% of annual basic pay, and these costs are accrued accordingly.

### o) Operating leases

The rentals payable under operating leases are charged in the Statement of Financial Activities as incurred over the lease term.

## NOTES TO THE FINANCIAL STATEMENTS

### **p) Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives.

Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity.

Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

### **q) Acceptance deposits**

When a pupil is accepted into the School, parents are required to pay an acceptance deposit which is refunded, without interest, after the pupil leaves the School.

### **r) Fee prepayments**

Fee prepayments are included within creditors and aged according to the expected year of release assuming that the pupil remains in the School.

### **s) Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Restricted funds are funds subject to specific restrictive conditions imposed by donors or by the purpose of the appeal. The purpose and use of the restricted funds is set out in note 11 to the financial statements.

All income and expenditure is shown in the Statement of Financial Activities.

### **t) Critical accounting estimates and areas of judgement**

The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- i. Tangible fixed assets: the Trustees annually assess both the residual value of these assets and the expected useful life of such assets based on experience.
- ii. Recoverability of trade debtors: the Trustees annually assess whether a bad debt provision is required for any bad or doubtful debtor balances.

## NOTES TO THE FINANCIAL STATEMENTS

### 2. INCOME

#### 2a. Donations, gifts and legacies

	Unrestricted		Restricted		Total	
		Bursary Fund	Annual Fund	Sports facilities	2019	2018
	£	£	£	£	£	£
Gifts from other members of the Worth Abbey Group	165,805	1,577			167,382	855,579
Gifts & donations from others		152,287	78,256		230,543	11,000
Gift aid tax reclaimed			2,163	2,502	4,665	
Total	165,805	153,864	80,419	2,502	402,590	866,579

#### 2b. Income from the advancement of education

	2019	2018
	£	£
Fee income for the year	16,451,050	15,235,749
Release of fee prepayments	627,064	691,932
Extras	126,450	106,140
Entrance fees	67,783	50,507
	17,272,347	16,084,328
LESS:		
Allowances and remissions:		
Scholarships granted	1,150,095	1,199,091
Bursaries and other remissions	1,052,116	819,637
	2,202,211	2,018,728
	15,070,136	14,065,600

## NOTES TO THE FINANCIAL STATEMENTS

### 2c. Investment income

	Restricted Bursary Funds	2019	2018
	£	£	£
Investment income from listed securities	11,974	11,974	
Bank interest receivable	1,473	1,473	113
Total	13,447	13,447	113

### 3a. EXPENDITURE — STAFF COSTS

	2019	2018
	£	£
Employment costs include:		
Wages and salaries	7,619,162	6,705,513
Social security costs	707,916	660,446
Pension contributions	881,819	834,700
	<u>9,208,897</u>	<u>8,200,659</u>

The average number of employees in the year was:

	2019	2018
	Number	Number
Teaching & teaching support	86	91
Welfare	57	64
Premises	25	23
Support	43	34
	<u>211</u>	<u>212</u>

## NOTES TO THE FINANCIAL STATEMENTS

### 3a. EXPENDITURE - STAFF COSTS (Continued)

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

	2019	2018
	Number	Number
£60,000 - £70,000	5	5
£70,001 - £80,000	2	4
£80,001 - £90,000	3	2
£90,001 - £100,000	-	-
£100,001 - £110,000	-	-
£110,001 - £120,000	-	-
£120,001 - £130,000	-	-
£130,001 - £140,000	1	1
£140,001 - £150,000	-	-

Eight of the above were members of a defined benefit pension scheme. Total pension contributions payable for these employees amounted to £79,543 (2018: £130,864) in the year.

Three of the above were members of a defined contribution pension scheme. Total pension contributions payable for these employees amounted to £18,490 (2018: £19,171) in the year.

The key management personnel received total remuneration for the year of £547,180 (2018: £350,884).

## NOTES TO THE FINANCIAL STATEMENTS

### 3b EXPENDITURE — ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs	Other	Depreciation	Total 2019	2018
	£	£	£	£	£
Costs of generating funds					
Marketing costs	103,019	7,414		110,433	48,657
Investment management fees		3,000		3,000	0
	103,019	10,414		113,433	48,657
School operating costs					
Teaching costs	5,505,988	923,203	2,157	6,431,348	6,451,779
Welfare costs	978,464	936,138	16,429	1,931,031	1,827,445
Premises	856,530	2,336,772	96,981	3,290,283	3,013,570
Support costs	1,764,896	583,825		2,348,721	2,070,490
Restricted expenditure		40,188		40,188	
	9,105,878	4,820,126	115,567	14,041,571	13,363,284
Support of Worth Abbey		935,805		935,805	539,686
	9,208,897	5,766,345	115,567	15,090,809	13,951,627



## NOTES TO THE FINANCIAL STATEMENTS

### 3c. EXPENDITURE — OTHER DISCLOSURES

Total resources expended are stated after charging:

	2019	2018
	£	£
Auditors' remuneration:		
Audit Fees	10,695	8,645
Professional advice	7,304	
Depreciation of tangible fixed assets:		
- owned by the charitable company	115,565	100,232
Operating leases:		
- land and building	820,080	804,000
Other	106,564	101,259
Costs of an unusual or exceptional nature:		
Costs associated with providing evidence for the Independent Inquiry into Child Sexual Abuse	49,047	36,258

## NOTES TO THE FINANCIAL STATEMENTS

### 4. TANGIBLE ASSETS

	Motor Vehicles	Plant and Machinery	Fixtures & Fittings	Computer Equipt	Sports Equipt	Total
	£	£	£	£	£	£
<b>COST</b>						
At 01 Sep 18	91,741	1,052,502	165,348	517,336	48,448	1,875,375
Additions	87,185	7,885	0	1,079	11,870	108,019
At 31 Aug 19	<u>178,926</u>	<u>1,060,387</u>	<u>165,348</u>	<u>518,415</u>	<u>60,318</u>	<u>1,983,394</u>
<b>DEPRECIATION</b>						
At 01 Sep 18	91,741	960,791	17,370	486,098	48,448	1,604,448
Charge for the year	16,429	49,989	33,069	13,922	2,157	115,566
At 31 Aug 19	<u>108,170</u>	<u>1,010,780</u>	<u>50,439</u>	<u>500,020</u>	<u>50,605</u>	<u>1,720,014</u>
<b>Net book value</b>						
At 31 Aug 19	<u>70,756</u>	<u>49,607</u>	<u>114,909</u>	<u>18,395</u>	<u>9,713</u>	<u>263,380</u>
At 31 Aug 18	<u>-</u>	<u>91,712</u>	<u>147,978</u>	<u>31,238</u>	<u>-</u>	<u>270,928</u>

### 5. Investments

	Listed restricted investments
	£
At 1 September 2018	0
Investments made in the year	450,312
Management fee	(3,000)
Unrealised investment gain	12,019
Market value at 31 August 2019	459,331

## NOTES TO THE FINANCIAL STATEMENTS

### 6. STOCK

	2019	2018
	£	£
General Stores	<u>85,960</u>	<u>94,592</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

### 7. DEBTORS

	2019	2018
	£	£
School fees and extras less bad debt provision	131,552	141,289
Amounts owed by group companies	6,314,990	6,863,508
Other debtors	11,588	12,587
Prepayments and accrued income	<u>197,444</u>	<u>172,912</u>
	<u>6,655,574</u>	<u>7,190,296</u>

Amounts owed by group companies are lent interest free and repayable on demand.

## NOTES TO THE FINANCIAL STATEMENTS

### 8. CREDITORS: amounts falling due within one year

	2019	2018
	£	£
Fee prepayments	582,037	460,751
Acceptance deposits	589,381	492,964
School fees and extras received in advance	2,958,087	2,502,076
Trade creditors	102,342	212,156
Other taxes and social security costs	183,504	168,510
Clubs and societies	7,385	5,163
Other creditors	206,438	246,733
Accruals	<u>500,829</u>	<u>426,531</u>
	<u>5,130,003</u>	<u>4,514,884</u>

### 9. CREDITORS: amounts falling due after more than one year

	2019	2018
	£	£
Fee prepayments (note10)	575,080	450,393
Acceptance deposits (note 10)	<u>2,085,064</u>	<u>2,074,729</u>
	2,660,144	2,525,122

## NOTES TO THE FINANCIAL STATEMENTS

### 10. PARENTS' DEPOSITS AND FEE PRE-PAYMENTS

	2019	2018
	£	£
Fee prepayments	1,157,117	911,144
Less: amount to be released within one year	<u>(582,037)</u>	<u>(460,751)</u>
On account of fees falling due after more than one year	575,080	450,393
Acceptance deposits	2,674,445	2,567,694
Less amounts due to be repaid in September	<u>(589,381)</u>	<u>(492,964)</u>
Acceptance deposits and fee prepayments falling due after more than one year at 31 August	<u>2,660,144</u>	<u>2,525,123</u>

Fee prepayments on account of fees falling due after more than one year are aged on the assumption that the pupil remains in the school until the prepayment is exhausted.

### 11. RESTRICTED FUNDS

The restricted funds of the group and the unexpended balances are as follows:

	At 01 September 2018	Incoming resources	Resources expended	Unrealised Investment Gain	Transfers	At 31 August 2019
	£	£	£		£	£
Bursary Fund	618,392	169,473	(1,100)	12,019	-	798,784
Annual Fund	-	78,256	(33,250)		(1,250)	43,756
Sports Facilities	18,487	2,502	(8,838)		-	12,151
	<u>636,879</u>	<u>250,231</u>	<u>(43,188)</u>	<u>12,019</u>	<u>(1,250)</u>	<u>854,691</u>

#### Bursary Fund:

The Bursary Fund was transferred from Worth Abbey in August 2018. The fund is represented by cash and investment. Trustees are aiming to increase this fund and use the income to support their bursaries.

#### Annual Fund

The Annual Fund was set up to provide curriculum-enhancing resources across the school. During 2018-19 our parents generously provided enough support to fully fund each project.

#### Sports Facilities:

This Fund was established to assist with funding for new sports facilities including a 3G pitch on which early design work has commenced.

## NOTES TO THE FINANCIAL STATEMENTS

### 12. UNRESTRICTED FUNDS

	At 1 September 2018	Incoming resources	Resources expended	Transfers	At 31 August 2019
	£	£	£	£	£
Unrestricted funds	-	15,246,958	(15,047,621)	1,250	200,587

### 13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

At 31 August 2019

	Tangible fixed assets £	Investments £	Net current assets/ (liabilities) £	Long term Liabilities £	Total £
Restricted Funds					
Bursary Fund	-	459,331	339,454	-	798,785
Annual Fund			43,756		43,756
Sports Facilities	-		12,151	-	12,151
	-	459,331	395,361	-	854,692
Unrestricted funds	263,380		2,597,351	(2,660,144)	200,587
Total reserves	263,380	459,331	2,992,712	(2,660,144)	1,055,279

At 31 August 2018

	Tangible fixed assets £	Investments £	Net current assets/ (liabilities) £	Long term Liabilities £	Total £
Restricted Funds					
Bursary Fund	-	-	618,391	-	618,391
Annual Fund					
Sports Facilities	-	-	18,488	-	18,488
	-	-	636,879	-	636,879
Unrestricted funds	270,928	-	2,254,194	(2,525,122)	-
Total reserves	270,928	-	2,891,073	(2,525,122)	636,879

## NOTES TO THE FINANCIAL STATEMENTS

### 14. ANALYSIS OF CHANGES IN NET DEBT

	At 31 August 2018	Net Cash Flow	At 31 August 2019
	£	£	£
Cash in hand and at bank	121,069	1,260,111	1,381,180
Debt due after one year: Acceptance deposits	(2,074,729)	(10,334)	(2,085,063)
Net debt	<u>(1,953,660)</u>	<u>1,249,777</u>	<u>(703,883)</u>

### 15. OPERATING LEASE COMMITMENTS

Annual commitments under operating leases to make payments in the following year are analysed below by the expiry date of the leases concerned.

#### Operating leases

	Land & buildings	Other	Land & buildings	Other
	2019	2019	2018	2018
	£	£	£	£
Under 1 year	828,821	5,663	804,000	18,021
Between 2 and 5 years	-	100,342	-	83,238
	<u>828,821</u>	<u>106,005</u>	<u>804,000</u>	<u>101,259</u>

### 16. FINANCIAL INSTRUMENTS

	2019	2018
	£	£
Financial assets measured at amortised cost	<u>1,524,321</u>	<u>274,945</u>
Financial liabilities measured at amortised cost	<u>7,790,148</u>	<u>7,040,006</u>

Financial assets measured at amortised cost comprise cash at bank, trade debtors and other debtors.  
Financial liabilities measured at amortised cost comprise bank loans, trade creditors, other creditors and accruals.

## NOTES TO THE FINANCIAL STATEMENTS

### 17. ULTIMATE CONTROLLING PARTY

Worth Abbey (registered charity number 1093913, registered company number 4475556) is the sole member and controlling party of Worth School. A copy of the group accounts can be obtained from the Company Secretary, Worth Abbey, Paddockhurst Road, Turners Hill, West Sussex. RH10 4SB.

### 18. RELATED PARTY TRANSACTIONS

Trustees received a total of £86 for food and travel expenditure incurred whilst travelling on school business (2018: £772). Trustee indemnity insurance is included in the School's insurance policy at no extra cost and covers those members of the Board serving as Trustees. There is a process at each board meeting for the trustees to declare any hospitality and gifts that trustees receive as a result of their role as trustees. During 2018-19 no gifts or hospitality were declared by Trustees.

The School enters into transactions with parent governors. These transactions occur on an arm's length basis with independent consideration of any bursaries and scholarships which may arise.

The Worth Abbey Group operates in such a way that goods and services are often bought by one entity on behalf of another and then passed on at cost. As a result, during the year the school transacted with Worth Abbey, its parent, Worth Abbey Construction Limited and Worth Abbey Projects Ltd, fellow subsidiaries. Under these arrangements, Worth School received goods and services from Worth Abbey valued at £2,077,400 (2018: £1,597,706) in the year and passed goods and services to Worth Abbey valued at £441,181 in the year (2018: £612,624). Furthermore, goods and services valued at £207,440 (2018: £173,416) were transferred to Worth Abbey Projects Ltd and goods and services valued at £13 (2018: £9,385) were transferred to Worth Abbey Construction Ltd.

In addition to these transactions, Worth School leased land and buildings from Worth Abbey for £820,080 (2018: £804,000) which is considered to be an approximation of the market rent. Worth School also purchased goods and services from Worth Abbey Projects Ltd to the value of £13,081 (2018: £2,356) on a basis that is equivalent to that paid by other customers of Worth Abbey Projects Ltd.

During the year Worth School received a payment from Worth Abbey Projects of £165,805 (2018: £226,288) under a deed of covenant. It also made a gift to Worth Abbey of £935 805.

As at the year end, £6,314,990 was owed from Worth Abbey (2018: £6,863,508).

### 19. PENSION COMMITMENTS

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £663,470 (2018: £658,556) and at the year-end £87,730 (2018 – £86,690) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 and, from 1 April 2014, the Teachers' Pension Scheme Regulations 2014. Members contribute on a 'pay as you go' basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.



## NOTES TO THE FINANCIAL STATEMENTS

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The latest valuation report in respect of the TPS was prepared as at 31 March 2016 and was published in April 2019. The employer contribution was increased from 16.48% to 23.68% effective from 1 September 2019.

The charity also makes defined contributions to a group personal pension scheme for its non-teaching staff. Contributions to this scheme in the year amounted to £218,349 (2018: £176,144).