

WORTH SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
PERIOD ENDED 31 AUGUST 2003



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**WORTH SCHOOL
TRUSTEES AND ADVISERS
PERIOD ENDED 31 AUGUST 2003**

TRUSTEES AND DIRECTORS: The Right Reverend P C Jamison MA, President
Mr K G Smyth, LLB, Chairman
Mrs A Andreotti
Mr A Boys
Mr MHT Gairdner BA FCA (Acts as Chair of the Governors
Finance & Resources Committee)
Mr MR Haan FCA
Sr M M Horton CRSS
The Reverend R L Jolly BA
Mrs R Lewis BSc (Acts as Chair of the Education Committee)
The Very Reverend C A Murray BSc PhD MA
The Reverend J K Taggart MA

**COMPANY SECRETARY &
REGISTERED OFFICE:** The Very Reverend C A Murray
Worth School
Turners Hill
Nr Crawley
West Sussex RH10 4SD

AUDITORS: Horwath Clark Whitehill
10 Palace Avenue
Maidstone
Kent ME15 6NF

BANKERS: Bank of Scotland
15 Queen Square
Brighton BN1 3FD

SOLICITORS: Veale Wasbrough
Orchard Court
Orchard Lane
Bristol BS1 5DS

DMH
40 High Street
Crawley
West Sussex
RH10 1BW

**WORTH SCHOOL
TRUSTEES' REPORT
PERIOD ENDED 31 AUGUST 2003**

The Trustees, who also served as company directors during the period, present their report and financial statements for the period from incorporation on 3rd July 2002 to 31 August 2003. The Trustees confirm that the financial statements comply with current statutory requirements, with those of the governing documents and the requirements of the Statement of Recommended practice "Accounting and Reporting by Charities" 2000.

BACKGROUND AND STATUS

Worth School is a company limited by guarantee and a registered charity. It commenced trading on 1st September 2002 when it had transferred to it the School related activities, assets, liabilities & commitments from Worth Abbey (company no. 4475556, charity no. 1093913) by way of a donation. The activities, assets, liabilities and commitments had themselves been transferred from Worth Abbey (charity no 233572) on 31st August 2002.

The Trustees of the charity are the School's Board of Governors, details of whom are set out on page 1 which constitutes part of this report. The President of the Board of Governors is the Abbot of Worth Abbey. The Board operates with two sub-committees, the Governors' Education Committee and the Governors Finance & Resources Committee.

The School uses buildings and playing fields, which are owned by Worth Abbey, on which the School has a lease.

OBJECTS

Worth School's objects 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 (company no. 4475556).

POLICY

In order to further the objects of the charity, the Trustees run a Roman Catholic school known as Worth School, following the ethos and traditions of the Rule of St Benedict. The School was also able to provide both financial and other resources to support the work of Worth Abbey and its charitable activities during the year.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

Following the election of the former Headmaster, Fr Christopher Jamison, to the position of Abbot to the monastic community of Worth Abbey in July 2002, the Senior Deputy Headmaster, Mr Peter Armstrong, became the Acting Head and in November 2002 was appointed to the permanent position of Headmaster.

As well as achieving excellent academic results, the School community placed great emphasis on pupils' development outside the classroom through sport, drama, music and community service. Some of the projects undertaken by the boys during the period have included shopping and gardening for the elderly, voluntary work in charity shops and environmental projects recycling paper and aluminium. Sixth form boys were also involved in work with children from the local primary school who use the School's ICT and sports facilities one afternoon each week. The School places great importance on its role in a partnership arrangement with 4 local state schools known as the 'WHISP' consortium. It also made its sports facilities available for use by local clubs.

A central part of the School is the Chaplaincy. Its work involves four members of the monastic community of Worth Abbey who work closely with the lay members of the School community and the pupils to ensure that the Benedictine ethos is at the forefront of life in the School.

WORTH SCHOOL
TRUSTEES' REPORT (CONTINUED)
PERIOD ENDED 31 AUGUST 2003

The Governors and the School Management Team are currently in the process of reviewing the School's policies on the provision of scholarships and bursaries. Worth School already provides financial assistance to both academically able and musically talented pupils to enable them to enjoy the benefits of attending the School as well as providing hardship bursaries to existing pupils whose families fall into financial difficulties. Worth School is committed to continuing to provide such assistance and is looking for possible ways to expand it within the financial constraints of being a School without endowment funds.

Worth Abbey's second School Development Plan went into its third year. The plan combines an understanding and development of the Benedictine ethos within the School with some very exciting physical developments. During the academic year, the School benefited from the Abbey's completion of the Upper Sixth House last year and its availability for educational and other purposes throughout the academic year, the refurbishment and use of the upgraded Science Block and has, since the year end, moved back into a completely refurbished boarding house with integral Housemasters accommodation which was being worked upon throughout the year.

Other projects remaining in the Plan include a second refurbished boarding house, additional classroom and staff facilities and a new swimming pool.

The School roll in September 2002 was 439 and at the start of the Autumn Term 2003 was 444.

FINANCIAL RESULTS

The financial results of Worth School were in line with the Trustees' expectations for the period ended 31st August 2003. The surplus generated after all outgoings including rent paid under the terms of the lease with Worth Abbey amounted to £378,661. In accordance with the charity's objectives and having regard to the position as outlined under Reserves below, this amount was donated to Worth Abbey, and the Trustees were very pleased to provide such level of support.

RESERVES

The Trustees and Management Team of Worth School have produced, with the support and agreement of Worth Abbey, a development plan for the School under which certain physical and other developmental needs have been identified. Under this plan Worth Abbey as the owner of the freehold of the physical assets, has agreed to both finance and either develop or refurbish specified assets, and then provide them for use by the School under a leasehold arrangement.

At the balance sheet date Worth Abbey had incurred substantial borrowings in order to carry out the agreed development work and as a consequence the Trustees of Worth School have agreed to donate to Worth Abbey surpluses arising within Worth School subject to the need to retain any reserves. Worth Abbey has in turn undertaken to provide appropriate financial resources to the School to enable it to meet its own agreed capital and working capital needs.

In view of Worth Abbey's undertaking and in light of the School's budget and cash flow forecasts the Trustees are satisfied that no reserves need to be retained by Worth School at the present time.

CORPORATE GOVERNANCE AND RISK MANAGEMENT

Worth School and its Board of Trustees are committed to high standards of corporate governance.

The Board meets at least four times a year and more frequently where needs require. The Board has a schedule of matters reserved for its decision and the results of such deliberations are communicated through the School Management Team, or by the Chairman of the Board on their behalf, to all relevant parties.

**WORTH SCHOOL
TRUSTEES' REPORT (CONTINUED)
PERIOD ENDED 31 AUGUST 2003**

The Board supports its membership by identifying opportunities for briefings and training in all relevant areas and encourages Trustees to take advantage of these.

The Board is responsible for the company's system of internal control and for reviewing its effectiveness. There is an ongoing process for identifying, evaluating and managing the significant risks faced by Worth School and this has been in place for the year under review. Strategic, financial, commercial, charitable, operational, social, environmental and ethical risks fall within the scope of these processes. In addition, since the period end the Trustees commissioned an *independent review of their risk management process*. These processes are designed to manage rather than eliminate the risk of failure to achieve objectives and can only provide reasonable, not absolute, assurance against material misstatements or loss.

By Order of the Trustees



A handwritten signature in black ink, appearing to read 'Ken Skye', with a horizontal line drawn underneath it.

WORTH SCHOOL
STATEMENT OF TRUSTEES' RESPONSIBILITIES
PERIOD ENDED 31 AUGUST 2003

Company law requires the trustees as directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements, the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with current legislation. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF WORTH SCHOOL

We have audited the financial statements of Worth School for the period ended 31 August 2003 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes as set out on pages 7 to 18. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 10 and 11.

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As described on page 5, the directors who also act as the trustees for the charitable activities of Worth School, are responsible for the preparation of the financial statements. It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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

We read other information contained in the Directors' and Trustees' report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

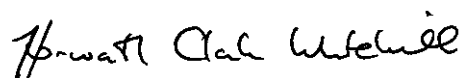
Basis of Opinion

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

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

Unqualified Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the charity at 31 August 2003 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



HORWATH CLARK WHITEHILL

Chartered Accountants
and Registered Auditors
Maidstone

12 December 2003

WORTH SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
PERIOD ENDED 31 AUGUST 2003

| | Notes | Unrestricted funds |
|--|-------|-----------------------|
| | | 2003 £ |
| INCOMING RESOURCES | | |
| Charitable Activities | | |
| School fees receivable | 2 | 6,401,436 |
| Other activities to generate funds | | |
| Interest receivable | | 11,583 |
| Services provided to other group companies | | 36,069 |
| Other | | 7,391 |
| TOTAL INCOMING RESOURCES | | 6,456,479 |
| RESOURCES EXPENDED | | |
| Cost of generating funds | | |
| Other costs | | 3,249 |
| Charitable expenditure: | | |
| Employment costs | 3 | 3,258,280 |
| Establishment | 3 | 1,288,508 |
| Supplies and services | 3 | 1,517,194 |
| Other charitable expenditure | 3 | 379,272 |
| Management and administration of charity | 3 | 9,976 |
| TOTAL RESOURCES EXPENDED | | 6,456,479 |
| NET MOVEMENT IN FUNDS | | - |
| Net balances transferred at 1 September 2002 | 11 | - |
| AT 31 AUGUST 2003 | | - |

The notes on pages 10 to 18 form part of these financial statements.

**WORTH SCHOOL
BALANCE SHEET
31 AUGUST 2003**

| | | 2003 £ |
|--|----|-----------------------|
| FIXED ASSETS | | |
| Tangible fixed assets | 4 | 212,687 |
| | | <hr/> |
| CURRENT ASSETS | | |
| Stock | 5 | 108,496 |
| Debtors | 6 | 696,151 |
| Cash at bank and in hand | | 259,638 |
| | | <hr/> |
| | | 1,064,285 |
| CREDITORS: amounts falling due within one year | 7 | <hr/> (927,755) <hr/> |
| NET CURRENT ASSETS | | <hr/> 136,530 <hr/> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 349,217 |
| CREDITORS: amounts falling due after more than one year | 8 | (349,217) |
| | | <hr/> |
| TOTAL NET ASSETS | | <hr/> - <hr/> |
| FUNDS | | |
| Unrestricted funds | 10 | - |
| TOTAL FUNDS | | <hr/> - <hr/> |

The financial statements were approved by the trustees on

Rosemary F. Lewis
K. S. G. H. } Trustees

The notes on pages 10 to 18 form part of these financial statements.

WORTH SCHOOL
CASH FLOW STATEMENT
PERIOD ENDED 31 AUGUST 2003

| | Notes | 2003 £ |
|--|-------|-----------------------|
| RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES | | |
| Changes in resources before transfers and revaluation | | - |
| <hr/> | | |
| Depreciation | 4 | 116,158 |
| (Increase) in stock | | (23,553) |
| Decrease in debtors | | 261,168 |
| (Decrease) in creditors | | (33,815) |
| <hr/> | | |
| NET CASH INFLOW FROM OPERATING ACTIVITIES | | <u>319,958</u> |

CASH FLOW STATEMENT

| | | |
|--|-----|---------------------|
| Net cash inflow from operating activities | | 319,958 |
| Capital expenditure | 11a | <u>(97,811)</u> |
| | | 222,147 |
| Financing | 11b | <u>31,736</u> |
| Increase in cash in the year | 12 | <u>253,883</u> |
| RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT | | |
| Increase in cash in the period | | 253,883 |
| Cash inflow from increase in net debt | 11b | <u>(31,736)</u> |
| Changes in net funds resulting from cash flows | | <u>222,147</u> |
| Movement in net funds in the year | 12 | 222,147 |
| Net funds transferred at 1 September 2002 | 12 | <u>(213,710)</u> |
| NET FUNDS AT 31 AUGUST 2003 | 12 | <u>8,437</u> |

The notes on pages 10 to 18 form part of these financial statements.

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 AUGUST 2003

1. ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements have been prepared under the historical cost convention, and in accordance with the Charities (Accounts and Reports) Regulations 2000, the Statement of Recommended Practice "Accounting and Reporting by Charities" and applicable accounting standards.

b) Fund Accounting

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of Worth School.

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

c) Income Recognition

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.

d) Grants

Grants receivable are recognised when there is reasonable assurance of their receipt and where appropriate in the year to which they relate.

e) 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.

f) Resources Expended

The cost headings comprise areas of expenditure relating to the charity's objectives. In the majority of instances, the costs are directly attributable to those activities. In certain cases, however, other expenditure is allocated on the basis of use.

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
PERIOD ENDED 31 AUGUST 2003

1. ACCOUNTING POLICIES (CONTINUED)

g) Capitalisation and Depreciation

Items costing less than £1,000 are written off as an expense as acquired.

Depreciation is provided on all tangible fixed assets, other 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 |
| Plant and machinery | between 3 and 10 years |

h) Stock

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

i) Foreign Currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as a gain or loss on investment assets in the statement of financial activities.

j) Pensions

The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

k) Operating Leases

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

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
PERIOD ENDED 31 AUGUST 2003

2. SCHOOL FEES RECEIVABLE

| | 2003 £ |
|------------------------------|-------------------------|
| Fee income for the year | 6,445,772 |
| Release of parents' deposits | 183,850 |
| Extras | 145,511 |
| Entrance fees | <u>10,842</u> |
| | 6,785,975 |
| LESS: | |
| Allowances and remissions: | |
| Scholarships granted | 285,516 |
| Bursaries | <u>99,023</u> |
| | 384,539 |
| | <u>6,401,436</u> |

3. RESOURCES EXPENDED

| | 2003 £ |
|---|-----------------------|
| Employment costs include: | |
| Wages and salaries | 2,810,607 |
| Social security costs | 213,500 |
| Pension contributions | <u>234,173</u> |
| | 3,258,280 |
| Establishment costs include: | |
| Depreciation | 116,158 |
| Maintenance | 453,722 |
| Utilities | 194,156 |
| Rent | <u>400,000</u> |
| Supplies and services costs include: | |
| Catering | 214,400 |
| Curriculum | <u>266,959</u> |
| Other charitable expenditure includes: | |
| Donation | <u>378,661</u> |

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
PERIOD ENDED 31 AUGUST 2003

3. RESOURCES EXPENDED (CONTINUED)

2003
£

Management and administration includes:

Auditors' remuneration:
For audit

9,976

The average number of employees in the year was:

2003
Number

Teaching & teaching support
Welfare
Premises
Management, administration & fundraising

58
33
20
6

117

The number of employees whose emoluments exceeded £50,000 were:

2003
Number

£70,001 - £80,000

1

The above was a member of a defined contribution pension scheme.
Total pension contributions payable for this employee amounted to £6,901
in the year.

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
PERIOD ENDED 31 AUGUST 2003

4. TANGIBLE FIXED ASSETS

| | Motor Vehicles £ | Plant and Machinery £ | Computer Equipment | Total £ |
|--|---------------------------------|--------------------------------------|-------------------------------|-----------------------|
| Cost | | | | |
| Transferred at 1 September 2002 | 64,608 | 346,599 | 270,642 | 681,849 |
| Additions | - | 8,209 | 89,602 | 97,811 |
| | <u>64,608</u> | <u>354,808</u> | <u>360,244</u> | <u>779,660</u> |
| At 31 August 2003 | | | | |
| Depreciation | | | | |
| Transferred at 1 September 2002 | 30,339 | 197,903 | 222,573 | 450,815 |
| Charge for the year | 12,464 | 34,290 | 69,404 | 116,158 |
| | <u>42,803</u> | <u>232,193</u> | <u>291,977</u> | <u>566,973</u> |
| At 31 August 2003 | | | | |
| Net book value | | | | |
| At 31 August 2003 | <u>21,805</u> | <u>122,615</u> | <u>68,267</u> | <u>212,687</u> |
| <i>Transferred at 1 September 2002</i> | <u><i>34,269</i></u> | <u><i>148,696</i></u> | <u><i>48,069</i></u> | <u><i>231,034</i></u> |

5. STOCK

| | |
|----------------|-----------------------|
| | 2003 |
| | £ |
| General stores | <u>108,496</u> |

The replacement cost as at 31st August 2003 is not materially different from the values shown above.

6. DEBTORS

| | |
|---|-----------------------|
| | 2003 |
| | £ |
| School fees and extras less bad debt provision | 154,498 |
| Amounts owed by group companies | 459,941 |
| Other debtors | 42,652 |
| Prepayments | 39,060 |
| | <u>696,151</u> |

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
PERIOD ENDED 31 AUGUST 2003

7. CREDITORS: amounts falling due within one year

| | 2003 £ |
|--|----------------|
| Parents' deposits on account of fees (note 12) | 148,275 |
| School fees and extras in advance | 427,329 |
| Trade creditors | 80,466 |
| Amounts owed to group undertakings | 15,487 |
| Other taxes and social security costs | 73,573 |
| Clubs and societies | 24,155 |
| Other creditors | 113,094 |
| Accruals and deferred income | 45,376 |
| | <u>927,755</u> |

8. CREDITORS: amounts falling due after more than one year

| | 2003 £ |
|--------------------------------------|----------------|
| Parents' deposits on account of fees | 98,016 |
| Acceptance deposits | 251,201 |
| | <u>349,217</u> |

When a pupil is accepted into the school a deposit is due and payable and is refundable when the pupil leaves the school.

9. PARENTS' DEPOSITS ON ACCOUNT OF FEES

| | 2003 £ |
|---|------------------|
| On account of fees | 246,291 |
| Less: amount to be released within one year | <u>(148,275)</u> |
| On account of fees falling due after more than one year | <u>98,016</u> |

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
PERIOD ENDED 31 AUGUST 2003

10. UNRESTRICTED FUNDS

| | <i>At 1 September 2002 £</i> | Incoming resources £ | Resources Expended £ | <i>At 31 August 2003 £</i> |
|-------------|--|----------------------------|----------------------------|--|
| School Fund | - | 6,456,479 | (6,456,479) | - |

11. ANALYSIS OF CASH FLOWS

The Cash Flows comprise the movement in funds and balances between the assets and liabilities transferred to the School on 1 September 2002 and the year end position at 31 August 2003.

A summary of the assets and liabilities transferred is shown below:

| | <i>Transferred at 1 September 2002 £</i> |
|---|--|
| Net book value of tangible fixed assets | 231,034 |
| Stocks | 84,943 |
| Debtors | 957,319 |
| Cash | 5,755 |
| Creditors | (1,059,586) |
| Acceptance deposits | (219,465) |
| Total Net Assets | - |

Included in the above is an amount of indebtedness with Worth Abbey arising on the transfer.

| | |
|---|-------------------|
| a) Capital Expenditure | 2003 £ |
| Payments to acquire tangible fixed assets | 97,811 |
| Net cash outflow | 97,811 |
| b) Financing | 2003 £ |
| Parents' acceptance deposits | 31,736 |
| Net cash inflow | 31,736 |

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
PERIOD ENDED 31 AUGUST 2003

12. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

| | <i>Transferred at 1 September 2002</i> | <i>Cashflow</i> | <i>At 31 August 2003</i> |
|---|--|-----------------|------------------------------|
| | £ | £ | £ |
| Cash in hand and at bank | 5,755 | 253,883 | 259,638 |
| Debt due after one year Parents' acceptance deposits | (219,465) | (31,736) | (251,201) |
| Net funds | (213,710) | 222,147 | 8,437 |

13. OPERATING LEASE COMMITMENTS

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 |
| | 2003 | 2003 |
| | £ | £ |
| Within 1 year | - | 14,364 |
| Between 2 and 5 years | 400,000 | 25,137 |

14. RELATED PARTY TRANSACTIONS

Neither the Trustees nor persons connected with them received any remuneration from the Abbey. Trustee Indemnity Insurance is included automatically in the School's insurance policy at no extra cost and covers those members of the Board serving as Trustees. There were no other transactions with Trustees during the year.

Exemption from disclosing transactions with other group companies has been claimed as all subsidiaries are wholly owned and included within the financial statements of Worth Abbey, and which are publicly available.

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
PERIOD ENDED 31 AUGUST 2003

15. PENSION COMMITMENTS

The School participates in a multi employer defined benefits pension scheme, the Teachers' Pension Scheme (England and Wales) ("the Scheme"), for its teaching staff. As a result, it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the school. The last Report by the Government Actuary (GA) covered the period 1 April 1996 to 31 March 2001. The valuation statement as at 31 March 2001 made in March 2003 revealed that the total liabilities of the Scheme (the estimated cost of past and future service benefits of existing members) amounted to £142,880 million. In accordance with the Teachers' Pension (Amendment) Regulations 2002, the actuarial review assumed that the value of the scheme assets equalled the value of the scheme liabilities at 31 March 2001. The scheme assets at 31 March 2001 consisted of future contributions in respect of existing members valued at £40,870 million and a balance of £102,010 million in the Teachers' Pension Account being a notional investment. The actuarial review assumed that the real rate of return on the notional investment is 3.5% in excess of price increases and 2% in excess of general earnings increases, therefore assuming a rate of real earnings growth of 1.5%. The assumed long-term gross rate of return is 7%. Following this report the standard contribution rate has been raised from 14.35% to 19.5% from 1 April 2003. 6% is to be paid by the teachers and the remaining 13.5% borne by the school.

The School's contributions represent a minor proportion of the payments into the scheme. The amount contributed by the School to the fund in the year to 31st August 2003 was £183,629.

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 £98,250.