

Charity Registration No. 1103346

Company Registration No. 5084301 (England and Wales)

WOODARD SCHOOLS TAUNTON LIMITED
DIRECTORS' REPORT
and
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st AUGUST 2009

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WOODARD SCHOOLS TAUNTON LIMITED

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WOODARD SCHOOLS TAUNTON LIMITED

COMPANY INFORMATION YEAR ENDED 31st AUGUST 2009

Directors	M C Mowat FCA (Chairman and Custos) G J Mulder Dipl Ing (Vice-Custos) The Rev Mrs L M Barley BA MSc PGCE Mrs L H Eliot MA PGCE Dip RSA R M Excell FRSA Sir Harry W Farrington BT MRICS The Rev D J M Jasper BA Dip Theo R D V Knight MA Dip Ed The Rt Rev J D G Kirkham MA (Provost) Mrs A Larpent P J LeRoy MA PGCE R D A Lloyd BSc MRICS R I W Marfell FCA Dr R A K Mott BA PhD Mrs R Price
Secretary	M C M MacEacharn BSc FCA
Charity No	1103346
Company No.	5084301
Registered Office	20 Holway Avenue Taunton TA1 3AR
Principal Addresses	King's College Taunton South Road Taunton Somerset TA1 3LA King's Hall School Kingston Road Taunton Somerset TA2 8AA
Heads	R R Biggs, MA BSc (King's College Taunton) J T S Chippendale, BSc (King's Hall School)
Director of Finance	M C M MacEacharn BSc FCA
Director of Operations	Commander A J Prosser BSc RN
Auditors	Alliotts Friary Court 13-21 High Street Guildford GU1 3DL

WOODARD SCHOOLS TAUNTON LIMITED

COMPANY INFORMATION

YEAR ENDED 31st AUGUST 2009

Bankers

National Westminster Bank plc
49 North Street
Taunton
TA1 1NB

Solicitors

Veale Wasbrough
Orchard Court
Orchard Lane
Bristol BS1 5WS

WOODARD SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT YEAR ENDED 31st AUGUST 2009

The Directors present their report and financial statements for the year ended 31st August 2009 and confirm they comply with the requirements of the Charities Act 1993, as amended by the Charities Act 2006, and the Charities SORP 2005

REFERENCE AND ADMINISTRATIVE INFORMATION

The company was incorporated on 25th March 2004 and commenced operations on 1st September 2004 when the business, assets and liabilities relating to King's Hall School and King's College Taunton were transferred from Woodard Schools (Western Division) Limited. The charity is a limited liability company and wholly owned subsidiary of The Woodard Corporation, which is also a registered charity (number 1096270). The Woodard Corporation was set up in 1848 and now comprises 24 owned schools, 15 affiliated and seven associated schools across the United Kingdom plus two Woodard-sponsored academies. There are, in addition, three associated schools overseas.

As Woodard schools, King's Hall School and King's College Taunton share an educational vision which empowers and adds value to a child's development. King's Hall School is an independent co-educational preparatory school for day and boarding pupils aged 3 to 13 and incorporates pre-preparatory and nursery departments. King's College Taunton is an independent co-educational senior school for day and boarding pupils aged 13 to 18. The schools are forward-thinking and dynamic places of learning with dedicated staff, excellent facilities and a warm and open culture.

Woodard schools strive for the best all round education of every aspect of each individual, they ensure high standards of religious education and they see themselves as communities working together for the benefit of all concerned, and of the Church and the nation. They are strong Christian foundations which adhere to catholic belief as found in the Church of England, to Christian worship focused in the Eucharist, and to the care of each individual and the whole school community particularised in the ministry of the Chaplain. A Woodard education values both the spiritual and moral development of each person within the school community giving strength, confidence and respect for others.

Note 25 on page 30 provides details of a connected charity, namely the parent charity, the Woodard Corporation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The company is governed by Memorandum and Articles of Association dated 18th March 2004. The Memorandum and Articles of Association of the company forbid the distribution of any income, which is to be applied solely towards the promotion of the objects of the company.

Council

The Governors are the Directors of the company and comprise the Council of King's Hall School and King's College Taunton. They are elected to hold office for five years. The Directors determine the general policy and strategy of the company. The day to day management of the company is delegated to the Heads and until 31st August 2009 the Bursars, supported by the Senior Management Teams in each school. From 1st September 2009, the two Bursars were replaced by a Director of Finance and Director of Operations who operate across both schools.

Certain areas of responsibility are managed through sub-committees of the Council. Membership of each committee is shown on page 13. The Council met five times during the year, two of these meetings included Education Days, when Governors observed lessons and other activities at each of the schools. Additional meetings were held in connection with the appointment of the two new Directors of Finance and Operations.

Recruitment and Training of Governors

The Council includes Fellows of the Woodard Corporation and Governors. Fellows and Governors have the same status on the Council but Fellows are responsible for election of the Woodard Corporation Board. Governors are recruited on the basis of nominations from school contacts and from selection when a post becomes available. The Council look to ensure a mix of skills and select new Governors on the basis of background, competence, specialist skills and, in the case of Fellows, Christian commitment.

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Specific attention is paid to the succession planning of Governors, both with a view to their skill sets and in relation to the chairmanship of the Council and its sub-committees. This is evidenced by the recent announcement of the appointment of Roger Knight to succeed as Custos on the retirement of Magnus Mowat at the end of the academic year 2009/10.

Governors are provided with induction training by the Heads, Directors of Finance and Operations and staff and a wider programme of training events is organised by the Woodard Corporation and other organisations. Governors are also encouraged to attend events run by the Association of Governing Bodies of Independent Schools (AGBIS).

Organisational Management

The schools are governed by the Council which delegates work to a number of committees. Membership of each committee is outlined on page 13. The Directors determine the general policy of the company. The day to day management of the company is delegated to the Headmasters and the Directors of Finance and Operations, overseeing educational, pastoral and administrative functions in consultation with the senior staff. The day to day administration is undertaken within the policies and procedures approved by the Governors which provide for only significant expenditure decisions and major capital projects to be referred to the Governors for prior approval.

The Heads oversee the recruitment of all educational staff, whilst under delegated authority the Director of Finance oversees the recruitment of administrative and non-teaching support staff. The Headmasters and Directors of Finance and Operations are invited to attend Governors' meetings.

Finance Committee – the Finance Committee has a remit to consider budgets, both revenue and capital, cash flow information and financial reports, including the financial statements. It also considers financial policies and relevant financial regulations. It does this through consideration of audit management letters and other reports relating to governance and control of the schools. It makes recommendations to the schools' Council for approval. The Finance Committee met three times during the year.

Estates Committee – the Estates Committee develops the school's estates strategy, including capital developments and maintenance of the buildings and it makes recommendations to the schools' Council for approval. The Estates Committee met three times during the year.

Education Committee – the Education Committee is responsible for oversight of the academic performance of the schools and educational policy, making recommendations to the schools' Council for approval. The Education Committee met three times during the year.

Awards Committee – the Awards Committee reviews the criteria for academic and other types of award, their financial value and number at the schools. It makes recommendations to the schools' Council for approval. The Awards Committee met once during the year.

Appointments Committee – the Appointments Committee is responsible for managing the recruitment of new Governors to the schools' Council. It ensures an orderly succession policy is in place and that the Council has an appropriate mix of skills and experience. It makes recommendations to the schools' Council for approval. The Appointments Committee met four times during the year.

Group Structure and Relationships

The company has a wholly owned non-charitable subsidiary, WST Enterprises Limited, the activities and trading of which are described in note 3 on page 23.

The schools have developed links with a variety of organisations by means of which they enjoy access to information on best practice which enables them to offer the widest possible access to the facilities and educational opportunities which they provide. Governors and staff ensure that they are able to attain the highest standards of quality and performance through membership of professional associations including the Independent Schools Council, the Headmasters' and Headmistresses' Conference, the Independent Association of Preparatory Schools, the Independent Schools' Bursars Association, the Association of Governing Bodies of Independent Schools, the Boarding Schools' Association, the South West Provincial Employers, the Taunton Chamber of Commerce and the Somerset Chamber of Commerce, as well as through involvement in the work of the Independent Schools' Inspectorate, various examining bodies, through networking with peer groups and by many other means.

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YEAR ENDED 31st AUGUST 2009

All the pupils in the two schools are encouraged to develop an awareness of the social context of the all-round education they receive at the schools and they are engaged in a number of activities to enhance their understanding and to enrich their experience. There is a thriving association of former pupils, the Old Aluredian Club, which supports the work of the schools. A parallel organisation, The Friends of King's, membership of which is open to past and present parents of pupils at the schools, neighbours and others, also supports the work of the schools. Woodard Schools Taunton Ltd is a substantial employer in Taunton area and has responsibility for the care and upkeep of several listed properties and important parts of the local environment.

Woodard Schools Taunton Ltd also cooperates with many schools and local charities in its ongoing endeavours to widen public access to the schooling it provides, to optimise the educational use of its cultural and sporting facilities and to awaken in its pupils, in the public interest, an awareness of the social context of the all round education they receive.

Risk Management

The Council is responsible for the identification and management of risks. It maintains a register of risk for the schools and the subsidiary trading company and undertakes a formal annual review of the risk management processes which are in place and examines the major specific risks which the schools face each financial year when considering forward plans. The schools and the subsidiary company have developed systems to monitor and control these and sundry lesser risks to mitigate any impact that they may have on the schools and the group in the future.

The key controls used by the schools include

- formal agendas and minutes for all meetings of the Council and committees
- terms of reference for all committees
- comprehensive strategic planning, financial forecasting, budgeting and management accounting
- established and identifiable organisational structures and clear reporting lines
- comprehensive formal written policies regarding key areas
- clear authorisation limits
- vetting procedures as required by law, for protection of the vulnerable
- regular contact between the Chairman of the schools' Council, respective chairmen of Council sub-committees, senior officers and other staff
- the maintenance and regular review of a detailed risks register

OBJECTS

Charitable Objects

The charity's objects, as set out in the Memorandum of Association, are to promote and extend education in accordance the principles which govern the Woodard Corporation including, in particular, the doctrines and principles of the Church of England, by carrying on King's Hall School and King's College Taunton. The Council adopted a written statement of its own Aims and Objectives in July 2007 which enshrines the charity's objectives in its own context. From this document flows the company's strategic plan and the five year budget against which the principal activities are monitored regularly.

In setting the objectives and planning the activities of the schools, the Governors give careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging. Woodard Schools Taunton Limited is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. The fees are set at a level to ensure the financial viability of the schools and at a level that is consistent with the aim of providing a first class education to all pupils. The schools' charitable objectives are 'to promote and extend education', and these objectives are recognised as benefiting the public when pursued in the context of formal education in a body where all surplus funds are re-invested. The Woodard Corporation and all of the schools it owns are charitable bodies, with no external shareholders and no possibility of making distributions, including in the form of dividends. All surpluses are re-invested in education.

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The schools welcome pupils from all backgrounds. To admit a prospective pupil, the schools need to be satisfied that they will be able to educate and develop a prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education they provide. An individual's gender, ethnicity, race, religion or disability do not form part of the assessment processes.

Woodard Schools Taunton Limited is an equal opportunity organisation and is committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. The schools will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

The schools are a part of a wider community and are keen that their staff and pupils participate. The schools also offer a resource to support a range of educational activities for the benefit of local children attending state schools and their teachers. Governors are committed to developing the programme of cooperation and joint working with local maintained sector junior and secondary schools. The activities undertaken and the success of the schools are explained in the 'review of achievements and performance for the year' section of this report.

ACCESS POLICY

It is important to the schools that access to the education offered is not restricted to those who can afford the fees. The Governors believe that pupils benefit from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experiences which helps pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

The schools' awards policies, including for bursaries, contribute to a widening of access to the education they offer and the facilities its pupils enjoy.

Bursary policy

The Governors view bursary awards as important in helping to ensure children from families who would otherwise not be able to afford the fees can access the education offered by the schools. All who meet the schools' general entry requirements are eligible for bursary awards which are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk, for example in the case of redundancy. In assessing means, the methodology promulgated by the Independent Schools' Bursars Association is used, which takes a number of factors into consideration including family income, investments and savings and family circumstances, for example dependant relatives and the number of siblings. The schools do not have an endowment and the funds available for hardship bursaries are limited. When considering awards, the schools have to be mindful that they must ensure a balance between those parents paying full fees, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

The bursary awards range up to 100% remission of fees. Information about fee assistance through bursaries is provided to all applying to the schools. Further details of the bursary policy and how to apply are available on the schools' websites.

The success of the schools' bursary scheme is explained in the review of activities and achievements section of this report. Details of bursary awards are also set out in note 2 to the accounts.

Other Policies on Assistance:

Family discounts policy

To underline the value placed on continuity for families, discounts are offered where parents have more than one child at the schools.

Promoting High Academic Standards - Scholarship policy

The purpose of scholarship awards is to recognise high academic potential or the ability to excel in co-curricular activities. Scholarships are awarded on the basis of the individual's academic potential or evidence of exceptional abilities which will contribute to co-curricular activities.

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Scholarships are awarded with a fixed remission of fees of between 10% and 50%. Where further assistance is required, scholarship awards may be supplemented by a means-tested bursary. The schools include details of the various awards available in their prospectuses and on their websites.

Assistance for teaching staff

As part of its emphasis on attracting and retaining high calibre staff, the schools offer a discount scheme for those staff members who choose to educate their children at the schools.

Further assistance

Support is also available to children of MOD employees and Clergy.

AIMS, OBJECTIVES AND ACTIVITIES

Public Benefit Aims and Intended Impact

Within the objects, the schools aim to create an environment to nurture children, to get the best from them and to allow them to develop and fulfil their potential. They provide them with a first class independent education and a wide range of sporting and artistic opportunities. The schools' public benefit aim is that all pupils will be self-confident and instilled with a desire to contribute to the wider community.

In the furtherance of these aims the Governors of Woodard Schools Taunton Ltd, as the charity trustees, have complied with the duty in s 4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act.

Objectives of and Principal Activities for the Year

The principal objective and activity of the schools is the delivery of education to pupils ranging from 3 to 18 years of age. The schools aim to extend the range of academic opportunities for all pupils and to extend access to school facilities for the local community. They continue to run a summer cricket festival which involves pupils from the UK and from overseas.

Pupil numbers at the schools during the year were as follows:

	2008/2009		2007/2008	
King's College Taunton	416	(265 boarders)	404	(257 boarders)
King's Hall School - Preparatory	284	(39 boarders)	278	(47 boarders)
King's Hall School - Pre-Preparatory	87		98	
	<hr/>		<hr/>	
Total	787	(304 boarders)	780	(304 boarders)
	<hr/>		<hr/>	

The number of boys and girls was as follows:

	2008/2009		2007/2008	
	Boys	Girls	Boys	Girls
King's College Taunton	264	152	268	136
King's Hall School - Preparatory	162	122	155	123
King's Hall School - Pre-Preparatory	48	39	52	46
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Total	474	313	475	305
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WOODARD SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT YEAR ENDED 31st AUGUST 2009

Grant Making Policy

The schools provided scholarships, grants prizes and other awards totalling £24,176 out of restricted funds and £663,455 from unrestricted funds. In common with other independent schools, King's College Taunton and King's Hall School make these awards based on the educational potential of the pupil (subject to the particular conditions imposed by the original donor where the award is out of restricted funds). The schools also provided bursaries totalling £956,576 which are provided in cases of hardship where the pupil's education and future prospects would otherwise be at risk. The availability of all such awards for fee-assistance, together with the terms and conditions for each kind of award, is advertised on the schools' websites, which can be accessed via at www.kingsschoolstaunton.co.uk

Volunteers

The schools enjoy the support of a large number of volunteer groups and individuals including, in particular, parents, who help the schools to raise funds and assist with specific activities and school events. The Council records its deep appreciation for the work of these volunteers, the assistance given would extend to several hundred hours of voluntary service.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

King's College Taunton

During the year the school educated an average of 416 children between the ages of 13 and 18. The school provides a very high standard of education and this is validated in review of the academic results, the measurements of added value and through external inspection. The school offers a broad curriculum and educates children with a wide range of ability. It demonstrates particular excellence in Design Technology, Music, Art, Modern Languages and English and is a strong force on the sporting front, especially in Rugby, Cricket, Hockey and Netball. King's College Taunton has an outstanding choir and orchestra and its drama programme is full, varied and of a high standard. The school aims to support children in reaching their potential in all areas of their activity at the school. This may be in academic subjects but could just as easily be reflected in success in art, drama, sport, music or dance. The school produces well-rounded individuals who are able to make a positive contribution to society.

Academic Performance

At A level, 10 pupils in a year group of 75 achieving 3 or more A grades and 81% of subjects were passed at A, B or C grade. The English Department performed especially well, with 82% of pupils achieving A or B grades. In French and German, pupils achieved 83% and 75% A or B grades respectively. Other high achieving departments include Music, with 100%, Art with 86% and Design Technology with 82% at A or B. Five sixth form pupils were offered places at Oxford or Cambridge Universities. A further five won places to read medicine or dentistry.

GCSE results were amongst the best on record, with every pupil achieving at least 5 A to C grades and 51% of subjects entered attracting A* and A grades. Particularly successful departments this year include Biology and Chemistry, where one third of the pupils gained A* grades, and the French department, with 61% A* and A grades. Design Technology and Music results were also strong, with 72% and 62% A* and A grades respectively. The PE department achieved its finest ever results, with 81% of pupils achieving A* and A grades. All ten Latin candidates gained A* or A grades. 17 pupils, in a year group of 83, achieved A* or A in all of their subjects. Value added analysis to GCSE shows a very strong positive result compared to all schools in all subjects.

King's College Taunton underwent an ISI inspection in February 2009. The report singled out pastoral care as being a particular strength. All areas were graded good or outstanding.

The main objectives of the strategic plan were to strengthen overall numbers in the school while sustaining a majority boarding population, to increase the proportion of girls, to continue the development of facilities, to include two new all-weather AstroTurf pitches at the College, to implement a new and more exciting curriculum at year 9 and to make better provision for academically ambitious pupils. In every case these objectives were met in the year 2008/9.

- Intake into year 9 in September 2009 was 92, the highest on record, of which nearly half were girls
- Boarding numbers remain strong at over 60%
- The building of the new hockey facility began in July
- The new year 9 curriculum, constructed in 2007/8, was implemented and proved a success

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- The newly-appointed Scholar's Tutor held weekly meetings for academically ambitious and talented pupils, the Oxbridge Tutor widened the scope and frequency of the sixth form scholars' society, more departmental clubs and societies were created

Sport

King's College Taunton continues to compete at a very high level, especially in rugby, hockey, cricket, athletics and netball. The 1st XI cricket team won all of its regular fixtures and three of its members played for the Somerset senior B team. The senior netball team were county champions. Girls' cricket, introduced the year before, continued to thrive, with all matches won.

Music and Drama

The annual musical was "The Wiz", performed to much acclaim in December. A wide and varied programme of both curricular and extra-curricular drama continued throughout the year. Six pupils were asked to perform a shortened version of *Much Ado About Nothing* in a pod of the London Eye.

More musical ensembles were established – a chamber choir, a brass group and several string quartets. These all performed in the regular series of concerts held throughout the year. The excellent choir continued to lead the worship in the weekly school Eucharist services. The chapel choir joined forces with local choir Amici and Orchestra West in a moving performance of Verdi's Requiem in the College Chapel.

Community Activity

King's College Taunton continued to play an active role in the local community. Groups of pupils were involved in primary school drama and athletics coaching. Several schools came to the school to participate in drama and music workshops and in sporting events, including cross country running and swimming galas. The Convent Gym was used by Richard Huish Sixth Form College, Taunton for teaching drama. The outreach programme saw many pupils helping in hospitals, retirement homes and charity shops.

Alumni Activity

The year saw an increase in the number of OA activities both at the school and beyond. In addition to the usual reunions at the school and in London there was a reunion for OAs from the 1940's and 1950's at the school and a reception for OAs, current pupils and parents in Munich. In the Summer Term the school held a celebration of 40 years of girls at King's, which was well attended by girl OAs and their families.

Significant projects

Work continued on the new library project, with negotiations between the architect and the benefactor leading to an agreed design, which has recently received planning approval. The new building will house a library, the Business Studies Department, the IT Department and a sixth form centre, including careers library and offices for sixth form senior tutors.

Building work was started on the new double AstroTurf hockey pitch, to be completed in October 2009. Future plans include a sports pavilion to complement the new hockey facility and an extension of the performing arts provision.

King's Hall School

James MacPherson retired as Headmaster at the end of the Summer Term 2009 after 10 very successful years. The Council is delighted to welcome Justin Chippendale as his replacement. Justin is an old boy of King's College Taunton and was previously Deputy Headmaster at Chafyn Grove Prep School.

During the year King's Hall School educated an average of 371 children between 3 and 13. The school provides a very high standard of education and this is validated in review of the academic results and other achievements and through external inspection. The school offers a broad curriculum and educates children with a wide range of ability. It has a 'Forest School' utilised by the Pre-Prep which makes full use of the school's rural position and proves very popular with children and staff alike. As well as achieving high academic attainment the school is a strong force on the sporting front, especially in Rugby, Cricket, Hockey and Netball. The school has impressive musical performers and its drama programme is full, varied and of a high standard. The school aims to support children in reaching their potential in all areas of their activity at the school. This may be in academic subjects but could just as easily be reflected in success in art, drama, sport, or music. Year 8 leavers gained 39 awards to senior schools in these five disciplines. The school produces well-rounded individuals who are able to make a positive contribution to society.

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Academic Performance

Year 8 leavers gained 14 academic Scholarships to senior schools and there was a 100% pass rate for all those who sat the Common Entrance Examinations Six subjects achieving over 80% A to C grades

Sport

King's Hall School continues to compete at a very high level, especially in rugby, hockey, cricket, athletics and netball The 1st XV rugby team had a very successful season and the 1st VII were Champions at three prestigious Tournaments Both the 1st XI hockey and cricket teams were unbeaten and during the year the school was U11 and U13 county cricket champions Eleven children qualified for the National Athletics Championships with two winning their events and a further seven coming 2nd or 3rd Thirteen children gained sports awards from their senior schools

Art, Music and Drama

An impressive Art exhibition at the end of the year displayed the various artistic talents in the school The 'Big Draw' - a whole school art project - was hugely successful The music department put on three high quality concerts during the year and as well as the ever-popular House Music Competition a CD was produced featuring every child from Nursery to year 8 Drama productions throughout the School were performed at regular intervals Seven Art, five Music and one Drama awards were gained to senior schools

Significant projects

The main house, Pyrland Hall, had continuing repair work done to its roof 12 acres known as The South Field in front of the School was purchased from the National Trust The completion of the refurbishment of Pre-Prep

Bursaries & Scholarships

Bursaries

This year the value of means tested bursaries totalled £434,375 and represented 3.7% of gross fees They provided assistance to 82 of pupils of which four pupils benefited from a full remission of fees These bursaries are provided in cases of financial hardship where the pupils' education and future prospects would otherwise be at risk

Scholarships

In addition, the schools awarded scholarships to 150 pupils, based on their educational merit and potential, totalling £663,445 and representing 5.6% of gross fees Of this number, four also qualified for means-tested bursary support and are included in the figures relating to bursary awards

The progress of pupils receiving scholarships is reviewed at least annually to ensure their progress is in line with their abilities No scholarships were withdrawn in the year as a result of reviews

Review

The Governors keep the Bursary and Scholarship Awards policies under regular review to ensure that able children can accept offers of places at the schools through the availability of means-tested fee assistance The policy is designed to widen access to the schools

Wider Education

The schools are committed to providing opportunities for students at university to gain practical teaching experience as part of their PGCE teacher training course, in particular trainee teachers from Exeter University During the year three students were given such an opportunity

The Woodard Corporation is involved in the development of academies as part of the government's initiative In support of this project all Woodard schools have provided support, where asked, through provision of educational expertise, participation in governance, direct curriculum support etc

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Community

Through development of, and provision of access to facilities, the schools remain at the heart of the community. Facilities made open to the public include

- The school swimming pool, which is made available to local swimming clubs and organised bodies as well as to local comprehensive schools including Heathfield Community College and Castle School
- The Chapel and Music facilities are made available to a wide range of local music societies, including Amici (a local choir), Orchestra West and the Somerset Chamber Choir. Local primary schools send string players to a Saturday morning "Strings at King's" rehearsal, under the direction of a member of the music staff
- The sports pitches are recognised as being of particular quality and are regularly used by Richard Huish Sixth Form College and other local schools. The cricket pitches and boarding facilities are used extensively over the summer holidays for a six-week cricket festival, involving children from the UK and overseas
- Drama performances in the theatre are open to the public. The theatre is also used by local organisations for meetings – for example the annual Army Benevolent Fund lecture
- The Art School has been used to stage exhibitions of the work of local artists, including Derek Nice

Outreach

Science

The chemistry, physics and biology departments visited six local primary schools and provided workshops for primary schools in the College Science Centre, led by teachers, but with extensive sixth form involvement

King's College Community Service

Each week throughout the year

- Reading Buddies: pupils went to Holway Primary School to support children in their reading
- Primary School Helpers worked in St George's Primary School
- Four pupils assisted in a Special School (Selworthy)
- Eight pupils helped in a range of charity shops in Taunton
- Three pupils visited Elizabeth House – sheltered accommodation – where they helped with shopping, visiting or with walks

Drama

- A group visited seven local primary schools where they take workshops for yrs 4 and 5, followed by a 20-minute play by King's College Taunton performers to the whole or part of the school
- Local primary schools attended a summer play put on by all third form pupils at King's College Taunton

Sport

- King's College Taunton provided athletics coaching in 12 local primary schools on every Monday afternoon throughout the year
- Every half term a cross-country event is held for between six and 12 primary schools
- There was an annual cross-country event held at King's College Taunton for 28 state schools from across the county
- There were sports skills sessions in the sports hall for 11 secondary and five primary schools every Monday evening
- Two major indoor sports festivals for 12 primary schools were held during the year
- One-hour football skills sessions for children in years 4 – 6 in the sports hall

Wider Charitable Activity

As well as supporting the local community, pupils & staff support a community in Kerala, India. Every two years a group of sixth formers raises funds for a trip to Kerala, where they build housing for homeless families

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Investment Performance Against Objectives

The Charity's investment portfolio is managed by Clarke Willmott Investment Management. The portfolio continued to meet the stated income requirements, but declined 4.5% on a total return basis, compared with a 2.5% decline in the FTSE APCIMS Total Return Stock Market Balanced Index.

This performance, which would appear disappointing in more normal circumstances, should be viewed bearing in mind the extraordinarily volatile financial market and economic conditions experienced during the period.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The net outgoing resources for the year amounted to £81,450 after charging £199,829 expenditure on refurbishment of the boarding houses. Gross income for the year was up by some 5.45% on last year, reflecting the increase in pupil numbers throughout the school.

The schools are helped considerably each year by the support of the Cadwallader charity, which provides £23,376 in grants for four pupils.

The trading company continues to hire out the schools facilities during vacations and school hours, as well as undertaking commercial activity on behalf of the schools and externally. The company contributed £100,221 to the school's operating results.

Group total funds decreased by £141,780 for the year, including revaluations.

The parents of pupils often make significant sacrifices to pay the fees. In doing so they help to relieve the state of the financial burden of educating 727 UK based children. The saving is estimated to have a value in the last year of £4.2 million.

The company is unable to recover the VAT on purchases it makes. During the past year, Woodard Schools Taunton Ltd has paid an estimated £430,800 in VAT on goods and services.

RESERVES POLICY

It has been the Council's policy to utilise funds to ensure that high quality up-to-date facilities are provided for the benefit of pupils. The aim is to budget so as to provide sufficient working capital to meet the present needs and future development requirements of the schools without the requirement to have recourse to sales of tangible fixed assets, except where those are no longer required for the primary purpose of the schools.

At the present stage in the development cycle the free reserves are being utilised in order to finance large-scale improvements to boarding accommodation and the provision of additional facilities in accordance with the schools' strategic plan. The intention is to return to an overall annual revenue surplus position by 2009/10 and thereafter to achieve annual surpluses of not less than 5% of budgeted income after the costs of development, refurbishment and other improvements have been met. This surplus will be set aside in an accumulated fund to provide for new capital projects and major facilities repairs and improvements.

The Council continues to keep the secured bank overdraft facilities under review to ensure that in the absence of sufficient free liquid reserves it remains adequate to cover the schools' working capital requirements. The restricted reserve is invested both in cash and a balanced range of quoted investments. The unrestricted reserves are primarily invested in tangible fixed assets which are all used for the schools' direct charitable activities.

Investment Policy and Objectives

The company's memorandum and articles of association permit funds to be invested in such manner as the Directors see fit, providing that such powers of investment are only exercised for the purpose of attaining the objects and in a manner that is legally charitable. The Council's policy is to preserve and enhance the capital value of investments and maximise income consistent with maintaining a balanced investment return from income and capital, with moderate risk.

WOODARD SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT YEAR ENDED 31st AUGUST 2009

DIRECTORS and OFFICERS

The Directors who served during the year, and the committees of which they are members, are

M C Mowat (Chairman and Custos)	Finance, Estates, Awards, Appointments
G J Mulder (Vice-Custos)	Finance, Estates, Appointments
The Rev Mrs L M Barley	
A H Beadles (resigned 7th October 2008)	Education
Mrs L H Eliot	Education
R M Excell	Finance, Appointments
Sir Harry W Farrington	Estates
J E R Houghton (appointed 24th July 2009)	Estates
The Rev D J M Jasper	Estates
The Rt Rev J D G Kirkham	
R D V Knight	Education
Mrs A Larpent (appointed 28th November 2008)	
P J LeRoy	Education
R D A Lloyd	Estates, Appointments
R I W Marfell	Finance, Awards
Dr R A K Mott	Education, Estates, Appointments
Mrs R Price	Estates

None of the Directors has any beneficial interest in the company

The Company Secretaries who served during the year are

J C Boal (resigned 12th June 2009)
C L King (appointed 12th June 2009, resigned 26th August 2009)
M C M MacEacharn (appointed 26th August 2009)

FUTURE PLANS

The Board's current five year strategic plan was approved on 3rd December 2009, and is reviewed on an annual basis. The key objectives of the current plan are

- 1 to provide a Woodard education consistent with the vision of TWC to as many children aged between 3 and 18 as sustainably possible
- 2 to reach and maintain optimum numbers in both schools, with the appropriate balances achieved in the composition of the pupil body
- 3 to achieve excellence academically and in extra-curricular activities
- 4 to continue to achieve excellence in pastoral care
- 5 to continue to develop spirituality
- 6 to pursue policies which support the provision of benefit to the public to the greatest extent possible consistent with the delivery of the primary purpose of education
- 7 to continue to develop relationships with the local community, with past pupils and parents, and with current parents of both schools
- 8 to maintain and enhance status locally, nationally and internationally
- 9 to develop both sites and their facilities so as to create the best educational environment possible
- 10 to maintain buildings so as to ensure their future use, value and energy efficiency and to develop and implement a wide-ranging policy on sustainability
- 11 to generate and deploy financial and human resources as required to meet the needs of all the above aims
- 12 to maintain a Register of Risk to the efficient operation of WST to ensure continuity

WOODARD SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT YEAR ENDED 31st AUGUST 2009

ACCOUNTING AND REPORTING RESPONSIBILITIES

The Charities Act 1993 and company law require the Directors of the charitable company and group to prepare financial statements for each financial year which give a true and fair view of its financial activities during the year and its financial position at the end of the year

In preparing those financial statements the Directors are required to

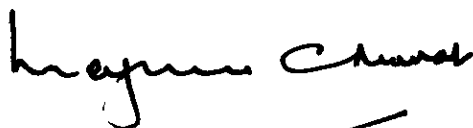
- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- follow applicable accounting standards and the Charities SORP, disclosing and explaining departures in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

The Directors are responsible for keeping proper accounting records which are such as to disclose, with reasonable accuracy, the financial position of the group at any time, and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities

STATEMENT OF DISCLOSURE TO AUDITOR

- (a) So far as the Directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Approved by the board of Directors of Woodard Schools Taunton Ltd on the 3rd December 2009 and signed on their behalf



M C Mowat
Chairman

WOODARD SCHOOLS TAUNTON LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF WOODARD SCHOOLS TAUNTON LIMITED YEAR ENDED 31st AUGUST 2009

We have audited the financial statements of Woodard Schools Taunton Limited for the year ended 31st August 2009, which comprise the Company and Consolidated Statement of Financial Activities, the Company and Consolidated Balance Sheets and the related notes set out on pages 16 to 30. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice.

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 14, the Directors, who also act as trustees for the charitable activities of Woodard Schools Taunton Limited, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company and group's affairs as at 31st August 2009 and of its incoming resources and application for resources, including the income and expenditure for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Stephen Meredith

Stephen Meredith, Statutory Auditor
for and on behalf of Alliotts Chartered Accountants

Date: *3rd December 2009*

Friary Court, 13-21 High Street
Guildford, Surrey, GU1 3DL

WOODARD SCHOOLS TAUNTON LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31st AUGUST 2009

	Notes	Unrestricted Funds £	Restricted Funds £	2009 £	2008 £
INCOMING RESOURCES					
Income from Charitable Activities					
School fees	2	9,896,757	-	9,896,757	9,465,402
Other educational income	4	437,117	-	437,117	397,461
Other ancillary income	4	216,407	-	216,407	591,076
Incoming Activities from Generated Funds					
Activities for generating funds					
Trading income	3	189,572	-	189,572	187,717
Investment income	19	53,052	36,130	89,182	102,798
Appeal income and donations	5	5,077	-	5,077	756,462
Other incoming resources	4	-	-	-	2,350
TOTAL INCOMING RESOURCES		10,797,982	36,130	10,834,112	11,503,266
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising trading	9	89,351	-	89,351	83,017
Bank Interest	9	13,652	-	13,652	10,892
Investment management	19	-	7,747	7,747	8,128
		103,003	7,747	110,750	102,037
Charitable Activities					
Schools and grant-making	9	10,700,266	24,176	10,724,442	10,245,382
Governance costs	9	80,370	-	80,370	75,002
TOTAL RESOURCES EXPENDED		10,883,639	31,923	10,915,562	10,422,421
Net incoming/(outgoing) resources before transfers		(85,657)	4,207	(81,450)	1,080,845
Transfers between funds		875	(875)	-	-
NET INCOMING/(OUTGOING) RESOURCES		(84,782)	3,332	(81,450)	1,080,845
Realised gains/(losses) on investment assets	12	-	(8,588)	(8,588)	(9,618)
SURPLUS/(DEFICIT) FOR YEAR		(84,782)	(5,256)	(90,038)	1,071,227
Unrealised gains/(losses) on investment assets	12	(3,330)	(48,412)	(51,742)	(50,596)
NET MOVEMENT IN FUNDS		(88,112)	(53,668)	(141,780)	1,020,631
Fund balances at 1 September 2008		10,718,225	1,712,209	12,430,434	11,409,803
FUND BALANCES at 31 August 2009		10,630,113	1,658,541	12,288,654	12,430,434

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The notes on pages 20 to 30 form part of these financial statements.

WOODARD SCHOOLS TAUNTON LIMITED

COMPANY STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31st AUGUST 2009

	Notes	Unrestricted Funds £	Restricted Funds £	2009 £	2008 £
INCOMING RESOURCES					
Income from Charitable Activities					
School fees	2	9,896,757	-	9,896,757	9,465,402
Other educational income	4	437,117	-	437,117	397,461
Other ancillary income	4	216,407	-	216,407	591,076
Incoming Activities from Generated Funds					
Activities for generating funds					
Subsidiary trading income	3	100,221	-	100,221	104,700
Investment income Other	19	53,052	36,130	89,182	102,798
Appeal income and donations	5	5,077	-	5,077	756,462
Other incoming resources		-	-	-	2,350
TOTAL INCOMING RESOURCES		10,708,631	36,130	10,744,761	11,420,249
RESOURCES EXPENDED					
Costs of generating funds					
Bank Interest	9	13,652	-	13,652	10,891
Investment management	19	-	7,747	7,747	8,128
		13,652	7,747	21,399	19,020
Charitable Activities					
Schools and grant-making	9	10,700,266	24,176	10,724,442	10,245,382
Governance costs	9	80,370	-	80,370	75,002
TOTAL RESOURCES EXPENDED		10,794,288	31,923	10,826,211	10,339,404
Net incoming/(outgoing) resources before transfers		(85,657)	4,207	(81,450)	1,080,845
Transfers between funds		875	(875)	-	-
NET INCOMING/(OUTGOING) RESOURCES		(84,782)	3,332	(81,450)	1,080,845
Realised gains/(losses) on investment assets	12	-	(8,588)	(8,588)	(9,618)
SURPLUS/(DEFICIT) FOR YEAR		(84,782)	(5,256)	(90,038)	1,071,227
Unrealised gains/(losses) on investment assets	12	(3,330)	(48,412)	(51,742)	(50,596)
NET MOVEMENT IN FUNDS		(88,112)	(53,668)	(141,780)	1,020,631
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FUND BALANCES at 31 August 2009		10,630,113	1,658,541	12,288,654	12,430,434

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The notes on pages 20 to 30 form part of these financial statements.

WOODARD SCHOOLS TAUNTON LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31st AUGUST 2009

	Notes	2009	2008
		£	£
FIXED ASSETS			
Tangible assets	11	11,348,700	10,895,630
Investments	12	594,267	613,954
		<u>11,942,967</u>	<u>11,509,584</u>
CURRENT ASSETS			
Stocks		16,736	17,259
Debtors	13	600,309	581,004
Cash		1,632,180	1,684,169
		<u>2,249,225</u>	<u>2,282,432</u>
CREDITORS, due within one year	14	<u>(1,402,391)</u>	<u>(964,296)</u>
NET CURRENT ASSETS		<u>846,834</u>	<u>1,318,136</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>12,789,801</u>	<u>12,827,720</u>
CREDITORS due after more than one year	15	<u>(501,047)</u>	<u>(397,186)</u>
TOTAL NET ASSETS		<u>12,288,754</u>	<u>12,430,534</u>
CAPITAL AND RESERVES			
Called up share capital	18	100	100
FUNDS			
Restricted funds	19	1,658,541	1,712,209
Unrestricted funds	20	10,630,113	10,718,225
EQUITY SHAREHOLDERS' FUNDS		<u>12,288,754</u>	<u>12,430,534</u>

Approved by the Board of Governors on 3rd December 2009 and signed on its behalf by


M C MOWAT
Director


Company Registration No 5084301 (England and Wales)

WOODARD SCHOOLS TAUNTON LIMITED

COMPANY BALANCE SHEET AS AT 31st AUGUST 2009

	Notes	2009	2008
		£	£
FIXED ASSETS			
Tangible assets	11	11,348,700	10,895,630
Investments	12	594,367	614,054
		<u>11,943,067</u>	<u>11,509,684</u>
CURRENT ASSETS			
Stocks		16,736	17,120
Debtors	13	766,636	728,635
Cash		1,444,264	1,512,208
		<u>2,227,636</u>	<u>2,257,963</u>
CREDITORS due within one year	14	<u>(1,380,902)</u>	<u>(939,927)</u>
NET CURRENT ASSETS		<u>846,734</u>	<u>1,318,036</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>12,789,801</u>	<u>12,827,720</u>
CREDITORS due after more than one year	15	<u>(501,047)</u>	<u>(397,186)</u>
TOTAL NET ASSETS		<u>12,288,754</u>	<u>12,430,534</u>
CAPITAL AND RESERVES			
Called up share capital	18	100	100
FUNDS			
Restricted funds	19	1,658,541	1,712,209
Unrestricted funds	20	10,630,113	10,718,225
EQUITY SHAREHOLDERS' FUNDS		<u>12,288,754</u>	<u>12,430,534</u>

Approved by the Board of Governors on 3rd December 2009 and signed on its behalf by



M C MOWAT
Director

Company Registration No 5084301 (England and Wales)

WOODARD SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2009

1 ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently throughout the year and in the preceding year are

a) **Basis of accounting**

The accounts of the company have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' and with applicable accounting standards. They are drawn up on the historical cost accounting basis except that investments held as fixed assets are carried at market value.

b) **Group accounts**

The financial statements consolidate the financial statements of the company, and all its subsidiary companies, all inter-company balances being eliminated.

c) **Fees and similar income**

Fees receivable are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants.

d) **Donations**

Donations subject to specific wishes of the donors are credited to relevant restricted funds or to endowed funds where the amount is required to be held as permanent capital. Donations received for the general purposes of the schools are credited to other unrestricted funds, to distinguish them from direct school income.

e) **Appeals**

On occasions the school may set up appeals to raise finance at times when particular building projects are being undertaken. Monies received are treated as Designated Funds and shown under 'Other Unrestricted Funds' in the Statement of Financial Activities (SOFA), rather than as Restricted Funds, as Appeal documentation explains that monies can be used for the general purposes of the school.

f) **Expenditure**

Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates. The cost of refurbishing and converting existing buildings is written off in the year in which it is incurred.

g) **Finance and other costs**

Other costs include amounts accrued in accordance with the terms of Advance Fee Contracts.

WOODARD SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2009

1 ACCOUNTING POLICIES (continued)

h) Pension costs

The company participates in the Teachers' Pensions Scheme and The Pensions Trust Schemes which provide benefits based on final pensionable pay. The funds of the schemes are separate from the company, although the company share of the schemes cannot be identified as the schemes are multi-employer schemes, and so the pension costs are accounted for on the basis of contributions payable. The company also contributes to other defined contribution pension scheme for non-teaching staff.

The company offers membership of the Pensions Trust Growth Plan to employees other than the full-time academic staff. The Pensions Trust Growth Plan is a multi employer pension scheme where the scheme assets are co-mingled for investment purposes and benefits are paid from the total scheme assets. It is in most respects a money purchase arrangement, but has some guarantees. As a result it is not possible or appropriate to identify the assets and liabilities of the scheme which are attributable to the company, through due to the guarantees inherent in the scheme the company remains potentially liable for a debt on withdrawal from the scheme. In accordance with Financial Reporting Standard 17 (FRS) therefore, the scheme is accounted for in a fashion which is similar to a defined benefit scheme. More detail is given in note 24.

i) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Individual capital items, or projects, with a value greater than £10,000 are capitalised. Depreciation is provided at rates calculated to write off the cost, less estimates residual value of each asset over its expected useful life, as follows:

- Freehold land is not depreciated	
- Freehold buildings	
- with an expected life over 50 years	Nil
- with an expected life under 50 years	Variable according to the building
- Computer equipment	33 33% on cost
- Telephone system	10% on cost
- Fixtures and fittings	25% on cost
- Motor vehicles	25% on cost

The company has reviewed its tangible assets, which comprise land, buildings and initial fixtures and fittings. Where the directors consider that the expected useful life is in excess of 50 years and the carrying value in the financial statements is not more than the estimated recoverable amount, no depreciation is charged and, in accordance with FRS11, the directors have and will continue to carry out annual reviews of impairment.

j) Stocks

Stocks comprise raw materials, consumable stores and goods held for resale. They are valued at the lower of cost and net realisable value.

WOODARD SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2009

1 ACCOUNTING POLICIES (continued)

k) Investments

Investments are carried at market value in accordance with the Charities (Accounts and Reports) Regulations 2008 and The Statement of Recommended Practice 'Accounting and Reporting by Charities'

Realised gains are the difference between sales proceeds and opening market value where the investment was held at the beginning of the year, or sales proceeds less cost of purchase where the investment was acquired in the year

Unrealised gains are the change in value of investments after taking into account any movements in investment holdings such as purchases and disposals of investments

Realised and unrealised gains are accounted for within the SOFAs on pages 16 and 17

l) Leasing commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives or the period of the lease whichever is the shorter. The interest element of the obligations is charged to the SOFA over the period of the lease. Rentals paid under operating leases are charged to expenditure as incurred.

m) Accumulated funds

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

WOODARD SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2009

2 SCHOOL FEES

	2009 £	2008 £
(a) The schools' fees income comprises		
Gross fees	11,802,426	11,192,264
Less Total scholarships, bursaries, etc	(1,929,045)	(1,769,788)
	<u>9,873,381</u>	<u>9,422,476</u>
Add back Scholarships, Grants etc paid for by Restricted Funds	23,376	42,926
	<u>9,896,757</u>	<u>9,465,402</u>

In addition, outside bodies (The Frank Buttle Trust, Viscount Amory's Charitable Trust, The BMTA Trust, The Reedham Trust, The Choir Schools Association, Thornton Smith & Plevins and the Royal Wanstead Children's Foundation), contributed £18,375 towards pupils' fees, included above

(b) Grants, awards and prizes paid for by restricted funds comprise		
Scholarships, grants etc	23,376	42,926
Prizes and leaving awards	800	600
	<u>24,176</u>	<u>43,526</u>

The above educational award was made to one individual (2008 two)

3 INCOME FROM SUBSIDIARY'S TRADING ACTIVITIES

The company owns the whole of the share capital of WST Enterprises Limited, which lets King's College Taunton premises and facilities and also operated the school tuck shop (which closed in August 2009)

(a) Its trading results for the year, as extracted from the audited accounts, are summarised below

	2009 £	2008 £
Turnover	189,572	187,717
Cost of sales	(87,670)	(81,511)
Gross profit	101,902	106,206
Administration expenses	(1,681)	(1,506)
Operating profit	<u>100,221</u>	<u>104,700</u>
Gift Aid donation	(100,221)	(104,700)
Retained (loss)	<u>-</u>	<u>-</u>

(b) The subsidiary donates its taxable profits to the company each year under the Gift Aid scheme The transfer to the school from 'Other' Unrestricted Funds represents the amount of this donation

4 OTHER INCOME

	2009 £	2008 £
Other Educational Charitable Activities		
Other educational income		
Entrance and registration fees	30,617	11,169
Rents receivable	88,221	66,032
Extra Subjects	318,279	320,260
	<u>437,117</u>	<u>397,461</u>
Other ancillary trading activities		
Insurance commissions	2,372	4,255
Sundry income	214,035	586,821
	<u>216,407</u>	<u>591,076</u>

WOODARD SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2009

4 OTHER INCOME (continued)

	2009	2008
	£	£
Other incoming resources		
Gain on disposal of fixed assets	-	2,350
	-	2,350

5 APPEAL INCOME and DONATIONS

Appeal income and donations includes the following

Group and Company

	2009	2008
Other donations	5,077	6,462
Restricted donations	-	750,000
	5,077	756,462

6 EXPENDITURE

Charitable Activity expenditure includes

Company

	2009	2008
	£	£
Refurbishment expenditure	199,829	335,051
Auditors' remuneration	10,686	10,948
- audit fees	1,624	-
- non-audit fees	-	-
	212,139	345,999

Group

	2009	2008
Refurbishment expenditure	199,829	335,051
Loss on disposal of fixed assets	-	-
Auditors' remuneration	12,392	12,369
- audit fees	1,624	-
- non-audit fees	-	-
	213,845	347,420

7 STAFF COSTS

Total staff costs comprise

Company

	2009	2008
	£	£
Wages and salaries	6,149,371	5,783,392
Social security costs	454,554	457,240
Teachers' pension contributions	461,874	433,014
Other pension contributions	72,385	85,596
	7,138,184	6,759,242

Group

	2009	2008
Wages and salaries	6,177,194	5,811,170
Social security costs	456,599	459,406
Teachers' pension contributions	461,874	433,014
Other pension contributions	74,353	87,515
	7,170,020	6,791,105

Number of employees

The average monthly number of employees during the year was

	2009	2008
Teaching staff	99	98
Others	122	120
	221	218

WOODARD SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2009

7 STAFF COSTS (continued)

The number of employees whose annual emoluments were £60,000 or more was

	2009	2008
£60,001 - £70,000	0	1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1

Contributions were made to The Teachers' Pension Scheme, which is a defined benefits scheme, for two higher paid employees and contributions amounting to £9,412 (2008 £11,068) were made to a defined contribution scheme for one higher paid employee

8 DIRECTORS

None of the directors (or any persons connected with them) received any remuneration during the year

No scholarships were awarded to children of directors attending the schools Travel expenses of £1,614 were reimbursed to four directors (2008 eight were reimbursed a total of £1,850)

9 ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff £	Other costs £	Depreciation £	Total £
Costs of generating funds				
Bank interest	-	13,652	-	13,652
Investment management	-	7,747	-	7,747
Total for Charity	-	21,399	-	21,399
Trading costs of subsidiary	31,936	57,415	-	89,351
Total for Group	31,936	78,814	-	110,750
Charitable activities				
Teaching	4,708,819	703,189	49,154	5,461,162
Welfare	992,158	711,713	9,183	1,713,054
Premises	809,301	1,307,643	98,900	2,215,844
Support costs of schooling	627,906	649,618	26,240	1,303,764
Schools' operating costs	7,138,184	3,372,163	183,477	10,693,824
Grants, awards and prizes	-	30,618	-	30,618
	7,138,184	3,402,781	183,477	10,724,442
Governance costs	-	80,370	-	80,370
Total Resources Expended				
Charity	7,138,184	3,504,550	183,477	10,826,211
Group	7,170,120	3,561,965	183,477	10,915,562

10 TAXATION

The company is a registered charity and therefore no liability to taxation arises on its charitable activities

WOODARD SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2009

11 TANGIBLE FIXED ASSETS

GROUP	Land & Buildings Freehold £	Motor vehicles £	Computer Equipment £	Furniture & Fittings £	Plant & Equipment £	Total £
Cost						
At 1st September 2008	11,136,398	43,141	183,653	570,275	61,096	11,994,563
Additions	540,055	-	62,175	14,817	19,500	636,547
At 31st August 2009	11,676,453	43,141	245,828	585,092	80,596	12,631,110
Depreciation						
At 1st September 2008	395,360	30,061	126,916	485,500	61,096	1,098,933
Charge for the year	79,865	4,359	60,409	36,894	1,950	183,477
At 31st August 2009	475,225	34,420	187,325	522,394	63,046	1,282,410
Net book value						
At 31st August 2009	11,201,228	8,721	58,503	62,698	17,550	11,348,700
At 31st August 2008	10,741,038	13,080	56,737	84,775	-	10,895,630
COMPANY						
	Land & Buildings Freehold £	Motor vehicles £	Computer Equipment £	Furniture & Fittings £	Plant & Equipment £	Total £
Cost						
At 1st September 2008	11,136,398	42,441	183,653	563,491	-	11,925,983
Additions	540,055	-	62,175	14,817	19,500	636,547
At 31st August 2009	11,676,453	42,441	245,828	578,308	19,500	12,562,530
Depreciation						
At 1st September 2008	395,360	29,361	126,916	478,716	-	1,030,353
Charge for the year	79,865	4,359	60,409	36,894	1,950	183,477
At 31st August 2009	475,225	33,720	187,325	515,610	1,950	1,213,830
Net book value						
At 31st August 2009	11,201,228	8,721	58,503	62,698	17,550	11,348,700
At 31st August 2008	10,741,038	13,080	56,737	84,775	-	10,895,630

All assets are used for charitable purposes

WOODARD SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2009

12 INVESTMENTS

Group	Unrestricted Fund	Restricted Fund	Total
Valuation	£	£	
At 1st September 2008	25,922	588,032	613,954
Additions	-	54,255	54,255
Disposals	-	(13,612)	(13,612)
Realised gains/(losses)	-	(8,588)	(8,588)
Unrealised gains/(losses)	(3,330)	(48,412)	(51,742)
At 31st August 2009	22,592	571,675	594,267
Quoted investments			
UK fixed interest	-	33,185	33,185
UK equity	22,592	513,428	536,020
Non-UK fixed interest	-	-	-
Non-UK equity	-	25,062	25,062
At 31st August 2009	22,592	571,675	594,267

At the 31st August 2009, five investments (2008 six) had a carrying value equal to 5% or more of the value of the investment portfolio, being

120,000 Schroder Income Maximiser Fund A	9.41%	53,814
72,000 Artemis Strategic Bond Fund Q Class	5.80%	33,185
28,000 M&G Options Income Fund Class A	5.50%	31,441
2,800 Invesco Perpetual Income Fund	5.47%	31,283
28,750 Invesco Perp Corporate Bond Fund NRC	5.20%	29,737

Original cost 166,344

Investment income of £25,343 (2008 £31,958) arose from UK quoted investments. All other amounts arose from cash deposits.

Company

Investments	594,267
Investment in subsidiary company (Note 3) at 1st September 2008 and 31st August 2009	100
	594,367

13 DEBTORS

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Fee debtors	320,017	309,407	320,017	309,407
Trade debtors	7,595	28,136	-	-
Amounts owed by group undertakings	-	-	174,012	177,355
Other debtors	13,990	100,457	13,990	100,457
Prepayments and accrued income	258,707	143,004	258,617	141,416
	600,309	581,004	766,636	728,635

14 CREDITORS Amounts falling due within one year

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Trade creditors	356,453	82,542	356,039	82,542
Taxes and Social Security costs	165,758	167,782	146,921	145,612
Advance fees (Note 16)	238,704	154,136	238,704	154,136
Other creditors	69,802	82,693	69,802	82,693
Accruals	261,436	344,141	259,198	341,943
Deferred income - fees received in advance	310,238	133,002	310,238	133,002
	1,402,391	964,296	1,380,902	939,928

The company has a bank borrowing facility secured by a mortgage debenture over the schools' assets.

WOODARD SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2009

15 CREDITORS Amounts falling due after more than one year

	Group and Company	
	2009	2008
	£	£
Final term deposits	238,257	209,888
Advance fees (Note 16)	262,790	187,298
	501,047	397,186

16 ADVANCE FEES

	Group and Company	
	2009	2008
	£	£
Within 2 to 5 years	110,109	46,636
Within 1 to 2 years	152,681	140,662
	262,790	187,298
Within 1 year	238,704	154,135
	501,494	341,433

	Group and Company	
	2009	2008
	£	£
At 1st September 2008	341,433	411,661
New contracts	418,262	177,195
Net interest accrued to contracts	7,021	16,373
	766,716	605,229
Amounts utilised in payment of fees	(265,222)	(263,796)
	501,494	341,433

17 SHARE CAPITAL

	Group and Company	
	2009	2008
	£	£
Authorised		
100 Ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

18 RESTRICTED FUNDS

The income funds of the company include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes

	Balance at 1st Sep 08	Movements in funds		Transfers & Gain/(Loss)	Balance at 31st Aug 09
	£	Incoming Resources	Resources Expended	£	£
Revaluation Reserves	160,067	-	-	(48,412)	111,655
Charity AC Fund	684,467	25,343	(31,123)	(8,588)	670,099
Michael J Baker Scholarship	28,529	-	(800)	-	27,729
Scholarship Fund	54,391	-	-	-	54,391
Miscellaneous Prize Funds	1,805	-	-	-	1,805
Library Fund	755,825	9,735	-	-	765,560
Joan Sewel Bequest Fund	-	1,052	-	-	1,052
Foundation for Sport and the Arts - Grant	27,125	-	-	(875)	26,250
Group	1,712,209	36,130	(31,923)	(57,875)	1,658,541

The Charity AC Fund comprises the balance of a legacy donation held on trust for the specific benefit of King's College Taunton. The revaluation reserve is required by the Companies Act 2006 and represents the amount by which investments exceed their historic cost.

WOODARD SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2009

19 UNRESTRICTED FUNDS

The income funds of the company include the following designated funds which have been set aside

	Balance at 1st Sep 08 £	Movements in funds		Transfers £	Balance at 31st Aug 09 £
		Incoming Resources £	Resources Expended £		
Revaluation Reserves	8,008	-	-	(3,330)	4,678
General Reserves	10,710,217	10,708,631	(10,794,288)	875	10,625,435
Company	10,718,225	10,708,631	(10,794,288)	(2,455)	10,630,113
Trading subsidiary	-	89,351	(89,351)	-	-
Group	10,718,225	10,797,982	(10,883,639)	(2,455)	10,630,113

The revaluation reserve is required by the Companies Act 2006 and represents the amount by which investments exceed their historic cost

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

The company's net assets belong to the various funds as follows

	Fixed assets £	Investments £	Net current Assets £	Long term Liabilities £	Total £
Share capital	-	-	100	-	100
Restricted funds	-	571,675	1,086,866	-	1,658,541
Unrestricted funds	11,348,700	22,692	(240,232)	(501,047)	10,630,113
Company	11,348,700	594,367	846,734	(501,047)	12,288,754
Trading subsidiary	-	(100)	100	-	-
Group	11,348,700	594,267	846,834	(501,047)	12,288,754

21 RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS

	Group and Company	
	2009 £	2008 £
Opening shareholders' funds	12,430,534	11,409,903
Net movements in funds		
Restricted (Note 18)	(53,668)	
Unrestricted (Note 19)	(88,112)	1,020,631
Closing shareholders' funds	12,288,754	12,430,534

22 COMMITMENTS UNDER OPERATING LEASES

At 31st August 2009 the company had annual commitments under non-cancellable operating leases as follows

	Land & Buildings		Other	
	2009	2008	2009	2008
	£	£	£	£
Amounts falling due				
Within 2 to 5 years	-	-	113,652	102,427

23 CAPITAL COMMITMENTS

At 31st August 2009 the group had capital commitments as follows

	2009 £	2008 £
Expenditure contracted for but not provided in the accounts	676,700	367,175

WOODARD SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2009

24 PENSION SCHEMES

The schools participate in a multi employer pension scheme, the national Teachers' Pension Scheme, for their teaching staff. The Teachers' Pension Scheme is a defined benefits scheme. The pension liability is the responsibility of The Teachers' Pension Scheme. As a result, and in common with funds of this nature, it is not usual or practicable to identify the assets and liabilities of the scheme which are attributable to the schools.

The last Report by the Government Actuary covered the period 1st April 2001 to 31st March 2004. The valuation statement as at 31st March 2004 showed market value of assets of £163,240 million, which cover 100% of accrued benefits. Investment returns of 6.5% and salary scale increases of 5% per annum are assumed. The current normal employer contribution in operation since 1 January 2007 is 14.1%.

The schools' contributions represent a minor proportion of the payments into the scheme. The superannuation charge represents contributions payable to the fund of £461,874 (2008 £433,014).

The schools participate in a multi employer pension scheme, the Pensions Trust's Growth Plan (the Growth Plan), for non-teaching staff. In most respects this is a money purchase arrangement but has some guarantees. It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS 17 represents the employer contribution payable.

Contributions paid into the Growth Plan up to and including September 2001 were converted to defined amounts of pension payable from normal retirement date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Growth Plan or by the purchase of an annuity. The rules of the Growth Plan also allow for the declaration of bonuses and/or investment credits, though these are not guaranteed.

The Trustee commissions an actuarial valuation of the Growth Plan every 3 years. The main purpose of the valuation is to determine the financial position of the Plan and so determine the future prospects for discretionary bonuses and/or investment credits. The last formal valuation of the Growth Plan by a professionally qualified actuary was performed at 30th September 2008, and it will be formalised shortly. The market value of the Growth Plan's assets at the valuation date was £742 million and the Plan's Technical Provisions (ie past service liabilities) were £771 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £29 million, equivalent to a past service funding level of 96%.

The financial assumptions underlying the actuarial valuation were that the annual investment return pre-retirement was 7.6%, the annual investment return post-retirement was 5.1% for active/deferred members and 5.6% for pensioners, the bonuses on accrued benefits were 0.0% and the rate of price inflation was 3.2%. The next actuarial valuation will be carried out as at 30th September 2011.

Following a change in legislation in September 2005 there is a potential debt on employers that could be levied by the Trustee of the Growth Plan. The debt is due in the event that an employer ceases to participate in the Growth Plan or of the Growth Plan winding up. The debt for the Growth Plan as a whole is calculated by comparing the liabilities for the Growth Plan (calculated on a buyout basis i.e. the cost of security benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Growth Plan. If the liabilities exceed assets there is a buyout debt. The amount of the debt depends on many factors including total liabilities, investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time. See note 25 for further details.

The schools paid contributions at the rate of 10% during the accounting period. Members paid contributions at the rate of 5% during the accounting period. As at the balance sheet date there were 44 active members of the Growth Plan employed by Woodard Schools Taunton Limited. The schools continue to offer membership of the Plan to their employees.

25 CONTINGENT LIABILITIES

Woodard Schools Taunton Limited has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30th September 2009. As of this date the estimated employer debt for Woodard Schools Taunton Limited was £1,053,065 (2008 £507,374). This liability would only crystallise if Woodard Schools Taunton Limited were to cease participating in the scheme or were to close entry to new employees, there are no plans to do either of these things.

26 RELATED PARTIES

The company is a wholly owned subsidiary of The Woodard Corporation, a registered charity number 1096270. An amount of £82,232 (2008 £61,019) was paid in the period to the Corporation by way of a levy to meet Corporation running costs.

The company also controls a subsidiary trading company, WST Enterprises Limited, the results of which are detailed in note 3.