

WORTH SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2015



**WORTH SCHOOL
TRUSTEES' REPORT
YEAR ENDED 31 AUGUST 2015**

The Trustees, who also served as company Directors during the year, present their report and financial statements for the year to 31 August 2015. The Trustees confirm that the financial statements comply with current statutory requirements, those of the governing documents and the requirements of the Charities SORP 2005.

TRUSTEES' REPORT

REFERENCE & ADMINISTRATIVE INFORMATION

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

Directors

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

The Right Reverend R L Jolly, President
Mrs A Andreotti, Chairman (GRC)
The Reverend J M Barrett (Chair of the Ed com)
Sir D Bell
Mr D Buxton (Ed'Com)
Mr N Deeming (GRC)
Mr B Elwes (GRC)
Mrs C Fitzsimons (GRC)
Mr J Fletcher (Appointed 17 October 2014)
Mrs M Fudakowski (Appointed 17 October 2014)
Mr P Green (Appointed 17 October 2014)
Mr J Guyatt (Ed Com) (Resigned 11 June 2015)
Br D Jarmy (Appointed 27 March 2015)
Mr G Moore (GRC)
The Reverend C A Murray (Resigned 27 March 2015)
Mrs F Newton (Ed Com)
Mr J Scherer (Chair of the GRC) (Resigned 17 October 2014)
The Reverend P L J Cutts

Participants in the relevant committee are denoted by the following:

GRC = Governors' Resource Committee

Ed Com = Governors' Education Committee

Key executives and professional advisers

Head Master:	Mr G Carminati (Resigned 31 August 2015) Mr S McPherson (Appointed 1 September 2015)
Director of Finance & Operations:	Mr M Sweeting (Resigned 30 September 2015) Mr R Burdell (Appointed 1 September 2015)
Company Secretary:	Mr M Sweeting (Resigned 30 September 2015) Mr R Burdell (Appointed 30 September 2015)
Bankers:	HSBC, 9 The Boulevard, Crawley, West Sussex, RH10 1UT Bank of Scotland, 8 Air Street, Brighton, East Sussex, BN1 3FB

**WORTH SCHOOL
TRUSTEES' REPORT
YEAR ENDED 31 AUGUST 2015**

Solicitors: Veale Wasbrough Vizards, Orchard Court, Orchard Lane, Bristol, BS1 5DS
DMH Stallard LLP, 40 High Street, Crawley, West Sussex, RH10 1BW
Farrer & Co LLP, 66 Lincoln's Inn Fields, London, WC2A 3LH

Auditors: Crowe Clark Whitehill LLP, 10 Palace Avenue, Maidstone, Kent, ME15 6NF

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Governing Body

The Trustees of the Charity are the School's Board of Governors and the President of the Board of Governors is the Abbot of Worth Abbey.

Appointments to the Board are made by the Governors' Nominations Committee. The Nominations Committee consists of the Abbot of Worth Abbey, the Chairman of Governors and up to three other Committee members.

The Board operates with two standing sub-committees, the Governors' Resources Committee and the Governors' Education Committee. The Governors' Resources Committee considers matters concerning finance and resources. The Education Committee oversees all aspects of academic activity and development, all aspects of pupil welfare and pastoral care and also oversees the continued application and development of the School's Catholic ethos and mission.

The Trustees are covered by trustee indemnity insurance which is included in the School's insurance policy at no extra cost.

Training of Trustees

All new Trustees are inducted into the workings of the School. At their appointment each is given relevant legal, administrative and operational information as well as specific guidance on their role as charity Trustees. Individual Governors also attend specific training courses held by professional advisers and cascade the knowledge gained to other Trustees at Governors' meetings.

Organisational management

The Trustees meet as a Board at least four times a year to determine the general policies of the Charity and to review its overall management and control. The Governors' Resources Committee and the Governors' Education Committee each meet four times per year and report to the following Governors' meeting. The day-to-day running of the School is undertaken by the Senior Leadership Team.

Group structure

Worth Abbey, charity number 1093913, is the sole member of Worth School. The School uses buildings and playing fields which are owned by Worth Abbey, over which the School has a lease.

The Head Master is a member of the Headmasters' and Headmistresses' Conference ('HMC') and Worth School is a member of the Independent Schools' Bursars Association ('ISBA').

Worth School also supports the work of the 'Worth Society', for former pupils of the School.

WORTH SCHOOL
TRUSTEES' REPORT (CONTINUED)
YEAR ENDED 31 AUGUST 2015

Corporate governance and risk management

The Board is committed to high standards of corporate governance and undertakes a review of its operations after each meeting of the Trustees. The Board is responsible for the Charity's system of internal control and for reviewing its effectiveness. There is an ongoing process for identifying, evaluating and managing the risks faced by Worth School and the School uses specialised risk management software. Strategic, financial, commercial, charitable, operational, social, environmental and ethical risks fall within the scope of these processes. These processes are designed to manage rather than eliminate the risk of failure and can only provide reasonable, not absolute, assurance against the occurrence of any particular event, material misstatements or loss. Action taken to mitigate the risks includes purchasing insurance cover where appropriate. In addition, the Board has adopted procedures to ensure the School's compliance with the Bribery Act 2010.

Public benefit

When considering the School's activities, the Trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. No changes to ongoing activities were considered necessary as the School already works closely with local community groups and other charities. In addition, the School has for many years offered bursaries to deserving pupils who could otherwise not afford to attend the School. Further information is detailed below.

OBJECTIVES, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

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

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

Strategic aim and intended effect

During the year the Governing Body, the Senior Leadership Team and staff of the School have worked together to continue the development of an ambitious long term strategic plan, called Worth 2024, which aims to ensure the School continues to deliver its vision over the next decade.

The vision of the School is to nurture its pupils in a caring Catholic Benedictine community, inspiring academic excellence and integrity to fulfil their unique purpose in the world.

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

Through the achievement of this aim, it is intended that the advancement of the Roman Catholic religion takes place and the School is able to support the work of Worth Abbey.

Objectives for the year

The Board's main objectives for the year were:

- to work with the Senior Leadership Team and staff of the school to develop the long term strategic plan, Worth 2024
- to support the Head Master in his development of a focussed Catholic curriculum;
- to continue working closely with Worth Abbey to develop further the spirituality of the School;
- to provide the School's pupils with continued high standards of pastoral care and academic teaching so that pupils were able to gain entry into their chosen universities;

WORTH SCHOOL
TRUSTEES' REPORT (CONTINUED)
YEAR ENDED 31 AUGUST 2015

- to ensure that the School successfully completes its development into a fully co-educational school that provides excellent opportunities for boys and girls and the pastoral and social elements that will allow the full development of all its pupils;
- to deliver the physical facility developments needed to offer an excellent education;
- to continue to focus on the broader public benefit provided by the School including financial assistance to enable pupils to attend the School through the provision of scholarships and means-tested bursaries, including the promotion of the St Benedict's Scholarships, and other financial assistance; and
- to work closely with community groups and other charities

Principal activity

The School's principal activity during the year was the provision of a boarding and day school for 11-18 year old boys and girls. 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.

Relationships with local schools, community and other charities

The School makes its theatre and sports facilities available for use by local schools and clubs. Through its community service programme, pupils assist a number of other charitable causes and continue to raise money for other charities through the Chaplaincy-led fundraising campaigns. All concerts are available to the public free of charge

Scholarships and bursaries

During the year, the School continued to provide financial assistance through scholarships to both academically able and musically talented pupils as well as those with other talents including sports, art and drama. Specific consideration is given to pupils from state primary schools. The maximum value of the scholarships has been maintained at 40% of a full fee.

The School has continued with its long term policy of increasing the funds made available for means-tested bursaries. Entry bursaries are given to assist able pupils to come to the School where financial circumstances would otherwise have prevented them from doing so. Specific means-tested awards, called 'The St Benedict's Scholarships', are available for pupils entering the School at years 7 & 12. These awards provide up to 100% funding for Roman Catholic children from families with limited means. In addition, one fully funded place per year is made available for a Roman Catholic scholar from Eastern Europe to study in the sixth form. The School also provides means-tested hardship bursaries to existing pupils whose families fall into financial difficulty and who would otherwise be unable to remain in the School. It works closely with other educational charities who provide funding for pupils in need: during the year, two pupils received such funding from trusts. The School is also a designated school for the Rank Foundation's Leadership Programme. This programme aims to nurture future leaders for the benefit of society by providing sixth form bursaries to students with outstanding leadership potential. During their years in the sixth form, beneficiaries undertake two community action placements with youth projects associated with the Foundation and also attend a Leadership Day each September.

A total of 222 (2014: 238) pupils benefited from fee remission through scholarships, bursaries, trust funds and other discounts in the year. This represents 39% of pupils in the School (2014: 41%). The total value of fee remissions provided by the School in the year was £1,875,932 (2014: £1,744,375). Worth School is committed to continuing to provide such assistance within the financial constraints of being a charity without endowment funds.

Supporting the work of Worth Abbey

During the year, the School made a donation of £549,325 (2014: £1,580,157) to Worth Abbey.

WORTH SCHOOL
TRUSTEES' REPORT (CONTINUED)
YEAR ENDED 31 AUGUST 2015

STRATEGIC REPORT

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Academic teaching and pastoral care

The School roll at 587 in September 2014 included 177 girls.

In 2015, our IB average score was 35.5 points, our third highest to date, with 40% of the cohort achieving 38 or more points. The combined total of A Level and IB grades at A*-B was 68.3%. In the EPQ, 92.3% of projects were awarded A*-A, an improvement of 5.9% on the year before.

University entrance was most successful with 50% of the cohort achieving places at Russell Group Universities. The most popular choices in 2015 being Nottingham and Exeter.

At (I)GCSE, 50.4% of passes were at A*-A. Students also achieved well in Lamda examinations where 71% of passes were with distinction and 19% of passes were with merit.

Worth continues to value a holistic education, placing great emphasis on the importance of sport, drama, art, music and community service as essential elements in a student's development. Community service projects include voluntary work in charity shops, conservation and recycling. Senior students led a project providing holidays for disadvantaged children at Worth during the summer holiday in 2015.

Spirituality

A central part of the school is the Chaplaincy. During the year, the Chaplaincy Team comprised seven members of the Worth Abbey Monastic Community and one Anglican Chaplain from Worth parish. They worked closely with the 3 lay members of the School staff and the pupils to ensure that the Benedictine ethos is at the forefront of School life. Worship is at the heart of St Benedict's vision of community life. In addition to a weekly act of Worship (Thursday Worship) in which the whole School and Monastic Community participate, the Chaplaincy also provides other opportunities for students to strengthen their relationship with God and with each other. These opportunities include mornings of reflection, voluntary rosary, pilgrimage trips in the holidays and a large number of groups for *lectio divina* (which is the prayerful reading of Scripture as it relates to our everyday lives).

The Chaplaincy leads the School's fundraising efforts in support of other charities. This year, each House in the School again chose their own charity to support and funds were raised for the following: Cancer research, African Prisoners Project, Hope for Children, Brain Tumour charity, You Raise me up, Anthony Nolan Trust, Haller, Help the Heros, Irundu school (Uganda). The School acted as a custodian for the funds raised by each House, until distribution had been made to the intended charities.

WORTH SCHOOL
TRUSTEES' REPORT (CONTINUED)
YEAR ENDED 31 AUGUST 2015

Co-education

The School began its journey towards being fully co-educational in September 2008 when the first girls were welcomed into year 12. This was followed in subsequent years by other year groups; and from September 2012, there were girls in all years of the school.

Related physical developments in the last few years have included the construction of a new boarding house for boys, the redevelopment of the former St Bede's Boarding House into a girls' day house and additional classrooms, the expansion of the Sports Hall to provide further sports facilities. The development of a second girls' Day House was opened in September 2015.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Review of Financial Activity and Reserves Policy

The financial results of Worth School for the year ended 31 August 2015 were in line with the Trustees' expectations. The surplus on unrestricted funds generated after all outgoings, including rent paid under the terms of the lease with Worth Abbey, amounted to £549,325. In accordance with the School's objectives and having regard to the matters set out below, this amount was donated to Worth Abbey which has funded the works on buildings used by the School. The Trustees and the Senior Leadership Team of the School produced, with the support and agreement of Worth Abbey, a development plan for the School under which certain physical and other developmental needs were identified. Under this plan, Worth Abbey, as the owner of the freehold of the physical assets, agreed both to 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 has incurred substantial borrowings in order to carry out the agreed development work and, as a consequence, the Trustees of the 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 over the next 12 months. 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 unrestricted reserves need to be retained by Worth School at the present time.

FUTURE PLANS

The *Worth 2024* strategic plan is being developed to provide complete clarity over the long term strategic direction of the school, including all aspects of the School's vision in relation to the academic, spiritual and pastoral elements within its charitable objectives. The plan will outline the people, facilities, structures and resources necessary to achieve the vision.

A key first step towards this vision is the construction of the Heart of Campus development, which comprises a new Art Faculty building, Staff Common Room, Chaplaincy and a co-educational day house for Years 7 and 8 boys and girls.

**WORTH SCHOOL
TRUSTEES' REPORT (CONTINUED)
YEAR ENDED 31 AUGUST 2015**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the School and of its net outgoing resources for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the School's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

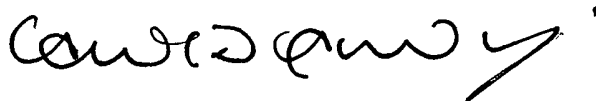
DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

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

This Annual Report, prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005), under the Charities Act 2011 and the Companies Act 2006, was approved by the Board on 4th December 2015, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Mrs Alda Andreotti
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF WORTH SCHOOL

We have audited the financial statements of Worth School for the year ended 31 August 2015 which comprise the Statement of Financial Activities, including the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's member, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the company's Trustees as a body in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's member those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's member for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the Directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's 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.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report (incorporating the Strategic Report) to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF WORTH SCHOOL (CONTINUED)

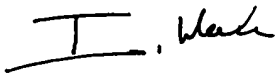
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees Annual Report (incorporating the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Trustees Annual Report.



Ian Weekes
Senior Statutory Auditor
for and on behalf of Crowe Clark Whitehill LLP
Statutory Auditor

10 Palace Avenue
Maidstone
Kent
ME15 6NF

Date: 23rd May 2016

WORTH SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING AN INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 AUGUST 2015

	Notes	Unrestricted 2015 £	Total 2014 £
INCOMING RESOURCES			
Income from Charitable Activities			
Advancement of Education	2	13,018,979	12,938,237
Income from generated funds			
Interest receivable		514	1,850
Services provided to other group companies		83,000	68,799
Other		30,154	77,246
TOTAL INCOMING RESOURCES		13,132,647	13,086,132
RESOURCES EXPENDED			
Cost of generating funds	3b	90,475	85,244
Net incoming resources available for charitable application		13,042,172	13,000,888
Charitable Activities:			
Advancement of Education	3b	12,484,208	11,412,091
Support of Worth Abbey	3b	549,325	1,580,157
Governance costs	3b	8,640	8,640
TOTAL RESOURCES EXPENDED		13,132,647	13,086,132
NET INCOMING RESOURCES BEFORE TRANSFERS	10	-	-
Transfer		-	-
NET MOVEMENT IN FUNDS INCLUDING NET INCOME FOR THE YEAR		-	-
At 1 September 2014		-	-
AT 31 AUGUST 2015	11	-	-

All amounts relate to continuing operations.

The above statement contains all the gains and losses recognised in the current and preceding year.

The notes on pages 13 to 20 form part of these financial statements.

**WORTH SCHOOL
BALANCE SHEET
31 AUGUST 2015**

		2015 £	2014 £
FIXED ASSETS			
Tangible fixed assets	4	199,959	270,880
		<u> </u>	<u> </u>
CURRENT ASSETS			
Stock	5	189,779	176,733
Debtors	6	4,232,595	4,124,960
Cash at bank and in hand		329,777	376,840
		<u>4,752,151</u>	<u>4,678,533</u>
CREDITORS: amounts falling due within one year	7	<u>(2,835,215)</u>	<u>(3,208,442)</u>
NET CURRENT ASSETS		<u>1,916,936</u>	<u>1,470,091</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,116,894	1,740,971
CREDITORS: amounts falling due after more than one year	8	(2,116,894)	(1,740,971)
		<u> </u>	<u> </u>
TOTAL NET ASSETS		<u> -</u>	<u> -</u>
FUNDS			
Restricted funds		<u> -</u>	<u> -</u>
TOTAL FUNDS		<u> -</u>	<u> -</u>

The financial statements were approved by the Trustees on 4th December 2015, and signed on their behalf by

Mrs Alda Andreotti
Trustee

Mr Ben Elwes
Trustee

The notes on pages 13 to 20 form part of these financial statements.

WORTH SCHOOL
CASH FLOW STATEMENT
YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES			
Changes in resources before transfers and revaluation		-	-
Depreciation	4	92,542	96,425
Decrease / (Increase) in stock	5	(13,046)	5,379
Decrease in debtors	6	(107,330)	3,710
(Decrease)/Increase in creditors	7	(246,447)	(447,374)
NET CASH INFLOW FROM OPERATING ACTIVITIES		(274,586)	(341,860)

CASH FLOW STATEMENT

Net cash inflow from operating activities		(274,586)	(341,860)
Capital expenditure: Payments to acquire tangible fixed assets		(21,620)	(66,587)
		<u>(296,206)</u>	<u>(408,447)</u>
Financing: Parents' acceptance deposits		<u>(249,143)</u>	<u>(33)</u>
Increase in cash in the year	12	<u>(47,063)</u>	<u>(408,480)</u>
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT			
Increase in cash in the period		(47,063)	(408,480)
Cash inflow from increase in net debt	12	<u>249,143</u>	<u>33</u>
Changes in net funds resulting from cash flows		<u>(296,208)</u>	<u>(408,447)</u>
Movement in net funds in the year	12	<u>(296,208)</u>	<u>(408,447)</u>
Net debt at start of year	12	<u>(1,013,921)</u>	<u>(605,474)</u>
NET DEBT AT END OF YEAR	12	<u>(1,310,127)</u>	<u>(1,013,921)</u>

The notes on pages 13 to 20 form part of these financial statements.

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities: the Charities SORP 2005.

The Trustees confirm that they consider that the going concern basis remains appropriate as the Charity has sufficient resources to continue in operational existence for the foreseeable future. It has positive cash balances, no significant long term liabilities and has received confirmation from Worth Abbey that it will provide financial support to meet ongoing liabilities as they fall due over the next 12 months.

b) Company Status

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

c) Fund accounting

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

Restricted funds are funds subject to specific restrictive conditions imposed by the donor.

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

d) Incoming resources

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

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

e) Grants

Grants receivable are recognised when received.

f) Gifts in kind

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

g) Resources expended

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

- Costs of generating funds – This includes non-charitable trading activities together with their related support costs.
- Charitable expenditure – This includes that expenditure incurred directly in connection with the objects of the charity and includes the cost of services, management and support costs.

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (CONTINUED)

- Governance costs – These are costs associated with constitutional and statutory requirements.

Expenditure is summarised under functional headings either on a direct cost basis or, for overhead costs, apportioned according to management estimates of expenditure incurred. The irrecoverable element of VAT is included with the item of expense to which it relates.

h) Capitalisation and depreciation

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

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

i) Stock

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

j) Pensions

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator, currently 14.1%. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the Charity. In accordance with FRS 17 the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

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

k) Operating leases

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

l) Leasing and hire purchase

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

Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

m) Acceptance deposits

When a pupil is accepted into the School, parents are required to pay an acceptance deposit which is refunded, without interest, after the pupil leaves the School. Acceptance deposits due for return in more than one year are treated as part of net debt.

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (CONTINUED)

n) Fee prepayments

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

2. INCOME FROM CHARITABLE ACTIVITIES

	2015 £	2014 £
Fee income for the year	14,038,913	13,766,697
Release of fee prepayments	631,962	682,517
Extras	189,469	200,687
Entrance fees	34,567	32,711
	<u>14,894,911</u>	<u>14,682,612</u>
LESS:		
Allowances and remissions:		
Scholarships granted	921,553	854,838
Bursaries and other remissions	954,379	889,537
	<u>1,875,932</u>	<u>1,744,375</u>
	<u>13,018,979</u>	<u>12,938,237</u>

3a. EXPENDITURE - STAFF COSTS

	2015 £	2014 £
Employment costs include:		
Wages and salaries	6,075,653	5,537,296
Social security costs	430,300	483,704
Pension contributions	622,981	653,197
	<u>7,128,934</u>	<u>6,674,568</u>

The average number of employees in the year was:

	2015 Number	2014 Number
Teaching & teaching support	82	83
Welfare	51	45
Premises	16	16
Support	19	17
	<u>168</u>	<u>161</u>

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

	2015 Number	2014 Number
£60,000 - £70,000	16	14
£70,001 - £80,000	2	5
£80,001 - £90,000	1	-
£90,001 - £100,000	1	-
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
£160,001 - £170,000	-	1

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2015

3a. EXPENDITURE - STAFF COSTS (Continued)

All the above were members of a defined benefit pension scheme. Total pension contributions payable for these employees amounted to £173,100 (2014: £160,889) in the year.

3b. EXPENDITURE – Analysis of total resources expended

	Staff costs £	Other £	Depreciation £	Total £	2014 £
Costs of generating funds	83,000	7,475	-	90,475	85,244
Charitable activities					
School operating costs:					
Teaching costs	5,027,422	1,208,368	28,622	6,264,413	5,985,827
Welfare costs	1,130,813	866,346	24,177	2,021,335	1,846,998
Premises	339,894	2,561,449	34,499	2,935,842	2,919,326
Support costs	547,805	709,569	5,243	1,262,617	659,940
	<u>7,045,934</u>	<u>5,345,732</u>	<u>92,542</u>	<u>12,484,208</u>	<u>11,412,091</u>
Support of Worth Abbey	-	549,325	-	549,325	1,580,157
Governance costs	-	8,640	-	8,640	8,640
	<u>7,128,934</u>	<u>5,911,171</u>	<u>92,542</u>	<u>13,132,647</u>	<u>13,086,132</u>

3c EXPENDITURE – Other disclosures

Total resources expended are stated after charging:

	2015 £	2014 £
Governance costs : Auditors' remuneration:	7,200	7,200
Depreciation of tangible fixed assets: - owned by the charitable company	92,542	96,425
Operating leases:		
- land and building	806,000	806,000
- other	41,262	43,275

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2015

4. TANGIBLE FIXED ASSETS

	Motor Vehicles £	Plant and Machinery £	Computer Equipment £	Sports Equipment £	Total £
<u>Cost</u>					
At 1 September 2014	91,742	882,627	459,431	48,448	1,482,247
Additions	-	21,620	-	-	21,620
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2015	91,742	904,247	459,431	48,448	1,503,867
<u>Depreciation</u>					
At 1 September 2014	67,575	735,507	404,246	4,037	1,211,366
Charge for the year	7,850	51,551	21,029	12,112	92,542
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2015	75,425	787,058	425,275	16,149	1,303,908
Net book value					
At 31 August 2015	16,316	117,189	34,155	32,299	199,959
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 1 September 2014	24,166	147,120	55,184	44,441	270,881
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

5. STOCK

	2015 £	2014 £
General stores	<u>189,779</u>	<u>176,733</u>

6. DEBTORS

	2015 £	2014 £
School fees and extras less bad debt provision	397,774	455,075
Amounts owed by group companies	3,569,578	3,417,685
Other debtors	1,211	4,870
Prepayments and accrued income	<u>264,032</u>	<u>247,330</u>
	<u>4,232,595</u>	<u>4,124,960</u>

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

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2015

7. CREDITORS: amounts falling due within one year

	2015 £	2014 £
Amounts owed to group undertakings	-	-
Fee prepayments (note 9)	376,592	427,638
Acceptance deposits	423,558	377,976
School fees and extras received in advance	1,384,468	1,890,390
Trade creditors	254,102	179,586
Other taxes and social security costs	147,105	140,625
Clubs and societies	3,453	3,803
Other creditors	226,406	161,440
Accruals and deferred income	19,532	26,984
	<u>2,835,215</u>	<u>3,208,442</u>

Included in other creditors are outstanding pension contributions of £74,056 (2014: £74,090). Also included in other creditors is £15,497 (2014: £14,022) relating to funds raised by each house for their nominated charities. The School acted as a custodian for the funds raised, which remained undistributed to the intended charities at the year end. The cash funds are separately recorded and were distributed accordingly after the year end.

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

	2015 £	2014 £
Fee prepayments (note 9)	476,990	350,210
Acceptance deposits	1,639,904	1,390,761
	<u>2,116,894</u>	<u>1,740,971</u>

When a pupil is accepted into the school a deposit is paid and is refunded when the pupil leaves the school.

9. PARENTS' DEPOSITS AND FEE PREPAYMENTS

	2015 £	2014 £
Fee prepayments	853,581	777,848
Less: amount to be released within one year	(376,592)	(427,638)
On account of fees falling due after more than one year	476,990	350,210
Acceptance deposits	1,639,904	1,390,761
Acceptance deposits and fee prepayments falling due after more than one year at 31 August	<u>2,116,894</u>	<u>1,740,971</u>

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

10. UNRESTRICTED FUNDS

Worth School received incoming resources of £13,132,647 (of which none were restricted) during the year and expended £13,132,647 (of which none were restricted) including the donation to Worth Abbey.

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2015

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted Funds	-	-	-	-
Unrestricted Fund	199,959	1,916,936	(2,116,894)	-
Total	199,959	1,916,936	(2,116,894)	-

12. ANALYSIS OF CHANGES IN NET DEBT

	At 31 August 2014 £	Net cashflow £	At 31 August 2015 £
Cash in hand and at bank	376,840	(47,063)	329,777
Debt due after one year: Acceptance deposits	(1,390,761)	(249,143)	(1,639,904)
Net debt	(1,013,921)	(296,206)	(1,310,127)

13. OPERATING LEASE COMMITMENTS

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

	Land & buildings 2015 £	Operating leases Other 2015 £	Land & buildings 2014 £	Other 2014 £
Under 1 year	806,000	-	806,000	-
Between 2 and 5 years	-	7,149	-	15,647
	806,000	7,149	806,000	15,647

WORTH SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2014

14. RELATED PARTY TRANSACTIONS AND ULTIMATE CONTROLLING PARTY

Two Trustees received a total of £463 for food and travel expenditure incurred whilst travelling on school business (2014: £496). Trustee indemnity insurance is included in the School's insurance policy at no extra cost and covers those members of the Board serving as Trustees. The School enters into transactions with parent governors. These transactions occur on an arm's length basis with independent consideration of any bursaries and scholarships which may arise.

During the year, the School Clerk of Governors, who is also the husband of a Governor, Mr G Fitzsimons received £46,296 (2014: £24,785) for services provided.

A Governor, Nick Deeming received £48,453 for his services (2014: £1,410 for expenses).

The Charity has claimed the exemption available under Paragraph 3(c) of Financial Reporting Standard No.8 not to report details of transactions with other members of the Worth Abbey group on the grounds that it is a 100% subsidiary of Worth Abbey. The School's results are included in the consolidated accounts of its parent charity, which is the largest and smallest group which it can be included within. These consolidated accounts of the Worth Abbey Group are publicly available from:

The Company Secretary
Worth Abbey
Paddockhurst Road
Turners Hill
West Sussex
RH10 4SB

15. PENSION COMMITMENTS

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £516,949 (2014: £495,187) and at the year-end £Nil (2014 - £Nil) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report in respect of the TPS was prepared at 31 March 2012 and was published in June 2014. The employer contribution was subsequently set at 16.48% which took effect from 1 September 2015.

The next revision to the employer contribution rate is not expected to take effect until 1 April 2019. This will follow on from the next actuarial valuation which is due at 31 March 2016. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

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 £106,032 (2014: £190,926).