

BRYANSTON SCHOOL INCORPORATED
REPORT OF THE GOVERNORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

WEDNESDAY



A45 *A36WIS0B* 30/04/2014 #26
COMPANIES HOUSE

BRYANSTON SCHOOL INCORPORATED

**INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2013**

	Page
Company Information	1
Report of the Governors	3
Report of the Independent Auditors	11
Consolidated Statement of Financial Activities	13
Balance Sheets	14
Consolidated Cash Flow Statement	15
Notes to the Consolidated Financial Statements	16

BRYANSTON SCHOOL INCORPORATED

COMPANY INFORMATION
for the year ended 31 August 2013

GOVERNORS:

R H Cox, BA
S F Bowes
Ms S A Buxton, MA, ACA
S O Conran
M L M Davies, MA, BA
Mrs S Foulser, BA
J R Greenhill, MA
Mrs B H M Hollond, MA, FRSA
B Irvani, MA, FCA
M Laurence
Mrs V M McDonough, MA, DL
R A Pegna, MA
Dr H M Pharaoh, MBBS, DRCOG, MRCP
A R Poulton, BA
Professor M L Reynolds, BA, PhD
Miss R E Rogers, BMus
Professor J F Smyth, MD, FRCP, FRCPE, FRCSE, FRCR, FRSE
D M Trick
P G E Walker, FRICS
Rev S U Wells

**BURSAR, CLERK TO THE
GOVERNORS AND COMPANY
SECRETARY:**

N P McRobb OBE, BA, MBA

HEAD:

Ms S J Thomas, BA, PGCE

REGISTERED OFFICE:

Bryanston School
Blandford Forum
DT11 0PX

REGISTERED NUMBER:

226143 (England and Wales)

**REGISTERED CHARITY
NUMBER:**

306210

AUDITORS:

Fawcetts
Chartered Accountants
and Statutory Auditors
Windover House
St Ann Street
Salisbury
SP1 2DR

BRYANSTON SCHOOL INCORPORATED

COMPANY INFORMATION
for the year ended 31 August 2013

BANKERS:

HSBC Bank plc
17 Market Place
Blandford Forum
DT11 7AG

SOLICITORS:

Steele Raymond
Richmond Point
43 Richmond Hill
Bournemouth
BH2 6LR

Farrer and Co
66 Lincoln's Inn Fields
London
WC2A 3LH

INSURANCE BROKERS:

Marsh Brokers Limited
Rockwood House
9-17 Perrymount Road
Haywards Heath
West Sussex
RH16 3DU

BRYANSTON SCHOOL INCORPORATED

REPORT OF THE GOVERNORS for the year ended 31 August 2013

The governors present their report and the audited consolidated financial statements for the year ended 31 August 2013 and confirm they comply with the Charities Act 2011, the governing document and the Charities SORP 2005

REFERENCE AND ADMINISTRATIVE INFORMATION

Governors

The governors of the company in office at 31 August 2013 were as shown on page 1, all served throughout the year and to the date of this report except where indicated. The governors are the members of the company.

Under Article 16 the governors retire by rotation after holding office for two years. The following governors will retire by rotation at the Annual General Meeting and shall be eligible for re-election:

R H Cox
S F Bowes
M L M Davies
Mrs B H M Hollond
Mrs V M McDonough
R A Pegna
Dr H M Pharaoh
A R Poulton
Professor M L Reynolds
Miss R E Rogers
Professor J F Smyth
P G E Walker

Governing Document

The School was founded in 1927, and is governed by its Articles of Association, last altered by Special Resolution on 12 March 2011.

Recruitment and Training of Governors

The Governors' Nomination Committee considers the strength and balance of expertise within the Governing Body and makes recommendations from time to time to Council, most obviously at the Annual General Meeting, as to the recruitment of new governors. When recruiting new governors an important attribute is a passion for the work of the school, believing that education should impart a real sense of meaning and purpose and develop open and enquiring minds.

As has been practice in recent years, new governors are invited to spend a day at School, to meet staff and explore current issues. In the autumn term 2012 Governors received health and safety training and in the spring term 2013 Governors attended an education day.

Organisational management

The Council of Management meets three times a year at Bryanston. A number of committees support the work of the Council. The senior committee is the Finance and General Purposes Committee which meets each term, some three to four weeks ahead of the Council meeting. Other long-standing committees are the Capital Projects Committee, the Salaries Committee, the Health and Safety Committee, the Education Forum, the Marketing Committee, the Nominations Committee and the Development Committee which each meet two to three times a year.

The day-to-day running of the School is devolved to the Head, supported by the Bursar and the Senior Management Team.

Group structure and relationships

The School has a trading subsidiary company, shares in which are held by the School, whose activities and trading performance are dealt with below. The School controls a charitable trust whose principle objective is to invest its endowment fund to generate income to support the school and a not-for-profit company whose principal objective is to provide support for current and past parents, pupils and staff via the alumni relations programme, providing reunions, social networking opportunities and a careers mentoring family that members can call upon at any time.

BRYANSTON SCHOOL INCORPORATED

REPORT OF THE GOVERNORS for the year ended 31 August 2013

OBJECTS AND AIMS

Charitable objects

The Charity's object, as set out in the Articles of Association is "*to advance the education of boys and girls by the provision of a day and boarding school in or near Blandford Forum, Dorset and by other incidental and ancillary educational activities and other associated activities for the benefit of the community*"

Aims and intended impact

The School provides boarding and day education to children between the ages of 13 and 19, it runs some holiday educational courses and a number of educational community-based activities. The School's policy is to attain the highest academic standards as well as providing an extra-curricular programme which aims to develop life-long leisure interests and helps build self-confidence and a desire to contribute to the community. We value creativity, individuality and variety and we want our young people to fulfil their talents wherever they lie. At the same time, we seek to nurture integrity, responsibility, compassion and self-discipline within the context of the demands set by the lively school community.

The importance of family is never underestimated at Bryanston and you will often hear mention of the "Bryanston Family". Children learn to be part of a community and support one another during their time at school, friendships forged here evolve, deepen and very often last a lifetime. Bryanstonians are encouraged to be creative, energetic and participative, being tolerant of other people's views whilst able to articulate their own, to be keen to do well and have a sense of what matters. Bryanston is not just a five year experience, instead pupils and their parents all become life members of The Bryanston Society, a family that continues to support each other, in practical ways through a thriving careers mentoring network, where members are willing to give their time freely.

Objectives

Our objectives are set to reflect the aims and ethos of the School. It is important to us that we maintain and enhance the academic success of the School but also the academic achievements of each individual pupil. The School encourages pupils to be active learners by giving them a depth of experience that stimulates interest, creativity and hope.

In setting our objectives and planning our activity the governors have given careful consideration to the Charity Commission's guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee charging.

ETHOS STRATEGY AND POLICIES

Bryanston is a school which rejoices in its motto *et nova et vetera*. We are a young enough school to have a crystal-clear vision of our direction and values, much of them described by our founder in 1928, and these imbue all we do here. We are proud to teach pupils to learn. We are also clear what the important traditions for a school are: at Bryanston they are those which encourage independence, individuality, and thinking, as well as being able to learn from living in a loving community which fast becomes, and remains, a family.

The School recognises its responsibility to safeguard and promote the welfare of our pupils and expects all staff and volunteers to be committed to share this responsibility, which encompasses

- Protecting children from harm
- Preventing impairment of children's health and development
- Providing an environment which is safe and caring and allows children to flourish and reach their full potential

Access policy

Our fees are set at a level to ensure the financial viability of the school and at a level that will enable us to continue to provide the highest quality education to boys and girls.

It is important to us that access to the education we offer is not restricted only to those who can afford our fees and the school welcomes and encourages pupils from all backgrounds. We believe our pupils benefit from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experience which helps our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

BRYANSTON SCHOOL INCORPORATED

REPORT OF THE GOVERNORS for the year ended 31 August 2013

ETHOS STRATEGY AND POLICIES (continued)

Bursary policy

The governors view our bursary awards as important in both fulfilling our charitable objectives and helping pupils who wish to come to our school, but whose families would find it impossible to pay the full fees. The allocation of such awards is dependent on an assessment, by the Bursar and Finance Bursar, of parental means first through the completion by parents of a Statement of Financial Circumstances form and then by interview. Awards may also be made to relieve hardship where a pupil's education and future prospects would otherwise be at risk, in such circumstances, parents will again be asked to complete a Statement of Financial Circumstances form.

In assessing means we take a number of factors into consideration including family income and expenditure, assets and liabilities, known family circumstances, the parents' ability to improve financial circumstances or earning capacity and opportunities to release capital. Awards are also dependent on the School's limited resources. The school receives some income for bursaries from a small foundation fund (managed by Trustees).

The School respects the confidentiality of individual bursary awards and hopes parents and pupils will also do so. In order that the limited funds can be focused where there is greatest need, parents whose children are in receipt of a bursary are requested to bring to the attention of the Bursar any material improvement in circumstances, but in any event the School retains the right to review awards on an annual or termly basis.

The criteria for a bursary, in addition to financial need are

- that the prospective pupil will fulfil the academic requirements for the appropriate year of entry
- that the prospective pupil will engage in the whole life of the School, even if he or she is a day pupil
- that the parents, the prospective pupil and the Head agree that attendance at the School will be a positive experience for the pupil

The bursary awards range from 5% to 100% remission of fees, but the school also recognises that additional costs will be incurred by pupils to pay for extra/co-curricular activities, equipment and trips - and therefore discretionary awards are made by the Head ensuring all pupils can benefit from the full educational experience on offer.

Information about bursaries is provided to all applicants and is also available on our website. Certain 100% bursaries are also advertised in the local press.

Family discount policy

The school recognises the importance of family and welcomes siblings. As a policy the school does not offer an automatic family discount, but instead will focus support on need in accordance with our stated bursary policy.

Scholarship policy

The purpose of a scholarship is to recognise talent. Scholarships may attract a financial award attached, which currently varies between 5% and 25% remission against fees. Scholarship awards are capped at a maximum of 25%, but any scholarship may be topped up by a bursary. Scholarships are available for junior and sixth form entry. Scholars are expected to contribute actively to the overall life of the school. Scholarships are offered in the following areas:

- Academic - recognising high academic potential
- Art - for pupils who show exceptional ability and promise in painting, drawing or three dimensional work
- Design Technology - for candidates who show a real interest in design and have sound practical skills
- ICT - where pupils can demonstrate a good level of ability in a wide range of IT initiatives
- Music - for enthusiastic candidates who show considerable potential
- Sports - for pupils with not only sporting ability, but also good temperament, motivation and leadership skills
- All-rounder - recognising candidates who possess the talent and personal qualities to make a significant ongoing contribution to the quality of school life

Scholarships are advertised on our website

BRYANSTON SCHOOL INCORPORATED

REPORT OF THE GOVERNORS for the year ended 31 August 2013

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

The pupil numbers remained strong throughout the year averaging 682 (2011/12 683) exceeding our target numbers 2012/13 was another very successful year in which much was achieved and there were many reasons to be proud

Public exam results have been good The summer of 2013 saw 437 A level entries, resulting in 83 A* grades (19%), 154 A grades (35.2%), 118 B grades (27%) and 53 C grades (12.1%) totalling 408 entries leading to grades A*-C, or, put another way, 93.4% of entries resulted in A*-C grades Over one-third of all pupils achieved at least one A*, of whom 20 gained A*s in two or more subjects Three pupils were awarded three A*s and two were awarded four A*s Thirty per cent of the year group achieved three A grades or better

The GCSE results were also excellent, the year group achieving 97% A*-C grades Twenty-seven of our pupils scored A* or A in nine or more subjects and performances were extremely strong across the full range of academic subjects

The introduction of the International Baccalaureate has gone smoothly and the first cohort have responded well to the reality of the diploma

A number of pupils across the year groups took part in the CREST awards, at gold, silver and bronze level The British Science Society's CREST is Britain's largest national award scheme for project work in the Science, Technology, Engineering and Maths Three A3 pupils took their work on the app 'Mathsbuckit' to the national Big Bang Science Fair and, in being commended, were effectively the third best project in the country in their category

A2 pupils enjoyed considerable success in the British Biology Olympiad exams Four pupils gained a silver award, three gained a bronze award, three were awarded highly commended and one was awarded commended

Several pupils were invited to take part in the European Kangaroo Mathematical Challenge, two of whom were awarded certificates of merit for finishing among the top 25% of pupils from over 30 different countries

A C pupil finished 15th in the National Cipher Challenge, a code-breaking competition which attracted over 6000 pupils from over 700 British schools

Sixteen pupils in A3 were given the opportunity to prepare for and take the English Speaking Board's Grade 8 Advanced Certificate in Spoken English Of the 16 that took the exam, 12 achieved distinctions and four were awarded the grade of merit plus

The Music Department has had another busy year Concerts given outside the school included amongst others the following major events

The London Concert at the Old Royal Naval College Chapel, Greenwich, in the autumn term – one of the most polished and deeply satisfying London concerts within recent memory

Chamber Music Concert at St James' Church, Poole, in the autumn term – the school's top musicians delivered an exceptionally high standard of music in the beautiful acoustic and setting of the church

The Hideaway Jazz Club, in the spring term – Bryanston's Dance Band returned to this notable London jazz club for their second professional engagement Bryanston is the only school to have performed at this professional venue and, once again, it was a privilege for them to play amongst a highly impressive line-up of high-ranking jazz musicians

The Lighthouse Concert, Poole, in the spring term – the Bryanston Choral Society and the Bryanston Combined Choir joined forces with a professional orchestra for a highly uplifting performance of Vaughan Williams' *Sea Symphony*

The choir tour to New York, during the Easter holidays – pupils performed at the Church of the Heavenly Rest and the Church of St Mary the Virgin

BRYANSTON SCHOOL INCORPORATED

REPORT OF THE GOVERNORS for the year ended 31 August 2013

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR (continued)

Drama productions over the past year have included such wide-ranging plays as *Guys and Dolls*, *Prom*, *The Borrowers* and *An Evening of Shaffer*. There was also an excellent Dance Show in the spring term, organised and choreographed by pupils. As usual the A3 Festival was a great success with the pupils embracing the chance to take full control of their plays, music, fashion show, artwork and giving full rein to creativity.

The school was delighted when an A2 pupil received offers of places at both RADA and the Arts Educational School in London, as well as a scholarship to the New York Film School.

Three Bryanston leavers took their self-penned play, *Best Kept Secrets*, to the Edinburgh Fringe Festival, raising the money and navigating their way through the complex venue, marketing, administrative and technical obstacles without assistance.

Twelve pupils and three members of staff travelled to Kolkata and Sikkim in India for three weeks over the Easter holidays. As well as trekking and sightseeing, there was a more serious aspect of the trip that followed in the form of a 'hands on' charity project. The pupils spent the last week of the trip living in the village of Manedara near Rimbik, high in the mountains, and renovating the local, tribal primary school. Bryanston pupils had previously, through their own endeavours, raised the \$4000 to fund the renovation.

Among the sporting highlights of the year, the school's kayaking team achieved considerable success at the Devizes to Westminster marathon, winning both the school team trophy and the junior team trophy. One A3 pupil achieved a gold and two bronzes at the National Canoe Sprint Championships in Nottingham in September.

In rugby, three pupils were selected to play for the England Under 18s, while three OBs started for Bath Rugby's first XV in a European Challenge Cup match against Bucharest Wolves.

In rowing, the first XIII made it to Henley, their first clean qualification for 19 years. Their cox has been invited by the Leander Club to join the squad as cox of their International Development Group.

The Bryanston athletics team enjoyed a hugely successful weekend at the Dorset Schools Championships. Of the 11 athletes who competed, eight returned as county champions and three returned as double county champions.

Four of Bryanston's senior girls represented Dorset in one of the biggest sporting events in school sport, the English Schools National Cross Country Championships.

The U16A netball team came third in the National Schools Competition in March.

In hockey, three girls were selected to join the Junior Regional Performance Centre in Exeter, after representing Dorset at their respective tournament age groups.

The boys' equestrian team qualified to compete in the National Schools Equestrian Association Championships in October.

The extra-curricular activities programme continues to go from strength to strength, offering a huge breadth of experiences and opportunities for pupils. This year has seen some exciting new ECAs on offer such as karate, scuba diving and stable management. The Bryanston Film Festival has become an integral part of the ECA programme with a large number of pupils either making films for the film competition or being involved with the organisation. This year four pupils won the opportunity to do work experience in the world famous Imaginarium Studios working with well-known professional actors such as Andy Serkis.

The Pioneering programme continues to provide unique opportunities for pupils to get involved in a breadth of projects that help a wide range of people in the school community and the local community. Work was completed on the new school orchard and the school hopes for the first fruit in autumn 2014.

BRYANSTON SCHOOL INCORPORATED

REPORT OF THE GOVERNORS for the year ended 31 August 2013

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR (continued)

The spring term saw A2 pupils busy raising funds at their annual charity event. This year pupils chose to support Children of Mekong, a multimedia project that hopes to humanise water and sanitation issues in rural Asia. The weekend raised an impressive £12,500.

During term time we are able to allow our facilities to be used by local schools (Blandford pyramid schools, North Dorset and Independent Prep schools) and community sports clubs (swimming/ tennis/ cricket/canoe clubs).

We continue to work with the Ridgeway Centre in Weymouth, which has helped us further develop links with the local community. Pupils took part in drama and music workshops for adults with learning difficulties helping build their confidence and facilitate communication. Our involvement remains a positive experience for all.

Our teachers and children also facilitate academic and sports activities for pupils from The Blandford School including weekly Latin classes and Rowing and Kayaking. During the school holidays we operate a number of sports courses aimed at children between the ages of 9 and 15 years.

In the summer term, the school held the inaugural Bryanston Business Conference, which was funded through the generosity of an Old Bryanstonian with the aim of encouraging more pupils to become entrepreneurs. OB Sebastian Conran gave the keynote address of a day of presentations by a variety of high-level professionals, businesspeople and entrepreneurs, including fashion designer and OB Coco Fennell (G '06), serial entrepreneur Angela Rowley and brewer Anthony Woodhouse.

Bryanston's new boathouse was shortlisted for the 2013 Royal Institute of British Architects (RIBA) South West Award from 52 entries across the region. It was designed by former pupil Robert Adams (F '74) of Adams and Collingwood Architects.

The school broke ground on the new Music School during the summer holidays. Building continues apace and is on track to complete on schedule by Easter 2014.

FINANCIAL REVIEW

Summary

The results for the year and financial position of the company are shown in the attached financial statements.

Total incoming resources increased by 1.9% on last year and resources expended by 4.1% causing the net incoming resources to fall from £2,083,481 (10% of incoming resources) to £1,709,458 (8% of incoming resources). The governors have continued to advance the fabric and facilities of the school investing £4,711,236 during the year.

Bursaries

The value of means tested awards totalled £1,800,585 and represented 8.8% of our gross fees. They provided assistance to 117 pupils, 7 of whom benefited from full remission and a further 6 at over 90% remission. In addition the Head's discretionary fund provided awards totalling to £12,000 to help pupils meet the cost of school trips and similar expenses, when they would otherwise have been unable to participate due to the costs involved.

Scholarships

Scholarship only awards amounted to £426,844 and were provided to 65 pupils. In addition a further 47 scholars received remission in the form of scholarship plus bursary and the value of the combined award is included in the figure relating to bursaries.

As a charity the parents of our pupils have the assurance that all of the income must be applied for educational purposes. As an educational charity we enjoy tax exemption on our surplus provided it is applied for our charitable aims. As a charity we are entitled to an 80% reduction in business rates on the property we occupy for our charitable purposes. However, as an educational charity we are unable to recover VAT input tax on our expenditure, since all of our supplies are exempt for VAT purposes. The cost of VAT to the school is estimated to be in the region of £1,200,000.

BRYANSTON SCHOOL INCORPORATED

REPORT OF THE GOVERNORS for the year ended 31 August 2013

FINANCIAL REVIEW (continued)

Risk management

Risks are identified, assessed and controls established throughout the year by the School's Management Team, and a formal review is presented to the Finance and General Purposes Committee in February each year. The Council are satisfied that the major risks to which the charity is exposed are reviewed at least annually and systems have been established to mitigate these risks.

Reserves

The School does not carry free funds. The governors' policy is to invest to keep the School at the forefront of the independent school sector. This is partly financed by current borrowing, which is the most cost-effective method of funding fixed assets consistent with the School's cash flow profile.

Investment powers

The governors are empowered to invest the monies of the School not immediately required for its purposes, in or upon such investments, securities or property as may be thought fit but so that monies subject to or representing property subject to the jurisdiction of the Charity Commissioners shall only be invested in such securities and with such sanction (if any) as may for the time being be prescribed by law.

Asset cover for funds

Note 18 to the accounts sets out an analysis of the assets attributable to the School's funds. These assets are sufficient to meet the School's obligations on a fund by fund basis.

EMPLOYMENT ISSUES

Employees

Arrangements exist to keep all employees informed on matters of concern to them and information on the School's performance and prospects is disseminated widely.

Employment of people with disabilities

It is the School's policy that people with disabilities should have the same consideration as others with respect to recruitment, retention and personal development. Depending on their skills and abilities, they enjoy the same career prospects as other employees and the same scope for realising potential.

PLANS FOR THE FUTURE

The Governors are very aware of the difficult and uncertain macro-economic climate that continues to exist and that challenges for fee paying parents do not diminish and they are determined to widen access to Bryanston and look to our Development Campaign to help build a significant Bursary Fund. This will enable pupils to attend the School who, without such financial support, would not be able to benefit from a Bryanston education.

To continue to provide the highest standards of education, responding to the changing UK academic examination landscape and to recognise opportunities the IB programme brings as it develops.

Good staff are at the heart of great performance at Bryanston both in and out of the classroom, as such the recruitment, retention, development and retirement of the right people will remain a priority for both the Head and Bursar.

As campus development of the educational spaces comes to fruition, with the completion of the Music School scheduled for Easter 2014, it is important to examine the long-term sustainment of the infrastructure and the future priorities for building. It is not anticipated that any new major building projects will take place over the next few years, this will be instead a time of consolidation and reflection.

BRYANSTON SCHOOL INCORPORATED

REPORT OF THE GOVERNORS for the year ended 31 August 2013

STATEMENT OF GOVERNORS' RESPONSIBILITIES

Law applicable to incorporated charities in England and Wales requires the governors (who are also directors of the company and trustees of the charity) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the group and its financial activities for that period. In preparing those financial statements, the governors are required to

- Select suitable accounting policies and then apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group will continue in operation

The governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the governors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each governor has taken all the steps that he or she ought to have taken as a governor in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

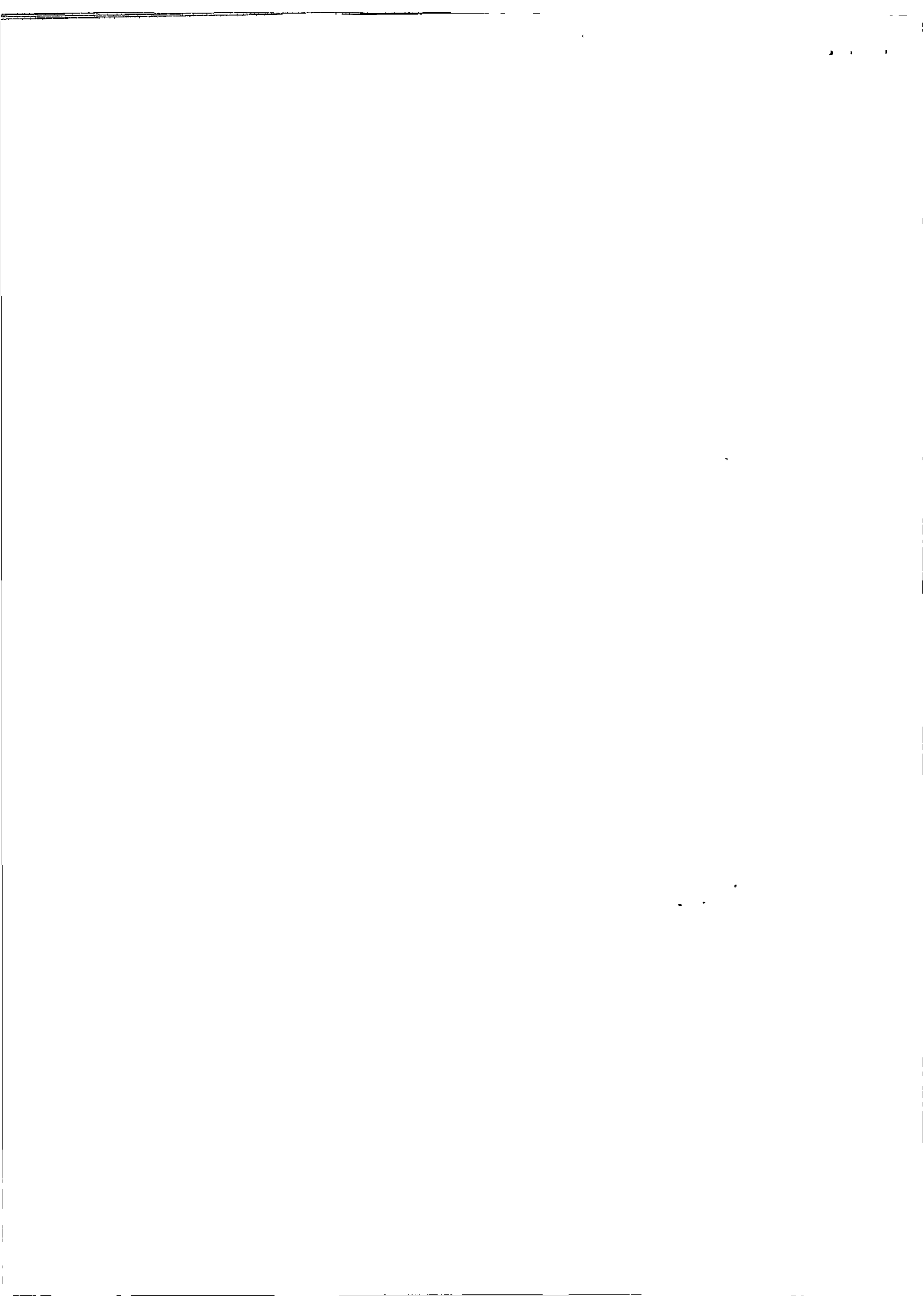
The auditors, Fawcetts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE COUNCIL OF GOVERNORS:



N P McRobb
Company Secretary

Dated 16 November 2013



BRYANSTON SCHOOL INCORPORATED

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BRYANSTON SCHOOL INCORPORATED**

We have audited the financial statements of Bryanston School Incorporated for the year ended 31 August 2013 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of governors and auditor

As explained more fully in the Statement of Governors' Responsibilities set out on page 10, the governors' (who are also the directors of the charitable company for the purposes of company law and trustees of the charity) 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 auditor under the Companies Act 2006 and report in accordance with this Act. 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 charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the governors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Governors to identify material inconsistencies with the audited financial statements. 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 group's and the parent charitable company's affairs as at 31 August 2013, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Continued on page 12

BRYANSTON SCHOOL INCORPORATED

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BRYANSTON SCHOOL INCORPORATED**

Continued from page 11

Matters on which we are required to report by exception

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

- the parent charitable company has not kept adequate and sufficient accounting records, or
- the parent charitable company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or we have not received all the information and explanations we require for our audit



Simon Ellingham FCA DChA (Senior Statutory Auditor)
for and on behalf of Fawcetts
Chartered Accountants
and Statutory Auditor
Windover House
St Ann Street
Salisbury
SP1 2DR

Dated 19 November 2013

BRYANSTON SCHOOL INCORPORATED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2013**

	Notes	Unrestricted £	Restricted £	Total £	2012 £
INCOMING RESOURCES					
Income from charitable activities					
Fees receivable	2	18,088,457	-	18,088,457	17,430,525
Other income	5	1,228,276	-	1,228,276	1,193,095
Income from generated funds					
Donations		66,695	39,977	106,672	425,732
Activities for generating funds					
Trading income	3	931,086	-	931,086	929,411
Rent receivable		26,990	-	26,990	22,105
Investment income	4	<u>26,307</u>	<u>45,202</u>	<u>71,509</u>	<u>77,624</u>
Total incoming resources		<u>20,367,811</u>	<u>85,179</u>	<u>20,452,990</u>	<u>20,078,492</u>
RESOURCES EXPENDED					
Charitable Activities:					
School operating costs		17,804,075	15,936	17,820,011	17,047,295
Governance costs		11,274	738	12,012	11,418
Costs of generating funds:					
Trading expenses		753,397	-	753,397	767,345
Finance and other costs		<u>158,092</u>	<u>20</u>	<u>158,112</u>	<u>168,953</u>
		<u>911,489</u>	<u>20</u>	<u>911,509</u>	<u>936,298</u>
Total resources expended	8	<u>18,726,838</u>	<u>16,694</u>	<u>18,743,532</u>	<u>17,995,011</u>
NET INCOMING RESOURCES		1,640,973	68,485	1,709,458	2,083,481
Realised investment gains and losses	10	<u>(5,149)</u>	<u>23,988</u>	<u>18,839</u>	<u>(22,211)</u>
NET INCOME FOR THE YEAR		1,635,824	92,473	1,728,297	2,061,270
Unrealised investment gains and losses	10	<u>(11,309)</u>	<u>223,633</u>	<u>212,324</u>	<u>126,674</u>
NET MOVEMENT IN FUNDS		1,624,515	316,106	1,940,621	2,187,944
Transfers between funds		<u>140,029</u>	<u>(140,029)</u>	-	-
		1,764,544	176,077	1,940,621	2,187,944
Fund balances as at 1 September 2012		<u>24,223,421</u>	<u>3,107,324</u>	<u>27,330,745</u>	<u>25,142,801</u>
FUND BALANCES CARRIED FORWARD AT 31 AUGUST 2013		<u>25,987,965</u>	<u>3,283,401</u>	<u>29,271,366</u>	<u>27,330,745</u>

The financial activities set out above are those of the group. The School's surplus for the year of £1,820,014 is included

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current and previous years

The notes form part of these consolidated financial statements

BRYANSTON SCHOOL INCORPORATED

BALANCE SHEETS
31 August 2013

		Consolidated		School	
	Notes	2013 £	2012 £	2013 £	2012 £
FIXED ASSETS:					
Tangible assets	9	32,230,046	28,779,915	32,193,067	28,743,293
Investments	10	<u>2,513,531</u>	<u>2,607,815</u>	<u>473,207</u>	<u>594,556</u>
		<u>34,743,577</u>	<u>31,387,730</u>	<u>32,666,274</u>	<u>29,337,849</u>
CURRENT ASSETS:					
Stocks	11	271,624	265,631	49,162	46,403
Debtors	12	551,557	764,480	677,387	1,116,163
Cash at bank and in hand		<u>806,846</u>	<u>1,259,187</u>	<u>769,057</u>	<u>1,179,134</u>
		<u>1,630,027</u>	<u>2,289,298</u>	<u>1,495,606</u>	<u>2,341,700</u>
CREDITORS · Amounts falling due within one year	13	<u>(4,899,274)</u>	<u>(4,798,013)</u>	<u>(4,726,398)</u>	<u>(4,627,317)</u>
NET CURRENT LIABILITIES:		<u>(3,269,247)</u>	<u>(2,508,715)</u>	<u>(3,230,792)</u>	<u>(2,285,617)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>31,474,330</u>	<u>28,879,015</u>	<u>29,435,482</u>	<u>27,052,232</u>
CREDITORS: Due after more than one year					
Advance fees	14	<u>(2,202,964)</u>	<u>(1,548,270)</u>	<u>(2,202,964)</u>	<u>(1,548,270)</u>
		<u>29,271,366</u>	<u>27,330,745</u>	<u>27,232,518</u>	<u>25,503,962</u>
FUNDS:					
Restricted funds	17	3,283,401	3,107,324	1,244,553	1,280,541
Unrestricted funds	18	<u>25,987,965</u>	<u>24,223,421</u>	<u>25,987,965</u>	<u>24,223,421</u>
		<u>29,271,366</u>	<u>27,330,745</u>	<u>27,232,518</u>	<u>25,503,962</u>

ON BEHALF OF THE COUNCIL OF GOVERNORS.



R A Pegna
Vice Chairman

Approved by the Council of Governors on 16 November 2013

The notes form part of these consolidated financial statements

BRYANSTON SCHOOL INCORPORATED

**CASH FLOW STATEMENT
for the year ended 31 August 2013**

	Notes	2013		2012	
		£	£	£	£
Net cash inflow from operating activities	22		4,018,532		2,771,450
Returns on investments and servicing of finance	23		(86,603)		(91,329)
Capital expenditure	23		(4,469,157)		(3,844,701)
Decrease in cash in the period			<u>(537,228)</u>		<u>(1,164,580)</u>
<hr/>					
Reconciliation of net cash flow to movement in net cash	24				
Decrease in cash in the period			(537,228)		(1,164,580)
Cash outflow from decrease in debt and lease financing			1,000		-
Change in net debt resulting from cash flows			<u>(536,228)</u>		<u>(1,164,580)</u>
Movement in net cash in the period			(536,228)		(1,164,580)
Net cash at 1 September 2012			<u>1,381,575</u>		<u>2,546,155</u>
Net cash at 31 August 2013			<u>845,347</u>		<u>1,381,575</u>

The notes form part of these consolidated financial statements

BRYANSTON SCHOOL INCORPORATED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 August 2013

1 ACCOUNTING POLICIES

Accounting convention

The accounts of the School are prepared in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities Charities SORP 2005 and with applicable accounting standards. The financial statements are drawn up on the historical accounting basis except that investment assets are carried at market value.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the School, its trading subsidiary undertaking and a controlled charitable trust. A separate statement of financial activities for the School itself is not presented because the School has taken advantage of the exemptions afforded by paragraph 397 of the Charities SORP 2005.

Fees and similar income

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 allowances, scholarships and other remissions allowed by the School, but include contributions received from Bursaries and other trusts.

Donations and fund accounting

Donations received for the general purposes of the School are included as unrestricted funds. Donations for activities restricted by the wishes of the donor are taken to "restricted funds" where these wishes are legally binding on the Governors.

Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the statement of financial activities. The irrecoverable element of VAT is included with the item of expense to which it relates.

Investments and investment income

Investments are included at closing mid-market value at the balance sheet date. Any gain or loss on revaluation is taken to the statement of financial activities. Investment income is accounted for on an accruals basis.

Tangible fixed assets

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Repair, renovation and replacement expenditure is written off as expenditure in the statement of financial activities. The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated to write off the cost of tangible fixed assets, less their estimated residual values, over the expected useful lives of the assets concerned. The principal annual rates used for this purpose are:

Land is not depreciated. Buildings are depreciated at rates between 1% and 4% per annum on cost or over the remaining useful life if shorter. Plant, furniture and other equipment is depreciated at rates between 4% and 33% per annum on cost.

Stocks

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Advance fees scheme

The School offers parents the opportunity to pay for up to five years tuition fees in advance in accordance with a written contract. This is treated as deferred income until the pupil joins the School whereupon the prepaid amount for each term is charged against the remaining balance and taken to income. Any shortfall is treated as a deduction from School fee income and any excess accrued is treated as additional School income.

BRYANSTON SCHOOL INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2013**

1 ACCOUNTING POLICIES (Continued)

Operating leases

Rentals paid under operating leases are charged on a time basis over the lease term

Pensions

The School contributes to the Teachers' Superannuation Scheme at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The School also operates a group personal pension scheme for non-teaching staff.

2 INCOME

	2013 £	2012 £
Fees receivable consist of		
Gross fees	20,315,886	19,501,375
Less Total bursaries, grants and allowances	<u>(2,227,429)</u>	<u>(2,070,850)</u>
	<u>18,088,457</u>	<u>17,430,525</u>

3 TRADING INCOME

The commercial activities at the School are carried out by a separate company, Bryanston Conference Centre Limited, a company registered in England. The School owns all the shares in the company and its annual profit is paid to the School by deed of covenant. Its trading results, extracted from its audited accounts were:

	2013 £	2012 £
Turnover	931,086	929,411
Cost of sales	<u>523,915</u>	<u>538,655</u>
Gross profit	407,171	390,756
Administrative expenses	<u>241,486</u>	<u>240,694</u>
Operating profit	165,685	150,062
Interest payable and similar charges	<u>9,961</u>	<u>11,113</u>
Net profit	155,724	138,949
Covenant – gross	<u>155,724</u>	<u>138,949</u>
Retained profit	<u>-</u>	<u>-</u>
Extract from Balance Sheet as at 31 August 2013		
Fixed assets	36,979	36,622
Net current liabilities	<u>(36,977)</u>	<u>(36,620)</u>
Net assets	<u>2</u>	<u>2</u>

4 INVESTMENT INCOME

	2013 £	2012 £
Bank deposit interest	7,126	9,329
Investment income	<u>64,383</u>	<u>68,295</u>
	<u>71,509</u>	<u>77,624</u>

BRYANSTON SCHOOL INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2013**

5	OTHER INCOME	2013	2012
		£	£
	Summer courses	360,978	364,865
	Registration and other fees	161,408	108,445
	Day pupils accommodated	194,804	205,830
	Miscellaneous income	37,002	34,060
	Special tuition	399,449	402,094
	Equestrian income	<u>74,635</u>	<u>77,801</u>
		<u>1,228,276</u>	<u>1,193,095</u>
6	STAFF COSTS	2013	2012
		£	£
	Wages and salaries	10,274,697	9,874,732
	Social security costs	850,126	794,479
	Other pension costs	<u>826,587</u>	<u>776,184</u>
		<u>11,951,410</u>	<u>11,445,395</u>

The average number of employees during the year, calculated on a full time equivalent basis, was as follows

	2013	2012
	No	No
Teaching staff	119	116
Other employees	<u>229</u>	<u>219</u>
	<u>348</u>	<u>335</u>
	2013	2012
	£	£
Governors' expenses reimbursed	<u>4,293</u>	<u>3,661</u>
Numbers of governors receiving expenses	<u>9</u>	<u>8</u>

This represents the reimbursement of travel and accommodation expenses

With the exception of the above, neither the governors nor persons connected with them received any remuneration or other material benefits from the School or any connected organisation

The number of employees whose emoluments exceeded £60,000 was

	2013	2012
	No	No
£60,001 - £70,000	20	18
£70,001 - £80,000	5	3
£80,001 - £90,000	1	1
£100,001 - £110,000	-	1
£120,001 - £130,000	1	-
£180,001 - £190,000	-	1
£190,001 - £200,000	1	-
The number with retirement benefits accruing in		
- Money Purchase schemes was	2	1
for which the contributions amounted to	£17,593	£6,730
- Defined benefit schemes was	25	22

BRYANSTON SCHOOL INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2013**

7 EXPENDITURE

Expenditure includes

	2013	2012
	£	£
Auditor's remuneration - audit services	17,668	17,000
- non-audit services	1,094	500
Depreciation - owned assets	1,261,105	1,135,267
Loss/ (profit) on disposal of tangible fixed assets	(520)	1,923
Operating lease rentals		
Land and buildings	<u>26,300</u>	<u>27,339</u>

8 ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs	Support costs	Depreciation	Total
	£	£	£	£
Charitable activities				
School operating costs				
Teaching costs	7,689,031	1,253,059	343,790	9,285,880
Welfare	2,513,116	1,473,685	27,839	4,014,640
Premises	897,747	1,702,335	847,371	3,447,453
Management and administration	<u>663,698</u>	<u>385,265</u>	<u>23,075</u>	<u>1,072,038</u>
	11,763,592	4,814,938	1,242,075	17,820,011
Governance costs	-	12,012	-	12,012
Costs of generating funds:				
Trading costs of the subsidiary	187,818	547,069	18,510	753,397
Finance and other costs	<u>-</u>	<u>158,112</u>	<u>-</u>	<u>158,112</u>
Total for group	<u>11,951,410</u>	<u>5,531,537</u>	<u>1,260,585</u>	<u>18,743,532</u>

BRYANSTON SCHOOL INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2013**

9 TANGIBLE FIXED ASSETS

Consolidated	<u>Freehold land and buildings</u>	<u>Plant, furniture and other equipment</u>	<u>Totals</u>
	£	£	£
COST:			
At 1 September 2012	33,863,482	5,366,256	39,229,738
Additions	4,239,115	472,121	4,711,236
Disposals	<u>-</u>	<u>(19,018)</u>	<u>(19,018)</u>
At 31 August 2013	<u>38,102,597</u>	<u>5,819,359</u>	<u>43,921,956</u>
DEPRECIATION:			
At 1 September 2012	6,025,471	4,424,352	10,449,823
Charge for year	811,365	449,740	1,261,105
Eliminated on disposals	<u>-</u>	<u>(19,018)</u>	<u>(19,018)</u>
At 31 August 2013	<u>6,836,836</u>	<u>4,855,074</u>	<u>11,691,910</u>
NET BOOK VALUE.			
At 31 August 2013	<u>31,265,761</u>	<u>964,285</u>	<u>32,230,046</u>
At 31 August 2012	<u>27,838,011</u>	<u>941,904</u>	<u>28,779,915</u>
School	<u>Freehold land and buildings</u>	<u>Plant, furniture and other equipment</u>	<u>Totals</u>
	£	£	£
COST:			
At 1 September 2012	33,863,482	5,168,012	39,031,494
Additions	4,239,115	453,254	4,692,369
Disposals	<u>-</u>	<u>(6,077)</u>	<u>(6,077)</u>
At 31 August 2013	<u>38,102,597</u>	<u>5,615,189</u>	<u>43,717,786</u>
DEPRECIATION:			
At 1 September 2012	6,025,471	4,262,730	10,288,201
Charge for year	811,365	431,230	1,242,595
Eliminated on disposals	<u>-</u>	<u>(6,077)</u>	<u>(6,077)</u>
At 31 August 2013	<u>6,836,836</u>	<u>4,687,883</u>	<u>11,524,719</u>
NET BOOK VALUE:			
At 31 August 2013	<u>31,265,761</u>	<u>927,306</u>	<u>32,193,067</u>
At 31 August 2012	<u>27,838,012</u>	<u>905,281</u>	<u>28,743,293</u>

BRYANSTON SCHOOL INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2013**

10 INVESTMENTS

	Consolidated		School	
	2013 £	2012 £	2013 £	2012 £
Balance at 1 September 2012	2,485,427	2,487,962	573,753	674,742
Additions	294,331	285,049	-	-
Disposals	(535,891)	(392,047)	(120,000)	(89,000)
Realised profit/(loss) on disposal	18,839	(22,211)	(5,149)	(4,653)
Revaluations	<u>212,324</u>	<u>126,674</u>	<u>(11,309)</u>	<u>(7,336)</u>
Quoted investments and fixed interest stock (historic cost £1,736,481, School £249,672)	2,475,030	2,485,427	437,295	573,753
Cash deposits	<u>38,501</u>	<u>122,388</u>	<u>35,912</u>	<u>20,803</u>
Balance at 31 August 2013	<u>2,513,531</u>	<u>2,607,815</u>	<u>473,207</u>	<u>594,556</u>

The School controls two entities other than its trading subsidiary

The Bryanston Foundation is a charity registered in England and Wales and its objects are to provide support for the pupils of the School. The aggregate amount of assets, liabilities and funds are shown below and a summary of its incoming and outgoing resources is shown in note 17. The Bryanston Foundation has been consolidated on the grounds that its net assets are material to the group.

Extract from Balance Sheet as at 31 August 2013	2013 £	2012 £
Fixed assets	2,037,734	1,911,673
Net current liabilities	<u>1,114</u>	<u>(84,890)</u>
Net funds	<u>2,038,848</u>	<u>1,826,783</u>

The Bryanston Society Limited is a company limited by guarantee, registered in England and Wales and its objects are to provide support for the School. The company's turnover was £30,863 (2012 - £31,765) and its total expenditure was £30,748 (2012 - £34,595). The company's net assets have not been consolidated on the grounds that they are not material to the group. A summary of its aggregate amount of assets, liabilities and reserves is shown below.

Extract from Balance Sheet as at 31 August 2013	2013 £	2012 £
Fixed assets	-	-
Net current assets	<u>13,626</u>	<u>13,511</u>
Net reserves	<u>13,626</u>	<u>13,511</u>

11 STOCKS

	Consolidated		School	
	2013 £	2012 £	2013 £	2012 £
Maintenance, domestic and catering stock	57,131	54,444	49,162	46,403
Stock of goods for resale	<u>214,493</u>	<u>211,187</u>	-	-
	<u>271,624</u>	<u>265,631</u>	<u>49,162</u>	<u>46,403</u>

BRYANSTON SCHOOL INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2013**

**12 DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	Consolidated		School	
	2013 £	2012 £	2013 £	2012 £
Trade debtors	395,619	571,131	163,133	310,878
Other debtors	15,399	46,426	15,399	46,426
Prepayments	140,539	146,923	140,539	221,923
Amount due from subsidiaries	-	-	358,316	536,936
	<u>551,557</u>	<u>764,480</u>	<u>677,387</u>	<u>1,116,163</u>

**13 CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	Consolidated		School	
	2013 £	2012 £	2013 £	2012 £
Trade creditors	1,190,746	1,358,956	1,104,752	1,265,435
Bank loans and overdrafts	1,000	-	1,000	-
Other creditors	253,872	179,530	253,870	179,530
Fees received in advance	1,212,028	1,329,973	1,212,028	1,329,973
PAYE and national insurance	318,920	306,478	254,097	246,970
Accrued expenses	730,518	450,046	708,461	432,379
Advance fees scheme (see note 14)	<u>1,192,190</u>	<u>1,173,030</u>	<u>1,192,190</u>	<u>1,173,030</u>
	<u>4,899,274</u>	<u>4,798,013</u>	<u>4,726,398</u>	<u>4,627,317</u>

14 ADVANCE FEES SCHEME

Parents may enter into a contract to pay the School up to the equivalent of five years' tuition fees in advance. The money may be returned subject to specific conditions. Assuming pupils will remain in the School, advance fees will be applied as follows:

	2013 £	2012 £
After 5 years	378,991	-
Within 2 to 5 years	1,000,936	850,765
Within 1 to 2 years	<u>823,037</u>	<u>697,505</u>
	2,202,964	1,548,270
Within 1 year	<u>1,192,190</u>	<u>1,173,030</u>
	<u>3,395,154</u>	<u>2,721,300</u>
Balance at 1 September 2012	2,721,300	3,104,631
New contracts	2,015,817	628,443
Refunds to parents	-	-
	4,737,117	3,733,074
Amounts utilised in payment of fees To the School	<u>(1,338,599)</u>	<u>(1,002,413)</u>
	3,398,518	2,730,661
Discount accrued	<u>(3,364)</u>	<u>(9,361)</u>
	<u>3,395,154</u>	<u>2,721,300</u>
Balance at 31 August 2013	<u>3,395,154</u>	<u>2,721,300</u>

BRYANSTON SCHOOL INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2013**

15 OBLIGATIONS UNDER LEASING AGREEMENTS

The following payments are committed to be paid within one year

	Consolidated Operating leases		School Operating leases	
	2013 £	2012 £	2013 £	2012 £
Over five years - land and buildings	<u>26,300</u>	<u>26,300</u>	<u>26,300</u>	<u>26,300</u>

16 SECURED DEBTS

The following secured debts are included within creditors

	Consolidated		School	
	2013 £	2012 £	2013 £	2012 £
Bank loans and overdraft	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>

The School's bank accounts are secured by a fixed charge on its freehold property

17 RESTRICTED FUNDS

	Balance at 1 September 2012 £	Incoming resources £	Resources expended £	Gains & losses / Transfers £	Balance at 31 August 2013 £
Creative Centre	316,000	-	(7,000)	-	309,000
Music School	10,250	2,052	-	-	12,302
Bursaries	666,538	-	-	(62,250)	604,288
Teddy Potter Fund	93,750	16,480	-	-	110,230
Business Conference	80,000	-	(2,221)	2,221	80,000
Boat Club	20,720	19,000	(4,144)	-	35,576
Boat House and other assets	<u>93,283</u>	<u>2,445</u>	<u>(2,571)</u>	<u>-</u>	<u>93,157</u>
Bryanston School	1,280,541	39,977	(15,936)	(60,029)	1,244,553
Bryanston Foundation	<u>1,826,783</u>	<u>45,202</u>	<u>(758)</u>	<u>167,621</u>	<u>2,038,848</u>
	<u>3,107,324</u>	<u>85,179</u>	<u>(16,694)</u>	<u>107,592</u>	<u>3,283,401</u>

The Creative Centre fund was established from donations received towards the cost of construction of the Creative Centre building. The construction was completed in 2009 and the Resources Expended represents an annual depreciation charge from this fund.

The Music School, Boat Club Boat House and Bursaries restricted funds represent donations to the School where the donor has requested that the funds be used in these areas.

The Teddy Potter Fund was established from donations to provide bursaries to pupils studying sciences.

The Business conference fund came from donations received for the purposes of funding an annual business conference which hopes to encourage business enterprise not only amongst our pupils, but also the wider local pupil population. The first conference was held in the summer 2013.

The Bryanston Foundation is a charity controlled by the School. In the opinion of the governors its net funds should be treated as a restricted fund on consolidation.

BRYANSTON SCHOOL INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2013**

18 ALLOCATION OF THE CHARITY NET ASSETS

The net assets are held for the various funds as follows

	Fixed assets and investments £	Net current liabilities £	Long term liabilities £	Total £
Unrestricted	32,703,253	(4,512,324)	(2,202,964)	25,987,965
Restricted	<u>2,040,324</u>	<u>1,243,077</u>	<u>-</u>	<u>3,283,401</u>
	<u>34,743,577</u>	<u>(3,269,247)</u>	<u>(2,202,964)</u>	<u>29,271,366</u>

Unrestricted Funds

	Balance at 1 September 2012 £	Incoming resources £	Resources expended £	Gains & losses / Transfers £	Balance at 31 August 2013 £
Income and expenditure account	23,807,615	19,436,725	(17,973,441)	301,260	25,572,159
Bursary Fund	415,806	-	-	-	415,806
Trading company assets	<u>-</u>	<u>931,086</u>	<u>(753,397)</u>	<u>(177,689)</u>	<u>-</u>
	<u>24,223,421</u>	<u>20,367,811</u>	<u>(18,726,838)</u>	<u>123,571</u>	<u>25,987,965</u>

The Bursary Fund is a designated reserve established by the Governors and represents funds set aside for bursaries

19. PENSION COMMITMENTS

Members of the teaching staff have the option to be members of a defined benefit pension scheme operated by the Teachers' Pension Agency. For other employees, the company operates a group personal pension plan.

The total pension cost for the group was £826,587 (2012 £776,184) of which £134,753 (2012 £121,029) relates to the company's group personal pension plan.

There were outstanding contributions at the balance sheet date of £17,784 (2012 £104,972) in respect of contributions due for the month of August paid over to the pension scheme administrators in September.

BRYANSTON SCHOOL INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2013**

19. PENSION COMMITMENTS continued

Teachers' Superannuation Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to consistently identify the liabilities of the TPS which are attributable to the School. As required by FRS17 "Retirement Benefits", the School accounts for this scheme as if it were a defined contribution scheme.

On 4 July 2012 the Chief Secretary to the Treasury confirmed that the Government will be taking forward legislation based on the reformed scheme design for the Teachers' Pension Scheme to be introduced in 2015 as set out in the Teachers' Pension Scheme – Proposed Final Agreement ("the TPS Agreement"). The TPS Agreement sets out the main parameters for both the provision of future pension benefits and the structuring of the future contributions to the TPS including the basis for increasing average employee contribution rates up to 2015.

On 31 January 2013, the Department for Education published the outcome of the consultation on further contributions increases that will apply to members of the TPS in financial year 2013-14 as well as the removal of provisions governing scheme valuations and cap and share arrangements. A revised eight tier salary and employee contribution rate structure has been introduced from 1 April 2013 with employee rates varying between 6.4% and 11.2%. Employer contributions will continue for this period at the current rate 14.1%.

On 25 April 2013 the Public Service Pensions Act 2013 was enacted and provides the arrangements for managing the future TPS costs, including a requirement for scheme regulations which must set an employer cost cap which will be required to be in accordance with Treasury directions.

In light of the new arrangements for setting contribution rates the Government has concluded that there is now no need to carry out the currently suspended TPS actuarial review or the cap and share processes.

During the year the School made contributions of £691,834 (2012 £655,155) to the scheme. The School's contributions represent a minor proportion of the payments into the scheme.

20. STATUS

The company is limited by guarantee and does not have a share capital. The liability of members in the event of a winding up is limited by guarantee to an amount not exceeding £1 per member. At the balance sheet date there were 20 members (2012 - 20).

21. CAPITAL COMMITMENTS

	2013 £	2012 £
Contracted for but not provided for in the financial statements	<u>3,957,000</u>	<u>6,343,355</u>

22. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATIONS

	2013 £	2012 £
Net incoming resources	1,709,458	2,083,481
Depreciation charges	1,261,105	1,135,267
(Profit)/loss on disposal of tangible fixed assets	(520)	1,923
Bank and other interest	(71,509)	(77,624)
Finance and other costs	158,112	168,953
Increase in stocks	(5,993)	(153)
Decrease in debtors	212,923	213,523
Increase/(decrease) in creditors	81,102	(370,589)
Increase/(decrease) in advance fees scheme creditor	<u>673,854</u>	<u>(383,331)</u>
Net cash inflow from operating activities	<u>4,018,532</u>	<u>2,771,450</u>

BRYANSTON SCHOOL INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2013**

23 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2013 £	2012 £
Returns on investments and servicing of finance		
Bank and other interest	71,509	77,624
Finance and other costs	<u>(158,112)</u>	<u>(168,953)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(86,603)</u>	<u>(91,329)</u>
Capital expenditure		
Purchase of tangible fixed assets	(4,711,237)	(3,961,070)
Sale of tangible fixed assets	520	9,370
Purchase of investments	(294,331)	(285,048)
Sale of investments	<u>535,891</u>	<u>392,047</u>
Net cash outflow for capital expenditure	<u>(4,469,157)</u>	<u>(3,844,701)</u>

24 ANALYSIS OF CHANGES IN NET DEBT

	At 1 9 12 £	Cash flow £	At 31 8 13 £
Net cash			
Cash at bank and in hand	1,259,187	(452,341)	806,846
Investment bank accounts	<u>122,388</u>	<u>(83,887)</u>	<u>38,501</u>
Total	<u>1,381,575</u>	<u>(536,228)</u>	<u>845,347</u>
Analysed in Balance Sheet			
Cash at bank and in hand	1,259,187		806,846
Investments	<u>122,388</u>		<u>38,501</u>
	<u>1,381,575</u>		<u>845,347</u>