

# Financial Statements

## Rushmoor School Limited

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**For the year ended 31 August 2019**

**Company Number 00856842**  
**Charity Registration Number 307530**

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## Charitable company information

<b>Company registration number:</b>	00856842
<b>Charity registration number:</b>	307530
<b>Registered office:</b>	58 - 60 Shakespeare Road BEDFORD Bedfordshire MK40 2DL
<b>Directors (Council)</b>	Mr G M Bates OBE (Chairman) Mr S J Williamson Mr C Simmonds Mr I R Flack Mr B H Thompson Mr J Wilkinson, deceased 19 December 2019 Mr D Eyton-Williams Mr M J Grafton Mrs M J Burt Mr J J Leydon Mrs D P Lennie Mr A T Knight
<b>Principal Officers:</b>	Mr I Daniel – Principal Mrs S Diffey – Business Manager Mr I R Flack – Company Secretary
<b>Bankers:</b>	HSBC Bank plc 12 Allhallows BEDFORD Bedfordshire MK40 1LJ
<b>Auditors:</b>	Grant Thornton UK LLP Chartered Accountants Victoria House 199 Avebury Boulevard MILTON KEYNES MK9 1AU

## Report of the Council

The Directors present their report and financial statements for the year ended 31 August 2019 and confirm they comply with the requirements of the Charities Act 2011 and the Charities SORP 2015.

### Reference and Administrative Information

Rushmoor School Limited is a company limited by guarantee (number 00856842) and a registered charity (number 307530). The school was founded as a privately owned independent school in London but moved to its present site in Bedford in 1918. In 1965 the existing charitable structure was created to acquire the school and since that time the school has expanded considerably.

### Structure, Governance and Management

#### Governing Document

The Company is governed by its Articles of Association which provide for the company to operate as an educational charity. They also provide for the income and property of the company to be applied solely towards its objectives and no assets or funds shall be paid or distributed to members of the association.

#### Governing Body

The Governors are the Directors of the Company and comprise the Governing Body of Rushmoor School ("the Council"). The School is governed by the Governing Body which operates with the support of a number of committees. Directors serve for a period of 3 years but are eligible for re-election at the AGM. The Governing Body meets regularly - at least termly, with more frequent meetings, as required, from time to time.

#### The Council members who served the company during the year were as follows:

Mr G M Bates OBE JP (chairman)  
Mr S J Williamson  
Mr C Simmonds  
Mr I R Flack  
Mr B H Thompson  
Mr J Wilkinson, deceased 19 December 2019  
Mr D Eyton-Williams  
Mr M J Grafton  
Mrs M J Burt  
Mr J J Leydon  
Mrs D P Lennie  
Mr A T Knight

#### Council members serving on Committees:

Education - Messrs Simmonds (chairman), Thompson, Bates, Grafton, Mrs Lennie  
Finance & Resources - Messrs Flack (chairman), Bates, Knight, Williamson  
Marketing & Development - Mrs Burt (chair), Messrs Wilkinson, Bates, Williamson  
Health & Safety - Messrs Thompson (chairman), Bates  
Development - Messrs Eyton-Williams (chairman), Flack, Grafton, Bates, Williamson, Leydon  
Governance - Messrs Flack (chairman), Bates, Williamson

The committees also benefit from the support of senior members of the school staff and in the case of the Education Committee, selected students attend the committee by invitation.



### **Recruitment and Training of Governors**

The Governing Body seeks to ensure a mix of skills and experience and includes Governors from the legal, financial and property professions as well as Governors with education and senior managerial or business experience. The Governing Body strives to ensure both genders are represented and welcomes experience of equal opportunities and disability needs. They select new Governors on the basis of background, competence, both general and specialist. Governors are provided with induction training both in-house and by subscription to courses provided by professional bodies.

### **Organisational Management**

Whilst the Council is ultimately responsible for safeguarding the assets of the school, the governing body delegates work to a number of committees, outlined below; in addition the day to day organisation of the school is delegated to the Principal and Business Manager, supported by other members of the Senior Management. The general policy is determined by the Governors/Directors, with day to day administration being undertaken within the policies and procedures approved by the Governors.

The Principal oversees the recruitment of all educational staff, whilst under delegated authority the Business Manager oversees the recruitment of administrative and non-teaching support staff. The Principal and Business Manager attend Governors' meetings by invitation.

- 1 Education Committee - this committee is responsible for oversight of the academic performance of the School and for educational policy, as well as overseeing pastoral matters. It makes appropriate recommendations to the Governing Body.
- 2 Finance & Resources Committee – this committee considers income and expenditure, both revenue and capital budgets, cash flow information and financial reports, including financial statements. The committee also reviews debtors and oversees bursaries and scholarship budgets. It also considers staff remuneration and employment issues, as well as premises maintenance matters. It makes recommendations to the Governing Body for approval.
- 3 Marketing Committee – this committee oversees the school's marketing activities and liaison with the local community, setting strategy, agreeing marketing priorities and providing guidance, including overseeing the school's website.
- 4 Health & Safety Committee – this committee is responsible for oversight of the School's internal Health & Safety (H & S) policies and procedures and meets regularly with the School's H & S consultant. The committee ensures that remedial action is carried out, as required and reports regularly to the Council.
- 5 Development Committee - the committee deals with the major projects currently being undertaken by both Rushmoor School and its "associate" school St Andrew's. They include the development of the schools generally but in particular the proposals for development of the Clapham Park site and the proposed new school. The committee reports accordingly to the Council.
- 6 Governance Committee - the committee seeks to ensure "good practice" within the governing body and the school by regular review of systems, structures, policies and procedures. The committee will report regularly to the Council.

### **Group Structure**

In September 2013 it was agreed that Rushmoor School Limited and St Andrew's School (Bedford) Limited should work in close association, with a view that, in due course the two schools should merge to form a single school on a new site. The schools now work closely together; there is some interchange of teaching staff and many joint student activities, in addition, the two schools are now headed by a single Principal, Mr Ian Daniel. The schools also benefit from a common governing body and on the advice of our auditors we produce group consolidated accounts.

These financial statements relate to the Charitable Group, comprising Rushmoor School Limited and St Andrew's School (Bedford) Limited. Where information in the Report of the Council refers to a specific school, the school's name is given. For further detail regarding the subsidiary school's performance and financial position is given in their individual statutory financial statements, which are available from the Registrar at Companies House.

### **Other Relationships**

The School has developed links with a range of organisations to ensure the widest possible access to our facilities and schooling. By membership of ISA, ISI and ISBA, and through networking with peer groups, the School ensures that it is able to attain the highest standards of quality and performance inside and outside the classroom. We encourage our pupils to develop an awareness of the social context of the all-round education they receive at the School and they are engaged in a wide range of activities to enhance their understanding.

We also cooperate with local charities in our ongoing endeavours to widen public access to the schooling we can provide, to optimise the educational use of our cultural and sporting facilities and to awaken in our pupils, in the public interest, an awareness of the social context of the all-round education they receive.

## **Objectives and Activities**

### **Principal Activities**

Currently the School is principally engaged in educating boys from two to eighteen, as well as girls up to age ten (Year 5) through its role as an independent school. From September 2016, jointly with St Andrew's, the school has offered a wide range of subjects for Sixth Form study in the new co-educational, further education extension on the Rushmoor site. Across the school we aim to encourage the development of lively, enquiring minds, to enable pupils to acquire the knowledge, wisdom and self-discipline needed for life-long learning, employment and adult life. It also endeavours to offer the highest possible level of pastoral care, so that pupils develop as young people with respect for themselves and for others, and who uphold moral principles, especially honesty, integrity and compassion.

### **Charitable Objects**

The company is established as an educational charity by way of a not for profit company, limited by guarantee. The Charity's objects for the encouragement and promotion of education are set out in its Articles of Association.

### **Public Benefit**

In setting our aims and planning our activities Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging. Rushmoor School Limited provides up to 375 pupils with good, sound education at no cost to the public purse; our fees are set at a level to ensure the financial viability of the School and at a level that is consistent with our aims of providing a first class education to all pupils and good value to parents.

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

The School, being part of a wider community, is keen that our staff and pupils participate in that community. Thus the School provides a range of support which contributes both to the school itself but also provides a wider public benefit.

- A number of children with a Statement of Educational Needs/Education, Health & Care Plan or who require support with their education are provided with help from a dedicated Special Needs Team to ensure they are given the best possible assistance to achieve their potential. This is particularly helpful to parents who have not been able to find this level of support in the maintained sector.
- The School has reviewed and extended its own provision of bursaries which are linked to parental income. They will inevitably be limited, as the only source of funds is provided by fee income from other parents, the School not possessing the benefit of endowed funds on which to draw. The Governors have however committed to provide a Bursary Fund which is equal to 5% of its fee income.
- The School also manages the Brian James Able Bursary Fund, a separate charity, which provides small short term bursaries for children whose families experience unforeseen financial difficulty and enables those children to continue their education without interruption and continue to take a full part in the life of the School.
- Rushmoor School Limited has links with a local university and provides places and mentoring for a number of students who are training to become teachers. The School also provides opportunities to gap year students to develop skills in order to pursue a teaching career in the future.
- The Sport Department has for many years been seen as a strength of the School. We organise events for the Independent Schools Association and provide their representative for the London North area. We are very successful at local, county and national level. We regularly take part in the School games locally which is part of the legacy of the Olympic Games, encourage sports for all, whatever the ability and also provide support for sporting events, such as ambassadors for the School Games and young leaders in local athletics events. The school has a strong reputation for rugby and athletics, making sure our pupils understand the rules and fair play.
- The Art Department has had success during 2018/19 with winners in regional competitions and winners/highly commended at national level.
- In Drama the school has a good reputation and won in various categories at the Bedfordshire Music, Speech and Drama Festival held in February 2019. The School considers music, drama, art and design to be important in a child's educational experiences and we welcome all children throughout the school to participate in productions to gain experience of performing in front of audiences; this starts from the EYFS and continues throughout the school. We invite guests to these performances, such as local care home residents and pupil groups also visit residential homes to provide performances for the residents. We use our Learning Resource Centre to invite children from local Nurseries to read books and participate in craft activities.
- The School provides a representative (Principal) for the committee (consisting of local state maintained and independent schools) that organises the LOC School Games, which is a legacy of the 2012 Olympic Games.

- The school hosts events for the Independent Schools Association, London, such as athletics, rugby and cross-country, providing the regional representative for the ISA Sports Committee. The school also hosts ISA staff training seminars in academic matters such as special educational needs support.
- The school won the highly prestigious ISA National Award for Learning Support Provision during the year.

The Governors are committed to developing our programme of cooperation and joint working with local maintained sector Junior and Secondary Schools.

### **Equal Opportunities**

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

### **Policies Supporting the Charitable Objects**

#### **Access Policy**

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

Our concessions policies, including bursaries and scholarships, contribute to a widening of access to the education we offer and the facilities we enjoy.

#### **Grant Making Policies:**

##### **Bursary policy**

The Governors view our bursary awards as important in helping to ensure children from families who would otherwise not be able to afford the fees can access the education we offer. Our bursary awards are available to all who meet our general entry requirements and are usually made on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk. In assessing means we use the methodology promulgated by the Independent Schools' Bursars Association, which takes a number of factors into consideration including family income, investments and savings and family circumstances, for example dependant relatives and the number of siblings. The School does not possess endowment resources and in funding our awards we need to ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

##### **Promoting High Academic Standards: Scholarship policy**

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

We advertise the availability of scholarship awards regularly and details of both our Bursaries and Scholarships may be obtained from the School's Business Manager.

### **Other Policies on Assistance:**

#### **Financial planning policy and Fees in Advance**

Timely financial planning is often the key for many parents and indeed grandparents who are hoping to send their children to Rushmoor School and a school fees plan is available to help those who wish to fund educational costs through regular contributions. Discounts are available for those wishing to pay lump sums into our Fees in Advance Scheme.

#### **Sibling Remissions**

To underline the value we place on continuity for families, we offer discounts where parents have or will have had more than two children at the School. A remission of 10% is given against the fees for additional siblings, throughout their time here and regardless of whether elder siblings are still at the School. In order to benefit parents with pupils attending both Rushmoor and St Andrew's Schools, we are pleased to offer the Sibling Discount across both schools and the new Joint Sixth Form.

#### **Assistance for our members of staff**

As part of our emphasis on attracting and retaining high calibre staff, we offer a discount scheme where staff members choose to educate their children at the School.

#### **Public Benefit Aims and Intended Impact**

Within the objects, the School aims to create an environment to nurture children, to get the best from them, to allow them to develop and fulfil their potential. We provide them with a first class independent education, strong pastoral support and a wide range of sporting and artistic opportunities. The ethos of Rushmoor School is at the heart of everything. Our public benefit aim is that all pupils will be self-confident and desire to contribute to the wider community.

In the furtherance of these aims the School's Governors, as the charity trustees, have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

Rushmoor School provides a significant benefit to the public. The School strives to ensure that measures of public benefit are appropriate, and that significant sections of the public are not excluded from the opportunity to benefit from the education and facilities offered due to the need to pay a fee. In addition to significant provision of bursaries and other forms of financial support, the School provides a wide range of opportunities for community benefit and facilities, and events are often open to all.

#### **Short Term Objectives**

The objectives for the school year are to maintain pupil numbers and high personal pupil achievement; we also aim to build on our excellent ISI inspection with continuity of academic momentum. Our further aim is to maintain a continuing high standard in our teaching and administrative staff and ensure close financial monitoring of income and expenditure, as well as providing good value for money whilst achieving a healthy year-end surplus, before depreciation and special projects.

### **Principal Activities of the Year**

The principal activity continues to be the delivery of quality education to pupils from different social, economic and cultural backgrounds, aged from two to eighteen years, with a wide range of activities within and outside the classroom. The School also aims to host a number of external activities and ensure that facilities are available at other times for use by the local community. Alongside this regular programme we offer our new co-educational Joint Sixth Form unit on the Rushmoor site which provides a wide range of "A" level subjects.

Despite the difficult economic climate, we continue to maintain high numbers of pupils within the school and we are pleased that the current year has continued this momentum.

Medium and Longer term objectives are outlined below.

### **Volunteers**

The School benefits from the continued support of a number of individuals and particularly from the Parents Teachers and Friends Association who help the School to raise funds, assist in School events and provide other help where required. The Governing Body would like to thank all of the volunteers for their outstanding help and acknowledge the assistance given.

## **Strategic Report**

### **Review of Achievements and Performance for the Year**

The School measures its achievement in the 'value added' performance of its pupils. The mean value added results over the last 3 years shows an increase per pupil from their base line test on entry to the school and have met their indicator grades. The focus for the next 5 years and beyond is to maintain and then improve upon this figure. Curriculum changes and the change to linear examinations will impact on our pupils' results due to some of their specific educational needs. We also continue to focus on value-added for the Able Gifted and Talented pupils.

The School's Self Evaluation Plan focused on improvements to teaching and learning, ensuring good teaching practice is common throughout the school. It also looked at the changes to the EYFS introduced by the Government which is ongoing. The teachers are developing further methods to improve the ways in which pupils can become 'independent learners'; this will help them in preparation for the new linear style GCSEs. All teachers are also ensuring that the outcomes are high for pupils of all abilities at the end of lessons.

The School's 2019/20 School Improvement Plan focused on the above areas; additionally we continue to develop the performance management process for teaching and non-teaching staff, together with ensuring that Governors receive regular training in their key roles and are provided with any updates and changes to legislation. Succession planning within the governing body/trustees is also a key focus. Another aim has been to ensure that Governor's visits focus on the elements on the improvement plan to ensure understanding among the trustees. Particular emphasis has been placed this year on the impact of teaching on the pupil's personal development and academic achievements, which is the focus of all ISI Inspections. Governors have also been focusing on these areas during their visits. Performance management is now more concentrated on the impact of learning for all ability levels.

The School is continually looking for ways to improve the curriculum and introduce new subjects; in the past year we have introduced Cambridge Technical Courses in Business and ICT to our Sixth Form provision. We have also reviewed our timetable to allow for extra tuition in the core subjects, particularly English and Mathematics. We have recently reviewed and updated the education of PSHE, mental health and wellbeing, careers and RE in the school curriculum according to the changes recommended by the government.



### **The Promotion of Education**

The School provides a very high standard of education and this is validated in review of the academic results, our measurements of added value and through external inspection. The School offers a broad curriculum and educates children with a wide range of ability. We continue to demonstrate particular excellence across a broad range of subjects as evidenced by the academic results shown below. Our aim is to support children in reaching their potential in all areas of their activity at the School. This may be in academic subjects but could just as easily be reflected in success in Art, Drama, Sport or Music. We produce 'well rounded' individuals who are able to make a positive contribution to society.

### **ISI Inspection**

In 2013 Rushmoor School underwent a Full ISI inspection. The School was judged to be "Excellent" in the majority of areas. The School takes the results of inspection as being constructive advice, and always responds positively to the recommendations made. The school was subject to a Compliance and EYFS inspection in December 2017 and throughout, the report recorded outstanding features.

### **Academic Results**

For the second year running, the new linear GCSE exams have challenged pupils like never before and Rushmoor has certainly risen to the challenge. The overall pass rate at GCSE remains at 99.6% which is very pleasing and well over 80% of pupils achieve 5 or more grade 4-9 passes. Rushmoor also achieved a significant number of higher grades (6+) which are very hard to secure with the new specifications being so challenging.

In addition to our Year 11 cohort achieving so highly, we are delighted that one Year 10 pupil also achieved grade 9 in Further Maths and an A grade in AS level Mathematics. This is a tremendous achievement for a pupil sitting these exams early and illustrates the care and attention shown to our gifted and able pupils.

Rushmoor and St Andrew's Sixth Form are very proud to have expanded our A level offer to 18 subjects as well as the Cambridge Technical award in Business and Extended Project Qualification. It was again a very successful year for our "A" level cohort, with the majority of students gaining grades A-E in all their subjects. All of our students have gone on to follow their chosen pathway and the majority of our university entrants all secured their first choice courses.

### **Improving Facilities**

We continue to improve facilities through constant investment in the fabric of the buildings and assets. We continue to invest intensely into computing facilities in the school to ensure it is fully up to date on ICT and have made further improvements to the Wi-Fi at the school in all areas.

### **Wider Experiences**

Rushmoor offers many outdoor pursuit activities from the Junior School upwards. There are numerous opportunities to attend residential trips and our aim is to make them as affordable as possible. Examples include, trips to the Frontier Centre in Northamptonshire and Blue Peris in Snowdonia, Wales, the annual ski trip to Les Menuires in France, Bushcraft skills in a local forest area. We also offer afterschool clubs in pursuits such as indoor skydiving and horse riding.

We have been running the Duke of Edinburgh's Award scheme for many years and we offer the scheme at Bronze and Silver and now with the introduction of the 6<sup>th</sup> form, the Gold level. The scheme includes four components: Skills, Volunteering, Physical Recreation and Expeditions. We also join a local independent school in facilitating our pupils in the Combined Cadet Force.

## **Strategic developments**

### **Agreement with St Andrew's School**

Since September 2013, Rushmoor School Limited has operated in association with St Andrew's School (Bedford) Limited with both schools working together in a close relationship. This association between the schools recognises the strengths of both and the aim is for the close working relationship to provide benefit to each. Mr Ian Daniel is Principal of both Schools. There has also been an interchange of Governors of both Schools. During the year there have been a number of developments, with a range of joint visits and events organised for pupils of both Schools; there has also been an increasing interchange of teaching staff and in terms of administration, common workings have been introduced. It is encouraging that, during recent years, Rushmoor has been able to maintain a high pupil roll, just short of capacity, whilst at St Andrew's we have been able to maintain pupil numbers across the year groups. Fuller details of the aims, results and achievements at St Andrew's School can be found in the school's Annual Report and Financial Statements.

### **Land at Clapham Park**

With the purchase of the 40 acre site between Clapham Road and Manton Lane, Bedford secured in 2015, the Governors of Rushmoor School have progressed with the concept of a new joint school on the site for both Rushmoor and St Andrew's. A lengthy process to achieve outline planning consent on the site finally reached a satisfactory conclusion in April 2019. Governors and members of senior management are now focused on the urgent task of preparing for the formal merger of the two schools and taking forward plans for the development on the site, with the aim that work will commence within the next few months. The proposal is to develop a "Diamond Model School", with co-education in the Early and Junior Years, Single Gender provision in the Senior School but with a Co-educational Sixth Form.

### **Sixth Form Provision**

Plans for a Sixth Form, serving both students from Rushmoor and St Andrew's Schools, came to fruition in September 2016 with the opening of the new Joint Sixth Form in Fenwick House, adjacent to the Rushmoor site. A wide range of "A" Level subjects is offered to attract students from both schools, as well as students from other local schools who may find the smaller, more focused environment of the school attractive. Students have settled well with encouraging numbers of students enrolled and the "A" levels achieved by our first cohorts were very encouraging with all students achieving their preferred next educational or career step.

### **Information Commitment**

The two Schools have entered an exciting period of their joint development and the Governors, Principal and Senior Management of both Schools are committed to sharing up to date information on all aspects of the projects with parents and stakeholders of these major enterprises as they unfold over coming months and years.

## **Financial Review and Results for the Year**

### **Financial Review**

#### **Financial Position and Reserves Policy**

Rushmoor's surplus for the year to 31 August 2019 of £478,242 has been achieved during a period of continued political and economic uncertainty. Following the acquisition of the Clapham Park site we are taking forward plans for the development of the new joint school. In addition the old DT site at Rushmoor has been cleared ready for future development and we have been able to establish the new Joint Sixth Form facility at Fenwick House, adjacent to the Rushmoor site. At the close of the financial year 2018/19, the School has accumulated funds of £6,538,147, of which £5,105,322 is invested in Fixed Assets.

The Governors have agreed a Reserves Policy which aims to achieve a prudential reserve equal to one term's fee income. Rushmoor free reserves currently stand at £1,432,825 with group free reserves of £1,775,836. Within the total the Governors have designated Development Reserves of £1.5 million towards a target of



£2m which, together with funds generated from the negotiated sale of the two existing sites will provide the core funding for the new School.

### **Income Levels**

The School's income derives principally from fees; the level of income is therefore the result of agreed fees and pupil numbers. Governors review fee levels annually and the fees set are determined by the need to cover costs and to provide an adequate level of surplus and reserves, whilst ensuring that future maintenance of the fabric of the school and other associated costs can be met from cash flow and reserves, as appropriate. At the same time Governors seek to ensure that fees are both competitive and provide good value for money for parents. Pupil numbers are reasonably predictable, with any significant movement known well in advance. In the case of a significant reduction in pupil numbers, Governors could take immediate steps to contain costs appropriately. In the meantime, despite operating in a period of continuing economic constraints, Rushmoor School has been able to improve and maintain pupil numbers, due to the energetic marketing of the School's undoubted strengths and pupil achievement.

### **Pay policy for key management personnel**

The directors and the senior leadership team are the key management personnel that are in charge of directing, controlling and operating the School on a day to day basis. In considering senior pay Governors take account of the needs of the organisation for skills, experience and personal capabilities to enable it to achieve its objectives as well as the price of such skills in the labour market.

### **Principal Risks and Uncertainties**

The Governing Body is responsible for the identification and management of risks. The major risks to which the charity is exposed, as identified by the Governors, have been reviewed and systems or procedures have been established to manage those risks. Detailed examination of the risks and establishment of controls to mitigate them is delegated to the Senior Management Team. The process is overseen by the Governing Body and a formal Analysis of Risk is undertaken by the Council of Governors on an annual basis to ensure that future planning takes account of these risks.

The principal risks to which the School is exposed include those affecting protection of pupils and security and preservation of charitable assets both now and in the future.

Significant risk areas:

- the market in which the School operates is highly competitive and we monitor developments in education to ensure that pupils always receive a first class, holistic and varied educational experience in our School
- we strive to ensure that all staff are able to work in a safe and supportive environment and policies, procedures and training in Human Resource management and Health and Safety help to ensure that the School meets expectations
- the School operates in a highly regulated sector, including in matters of child protection, and we appoint appropriate senior staff members as well as professional advisers to ensure that we can keep up to date with all requirements; School or individual membership of bodies being the constituent associations of the Independent Schools Council also ensure that we have access to up to date information and support
- all organisations face uncertain economic conditions and Directors and Senior Managers in the School keep abreast of economic conditions locally, nationally and internationally to identify trends and develop plans to address issues

The key controls used by the School include:

- formal agendas and minutes for all meetings of the Governing Body and committees
- terms of reference for all committees
- comprehensive strategic planning, financial forecasting, budgeting and management accounting
- established and identifiable organisational structures and reporting lines which are regularly reviewed

- comprehensive formal written policies
- clear authorisation limits
- vetting procedures, as required by law, for protection of the vulnerable
- the Governing Body undertakes its own review of Committee documentation and procedures

The School plans strategically having regard for risk. Senior Management provides the Governing Body with regular reports which include details of the principal strategic objectives and the activity to achieve those objectives. The School also records significant achievements and updates the Governing Body on short-term plans.

#### **Financial risk management objectives and policies**

The School uses financial instruments such as cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from operations to finance the group's operations. The School maintains good liquidity levels in order to minimise financial risk and a number of checks are in place in order to mitigate the risk of fraud.

#### **COVID19**

Following completion of the financial statements to 31st August 2019 and the 'Trustees' Report, the World Health Organisation declared a world-wide pandemic, this was followed on 23rd March by the introduction of the UK government's lockdown procedures. The trustees have accordingly taken the opportunity to examine the likely impact of adverse economic conditions resulting from the pandemic which could adversely affect pupil numbers.

Initially on-line schooling has been introduced across the board for students and advantage was taken of the Government's Jobs Protection Scheme, to furlough some staff members. In addition, governors introduced concessions, by way of relief for parents, including a reduction of 20.2% to Summer term fees and a freezing of fees for the year 2020/21. Work has also been undertaken to consider a number of scenarios and the potential for a reduction in pupil numbers for the year 2020/21. Under each scenario, the forecasts support that the schools can continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

Looking ahead, it is planned that the schools will merge formally in August 2020 and whilst a reduction in numbers can be anticipated, Governors are keenly aware that the ethos of support for students is a unique feature of both schools and has been seen as a USP during previous periods of serious economic set back, most recently in 2008. They also recognise that Rushmoor has a tradition of careful and considered progress and regular profitable trading. It is envisaged that a significant loss in fee income can, if necessary, be countered by careful control of overheads; in addition, support is also available from the schools' joint cash reserves of close to £2 million. Trustees therefore remain confident that, despite current uncertainties, the schools can continue to trade profitably, on a going concern basis.

#### **Investment Policy**

Following the significant investment in the new Clapham Park site and the development of the Joint Sixth Form, they will seek to build further reserves which will be utilised in the planned future construction of the new School on the site. Short term liquid funds, together with reserves are held with bankers HSBC Bank Plc, including wholesale Money Market deposits, Shawbrook Bank and Scottish Widows, via the Charities Aid Foundation (CAF).

## **Auditors**

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

## **Responsibilities of the Council**

The Council (who are also Directors of Rushmoor School Limited for the purposes of company law) are responsible for preparing the Report of the Council and the financial statements in accordance with applicable law and regulations.

Company law requires the Council to prepare financial statements for each financial year. Under that law, the Council have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law including FRS 102 the Financial Reporting Standard applicable in the UK and Ireland). Under Company law the Council 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements, the Council are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP and FRS102;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in business

The Council are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council confirm that:

- so far as each Director is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- The Council have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the charitable Company's auditor is aware of that information.

The Council are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Directors of Rushmoor School Limited on the **23 JUNE** 2020 and signed on their behalf

  
I R Flack  
Director



## Independent auditor's report to the members of Rushmoor School Limited (registered number 00856842)

### Opinion

We have audited the financial statements of Rushmoor School Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2019 which comprise the consolidated statement of financial activities (incorporating an income and expenditure account), the consolidated and parent charitable company balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 August 2019 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.

### Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the group's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the group's future prospects and performance. However,

**The accompanying accounting policies and notes form part of these financial statements.**



## Independent auditor's report to the members of Rushmoor School Limited (registered number 00856842)

no audit should be expected to predict the unknowable factors or all possible future implications for a group associated with these particular events.

### **Conclusions relating to going concern**

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

In our evaluation of the directors' conclusions, we considered the risks associated with the group's business including effects arising from macro-economic uncertainties such as Covid-19 and Brexit, and analysed how those risks might affect the group's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group will continue in operation.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Council, set out on pages 3 - 14 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**The accompanying accounting policies and notes form part of these financial statements.**





## Independent auditor's report to the members of Rushmoor School Limited (registered number 00856842)

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

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

- the information given in the Strategic Report and Report of the Council for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and Report of the Council have been prepared in accordance with applicable legal requirements.

### **Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Council.

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

### **Responsibilities of trustees for the financial statements**

As explained more fully in the Responsibilities of the Council set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**The accompanying accounting policies and notes form part of these financial statements.**



## Independent auditor's report to the members of Rushmoor School Limited (registered number 00856842)

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

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

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

*Grant Thornton UK LLP*

Gareth Norris FCA  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Milton Keynes

Date: *26 JUNE 2020*

**The accompanying accounting policies and notes form part of these financial statements.**

## Consolidated statement of financial activities (incorporating an income and expenditure account)

	<i>Note</i>	<i>Unrestricted funds 2019 £</i>	<i>Unrestricted funds 2018 £</i>
<b>Income from:</b>			
<b>Charitable activities</b>			
Fees receivable	1	5,339,930	5,272,247
Meal income	1	185,106	258,824
Donations and legacies		95,500	79,323
Activities for generating funds		17,650	10,203
Investments		12,456	1,488
<b>Other income</b>			
Other income		162,181	206,137
<b>Total income</b>		<b>5,812,823</b>	<b>5,828,222</b>
<b>Expenditure on:</b>			
<b>Raising funds</b>			
Ancillary trading	2	18,482	6,257
<b>Charitable activities</b>			
Education	2	5,150,064	5,284,207
<b>Total expenditure</b>		<b>5,168,546</b>	<b>5,290,464</b>
<b>Total net income</b>		<b>644,277</b>	<b>537,758</b>
<b>Reconciliation of funds</b>			
Total funds brought forward at 1 September 2018	13	6,820,719	6,282,961
<b>Total funds carried forward at 31 August 2019</b>		<b>7,464,996</b>	<b>6,820,719</b>

All of the above results are derived from continuing and acquired activities. All gains and losses recognised in the year are included above.

The accompanying accounting policies and notes form part of these financial statements.



# Consolidated balance sheet

Company number: 00856842

	Note	£	2019 £	£	2018 £
<b>Fixed assets</b>					
Tangible assets	4		5,689,160		5,423,701
<b>Current assets</b>					
Debtors	6	177,747		220,941	
Cash at bank		2,267,839		1,902,412	
		<u>2,445,586</u>		<u>2,123,353</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(669,750)</u>		<u>(726,335)</u>	
<b>Net current assets</b>			<u>1,775,836</u>		<u>1,397,018</u>
<b>Total assets less current liabilities</b>			<u><u>7,464,996</u></u>		<u><u>6,820,719</u></u>
<b>Funds</b>					
Unrestricted funds					
Development reserve	13	1,500,000		1,000,000	
General fund	13	5,964,996		5,820,719	
		<u>7,464,996</u>		<u>6,820,719</u>	

These financial statements were approved by the Council and authorised for issue on **23 June** 2020 and are signed on their behalf by:

  
G M Bates  
Chairman

**The accompanying accounting policies and notes form part of these financial statements.**

## Balance sheet

Company number: 00856842

	Note	£	2019 £	£	2018 £
<b>Fixed assets</b>					
Tangible assets	4		5,105,322		4,827,508
Investments	5		<u>5,105,322</u>		<u>4,827,508</u>
<b>Current assets</b>					
Debtors	6	84,892		117,465	
Cash at bank		<u>1,769,061</u>		<u>1,577,892</u>	
		1,853,953		1,695,357	
<b>Creditors: amounts falling due within one year</b>	7	<u>(421,128)</u>		<u>(462,960)</u>	
<b>Net current assets</b>			<u>1,432,825</u>		<u>1,232,397</u>
<b>Total assets less current liabilities</b>			<u>6,538,147</u>		<u>6,059,905</u>
<b>Funds</b>					
Unrestricted funds					
Development reserve	13		1,500,000		1,000,000
General fund	13		<u>5,038,147</u>		<u>5,059,905</u>
			<u>6,538,147</u>		<u>6,059,905</u>

The Charitable Company generated a surplus for the year of £478,242 (2018 - £432,213).

These financial statements were approved by the Council and authorised for issue on **23 JUNE** 2020 and are signed on their behalf by:



G M Bates  
Chairman

**The accompanying accounting policies and notes form part of these financial statements.**

## Consolidated cash flow statement

	£	2019 £	£	2018 £
<b>Cash flows from operating activities</b>				
Surplus for the financial year	644,277		537,758	
Adjustments for:				
Depreciation of tangible assets	178,246		184,352	
Net interest (received) / paid	(216)		10,448	
Decrease / (increase) in debtors	43,194		(42,905)	
(Decrease) / increase in creditors	(56,585)		11,182	
<b>Net cash generated from operating activities</b>		<b>808,916</b>		<b>700,835</b>
<b>Cash flows from investing activities</b>				
Purchase of tangible assets	(443,705)		(177,377)	
<b>Net cash outflow from investing activities</b>		<b>(443,705)</b>		<b>(177,377)</b>
<b>Cash flows from financing activities</b>				
Net interest received / (paid)	216		(10,448)	
<b>Net cash used in financing activities</b>		<b>216</b>		<b>(10,448)</b>
<b>Net increase in cash and cash equivalents</b>		<b>365,427</b>		<b>513,010</b>
Cash and cash equivalents at the beginning of year		<b>1,902,412</b>		<b>1,389,402</b>
<b>Cash and cash equivalents at the end of year</b>		<b>2,267,839</b>		<b>1,902,412</b>

The accompanying accounting policies and notes form part of these financial statements.

## Principal accounting policies

### **Basis of preparation**

The accounts of the charitable company have been prepared under the Companies Act 2006 and in accordance with the Statement of Recommended Practice for Charities ("SORP (FRS102)") and with applicable UK Accounting Standards. They are drawn up on the historical cost accounting basis.

Rushmoor School Limited meets the definition of a public benefit entity under Financial Reporting Standard (FRS) 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Further details are provided in the accounting policies for depreciation of fixed assets and for bad debts.

### **Going concern**

Rushmoor School has generated healthy surpluses in recent years; in addition the school has been able to purchase additional assets – a site for future development and Fenwick House, for the new Sixth Form Centre. There was a positive flow of funds during the year under review and surplus funds continue to be held on deposit.

St Andrew's School continues to trade satisfactorily without resort to bank borrowing and has recently been generating surplus funds.

It is planned that the two schools will merge formally by August 2020 but in the meantime, the current Coronavirus pandemic has created a measure of uncertainty and it is difficult to estimate the economic effects which will result. Governors/ Trustees of both schools have however undertaken an assessment of likely impacts of different scenarios and together with support from cash balances, they consider financial arrangements continue to be sound. They remain confident that the schools can continue trading for at least twelve months from the date of approval of the financial statements and have therefore prepared the financial statements on a Going Concern basis.

### **Group accounts**

The financial statements consolidate the financial statements of the company, and all its subsidiary companies with all inter-company balances being eliminated. Entities are consolidated where Rushmoor School Limited exercises overall control either through ownership of shares, or through having common trustees with a common objective. Accounting policies are consistently applied between group companies.

The Charitable Company has taken advantage of the disclosure exemption permitted by Section 1.11 of FRS 102 from the requirement to prepare a company Cash Flow Statement, by virtue of the fact that consolidated financial statements are prepared.

### **Recognition of incoming resources**

These are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, the Council believe that receipt is probable and the monetary value can be measured with sufficient reliability.

### **School Fees receivable and similar income**

Fees receivable are accounted for in the period which the service is provided. Fees receivable are stated after deducting allowances, bursaries and remissions granted by the School.

Fees in advance are those fees received in advance of the following year's education and are shown as a short term liability until taken to income in accordance with this policy.

### **Ancillary and non-ancillary trading income**

Ancillary trading income represents amounts from activities to generate funds within the charitable objects for example, school shop sales, coaches to and from school and school trips. Non-ancillary trading income represents amounts from activities not directly related to the charitable objects, for example lettings of school facilities out of term time and rental from spare school buildings. Income from these activities is recognised in the SOFA when the goods are sold or services provided.

### **Voluntary sources, grants and donations**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can reliably be quantified and the economic benefit is considered probable.

Voluntary income for general purposes is accounted for as unrestricted and is credited to the General Fund.

### **Liability recognition**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay for resources.

## **Expenditure**

Expenditure is accrued as soon as there is a contractual obligation or a liability is considered probable, discounted to present value for longer term liabilities. Expenditure is allocated to expense headings on a direct cost basis. The irrecoverable element of VAT is included with the item of expense to which it relates. Bad debts are provided for in accordance with the group bad debt policy.

Charitable activity expenditure represents all direct costs incurred, in order for the School to fulfil its objective of providing education for three to sixteen year olds, and support costs.

Governance costs represent costs incurred to provide the governance infrastructure required to allow the School to operate and general information required for public accountability.

## **Unrestricted funds**

These funds comprise the net resource revenue of the School, including donations, expendable at the discretion of the Council in furtherance of the objects of the School.

## **Designated funds**

These funds are amounts designated at the discretion of the Council to cover expected costs in future years.

## **Tangible assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Individual capital items, or projects, with a value greater than £500 are capitalised.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset based on current market prices, over its expected useful life, as follows:

Freehold land	nil
Freehold buildings	40 – 50 years
Furniture	5 – 10 years
Fixtures and fittings	5 – 10 years
Motor vehicles	3 – 5 years
Computer equipment	3 – 4 years

The company has reviewed its tangible assets, which comprise land, buildings and initial fixtures and fittings. The buildings are capitalised in the financial statements at historic cost.

Rushmoor School Limited exercises judgement in selection of appropriate rates for depreciation of fixed assets, and for matters of impairment.

## Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities. Investments in subsidiaries are valued at cost less provision for impairment.

## Debtors

Known bad debts are written off and specific provision is made for any considered to be doubtful.

## Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA on a straight line basis over the lease term. Lease incentives are accounted for over the lease term on a straight-line basis.

## Brian James Able bursary fund

The School acts as custodian trustee to Brian James Able Bursary Fund, which is not included in the financial statements of the School. Revenue items affecting this fund are not reflected through the revenue account of the School, except scholarships which will be included as part of fees receivable.

## Pension costs

The School participates in a multi-employer scheme, the Government's Teachers' Pension Scheme (TPS), for its teaching staff. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Company in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The School makes contributions to defined contribution (money purchase) schemes for the benefit of certain employees. These contributions are also charged to the Statement of Financial Activities in the period in which they are paid.

## Judgement in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statement where these judgements and estimates have been made are as follows:

**Trade debtors:** An allowance for doubtful debts is maintained for estimated losses resulting from the inability or refusal of the company's customers to make required payments.

**Fixed assets:** Depreciation is charged with due consideration to the useful economic life and residual value of fixed assets and the continuing appropriateness of the applied policy is considered on an annual basis by the Governors.

## Notes to the financial statements

### **1 Charitable Activities – Group**

a) Fees receivable

	2019	2018
	£	£
The school fees income comprises		
Gross fees	5,755,270	5,740,261
Less: Total scholarships, bursaries, etc.	<u>(415,340)</u>	<u>(468,014)</u>
	<u>5,339,930</u>	<u>5,272,247</u>

b) Meal income

Meal income for nursery pupils is now included within the overall fees for 2019, whereas these were charged for separately in the 2018 financial year.

### **Charitable Activities – Company**

a) Fees receivable

	2019	2018
	£	£
The school fees income comprises		
Gross fees	3,600,897	3,674,663
Less: Total scholarships, bursaries, etc.	<u>(275,796)</u>	<u>(338,648)</u>
	<u>3,325,101</u>	<u>3,336,015</u>

b) Meal income

Meal income for nursery pupils is now included within the overall fees for 2019, whereas these were charged for separately in the 2018 financial year.



## 2 Analysis of Expenditure - Group

### a) Total expenditure

	Staff costs (note 3) £	Depreciation (note 4) £	Support Costs £	Total 2019 £	Total 2018 £
<b>Cost of raising funds</b>					
Ancillary trading	-	-	18,482	18,482	6,257
<b>Total cost of generating funds</b>	-	-	18,482	18,482	6,257
<b>Charitable expenditure</b>					
Teaching	3,393,906	-	172,717	3,566,623	3,479,697
Welfare	122,043	-	547	122,590	110,914
Premises	142,338	146,714	459,067	748,119	755,218
School administration and governance	324,720	31,532	356,480	712,732	938,378
<b>Total charitable expenditure</b>	3,983,007	178,246	988,811	5,150,064	5,284,207
<b>Total Expended</b>	3,983,007	178,246	1,007,293	5,168,546	5,290,464

### b) Governance included in support costs

	2019 £	2018 £
Remuneration paid to auditor for audit services	23,375	21,575
Other non-audit services	3,125	4,240
	<b>26,500</b>	<b>25,815</b>

### Surplus for the financial year

The Charitable Company has taken advantage of section 408 of the Companies Act 2006 and has not included its own Statement of Financial Activities in these financial statements. The Group surplus for the year includes a surplus of £478,242 (2018 surplus - £432,213) relating to Rushmoor School Limited which is dealt with in the financial statements of the Charitable Group.

**Analysis of Expenditure - Company**

a) **Total expenditure**

	Staff costs (note 3) £	Depreciation (note 4) £	Support Costs £	<b>Total 2019 £</b>	<b>Total 2018 £</b>
<b>Cost of raising funds</b>					
Ancillary trading	-	-	18,482	<b>18,482</b>	6,257
<b>Total cost of generating funds</b>	-	-	18,482	<b>18,482</b>	6,257
<b>Charitable expenditure</b>					
Teaching	2,148,576	-	111,499	<b>2,260,075</b>	2,211,679
Welfare	57,570	-	339	<b>57,909</b>	52,563
Premises	68,640	121,782	191,155	<b>381,577</b>	397,106
School administration and governance	211,197	28,948	265,983	<b>506,128</b>	645,505
<b>Total charitable expenditure</b>	<b>2,485,983</b>	<b>150,730</b>	<b>568,976</b>	<b>3,205,689</b>	<b>3,306,853</b>
<b>Total Expended</b>	<b>2,485,983</b>	<b>150,730</b>	<b>587,458</b>	<b>3,244,171</b>	<b>3,313,110</b>

b) **Governance included in support costs**

	<b>2019 £</b>	<b>2018 £</b>
Remuneration paid to auditor for audit services	<b>13,825</b>	12,800
Other non-audit services	<b>2,100</b>	3,245
	<b>15,925</b>	<b>16,045</b>

### 3 Particulars of employees

The average number of staff (including part-time staff) employed by the company during the financial year amounted to:

	The Group		The Company	
	2019 No	2018 No	2019 No	2018 No
Administrative	13	13	7	7
Teaching	64	66	44	43
Domestic	11	10	6	5
Maintenance	12	11	5	4
Classroom assistants	60	59	25	28
	<b>160</b>	<b>159</b>	<b>87</b>	<b>87</b>

The aggregate payroll costs of the above were:

	The Group		The Company	
	2019 £	2018 £	2019 £	2018 £
Wages and salaries	3,325,580	3,213,004	2,022,245	1,970,146
Social security costs	282,279	272,045	197,473	186,893
Pension costs	375,148	362,242	266,264	254,893
	<b>3,983,007</b>	<b>3,847,291</b>	<b>2,485,983</b>	<b>2,411,932</b>

Members of the Council received no remuneration or expenses.

Key management personnel are the directors and members of the senior leadership team although the Directors are not remunerated for their services. Total amount of employee benefits (including employer pension contributions) of key management personnel were £692,295 (2018: £675,313).

Employees receiving remuneration over £60,000 per annum were:

	The Group		The Company	
	2019 No	2018 No	2019 No	2018 No
£100,001 - £110,000	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>

The above employee participated in the Teachers' Pension Scheme, a defined benefit scheme. During the year ended 31 August 2019, pension contributions amounted to £17,222 (2018: £16,727).

Professional indemnity and Council members' liability insurance has been purchased for £920 (2018: £920).

**4 Tangible fixed assets**

Group	Freehold property £	Furniture fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 September 2018	7,451,505	317,919	113,998	405,013	8,288,435
Additions	404,004	11,507	16,893	11,301	443,705
Disposals	-	-	-	-	-
At 31 August 2019	<u>7,855,509</u>	<u>329,426</u>	<u>130,891</u>	<u>416,314</u>	<u>8,732,140</u>
Depreciation					
At 1 September 2018	2,126,276	277,285	97,731	363,442	2,864,734
Provided in the year	136,912	9,802	10,853	20,679	178,246
Disposals	-	-	-	-	-
At 31 August 2019	<u>2,263,188</u>	<u>287,087</u>	<u>108,584</u>	<u>384,121</u>	<u>3,042,980</u>
<b>Net book value at 31 August 2019</b>	<b><u>5,592,321</u></b>	<b><u>42,339</u></b>	<b><u>22,307</u></b>	<b><u>32,193</u></b>	<b><u>5,689,160</u></b>
Net book value at 31 August 2018	<u>5,325,229</u>	<u>40,634</u>	<u>16,267</u>	<u>41,571</u>	<u>5,423,701</u>

All assets are held for charitable purposes.

**Tangible fixed assets (continued)**

Company	Freehold property £	Furniture fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 September 2018	6,313,795	181,434	86,158	321,157	6,902,544
Additions	404,004	-	16,893	7,647	428,544
At 31 August 2019	<u>6,717,799</u>	<u>181,434</u>	<u>103,051</u>	<u>328,804</u>	<u>7,331,088</u>
Depreciation					
At 1 September 2018	1,549,164	154,675	69,892	301,305	2,075,036
Provided in the year	114,975	6,807	10,853	18,095	150,730
At 31 August 2019	<u>1,664,139</u>	<u>161,482</u>	<u>80,745</u>	<u>319,400</u>	<u>2,225,766</u>
Net book value at 31 August 2019	<u><b>5,053,660</b></u>	<u><b>19,952</b></u>	<u><b>22,306</b></u>	<u><b>9,404</b></u>	<u><b>5,105,322</b></u>
Net book value at 31 August 2018	<u>4,764,631</u>	<u>26,759</u>	<u>16,266</u>	<u>19,852</u>	<u>4,827,508</u>

All assets are held for charitable purposes.

**5 Investments**

	The Group		The Company	
	2019	2018	2019	2018
	£	£	£	£
Investments in subsidiary company	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

On 2 September 2013, the School entered into an arrangement with St. Andrew's School (Bedford) Limited whereby Rushmoor School became the sole member and is therefore deemed to control the School.

The following extracts are from the audited accounts for the year ended 31 August 2019:

Company	Country of incorporation	Company status	Nature of business	Funds at 31 August 2019 £	Surplus for the year £
St. Andrew's School (Bedford) Limited – Company No: 00866338 Charity No: 307531	England	Limited by guarantee	Provision of education	<u><b>926,848</b></u>	<u><b>166,034</b></u>

St. Andrew's School (Bedford) Limited registered office is as follows: 78 Kimbolton Road, Bedford, MK40 2PA. On 2 September 2013, the School entered into an arrangement with St. Andrew's School (Bedford) Limited whereby Rushmoor School became the sole member and is therefore deemed to control the School.

## Investments (continued)

Its results for the year are summarised below:

	2019	2018
	£	£
Incoming resources	2,110,410	2,082,899
Resources expended	(1,944,376)	(1,977,354)
Net outgoing resources	166,034	105,545

## 6 Debtors

	The Group		The Company	
	2019	2018	2019	2018
	£	£	£	£
Fees receivable	164,344	195,033	69,583	100,585
Prepayments	13,062	25,566	5,338	16,539
Other debtors	341	342	341	341
Amounts due from subsidiary company	-	-	9,630	-
	177,747	220,941	84,892	117,465

The amount due from subsidiary company is interest free, unsecured and repayable on demand.

## 7 Creditors: amounts falling due within one year

	The Group		The Company	
	2019	2018	2019	2018
		£		£
Trade creditors	4,260	-	2,169	-
Social security and other taxes	82,825	67,517	50,706	45,080
Fees received in advance	349,615	401,060	217,384	237,015
Other creditors	177,738	149,600	118,393	100,202
Accruals	55,312	108,158	32,476	80,663
	669,750	726,335	421,128	462,960

Deferred income relates to income received in the year relating to fees billed in advance for the Autumn term. Deferred income brought forward amounted to £401,061 (2018: 420,269), resources deferred during the year amounted to £349,615 (2018: £401,060) and amounts released from the prior year amounted to £401,061 (2018: £420,269).

## 8 Taxation

The Charitable Company is considered to pass the tests set out in paragraph 1 schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charitable Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## 9 Capital commitments

There were no capital commitments at 31 August 2019 or 31 August 2018.

## 10 Pension

### Teachers' Pension Scheme (TPS)

#### Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

#### The Teachers' Pension budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts. The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

#### Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%. A copy of the latest valuation report can be found by following this link to the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx)).

The employer's pension costs paid to TPS in the period amounted to £327,896 (2018 - £321,509).

#### Teachers' Pension Scheme changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

### Defined contribution scheme

The Company also makes contributions to defined contribution (money purchase) schemes on behalf of certain other employees. The charge to the Statement of Financial Activities representing contributions payable in the year for the group amounted to £47,252 (2018: £40,733). An amount of £19,506 (2018: £6,243) for the group is payable at the year-end in respect of both schemes.

## 11 Company limited by guarantee

The company is limited by guarantee and does not have a share capital. The members have a liability not exceeding £1 per member.

## 12 Related parties

There have been no transactions with related parties that require disclosure under either FRS 102 or Charities SORP (FRS 102) (effective 1 January 2015).

## 13 Unrestricted funds

Group	Designated reserve £	General fund £	2019 Total £	2018 Total £
Balance brought forward	1,000,000	5,820,719	<b>6,820,719</b>	6,282,961
Net incoming resources	-	644,277	<b>644,277</b>	537,758
Transfer from designated funds	500,000	(500,000)	-	-
Balance carried forward	<u>1,500,000</u>	<u>5,964,996</u>	<u><b>7,464,996</b></u>	<u>6,820,719</u>

  

Company	Designated reserve £	General fund £	2019 Total £	2018 Total £
Balance brought forward	1,000,000	5,059,905	<b>6,059,905</b>	5,627,692
Net incoming resources	-	478,242	<b>478,242</b>	432,213
Transfer from designated funds	500,000	(500,000)	-	-
Balance carried forward	<u>1,500,000</u>	<u>5,038,147</u>	<u><b>6,538,147</b></u>	<u>6,059,905</u>

### Designated reserve

This represents funds designated by the Council for use in meeting future development plans on the Clapham Park site.

## 14 Analysis of net assets between funds

	The Group		The Company	
	Unrestricted funds 2019 £	Total funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	5,689,160	<b>5,689,160</b>	5,105,322	<b>5,105,322</b>
Current assets	2,445,586	<b>2,445,586</b>	1,853,953	<b>1,853,953</b>
Current liabilities	(669,750)	<b>(669,750)</b>	(421,128)	<b>(421,128)</b>
Net assets	<u>7,464,996</u>	<u><b>7,464,996</b></u>	<u>6,538,147</u>	<u><b>6,538,147</b></u>



**Analysis of net assets between funds (continued)**

	The Group		The Company	
	Unrestricted funds	Total funds	Unrestricted funds	Total funds
	2018	2018	2018	2018
	£	£	£	£
Tangible fixed assets	5,423,701	5,423,701	4,827,508	4,827,508
Current assets	2,123,353	2,123,353	1,695,357	1,695,357
Current liabilities	(726,335)	(726,335)	(462,960)	(462,960)
Net assets	6,820,719	6,820,719	6,059,905	6,059,905

**15 Commitments under operating leases**

At 31 August 2019 the company had total future commitments under non-cancellable operating leases as set out below:

The Group	2019		2018	
	Other	Leasehold and buildings	Other	Leasehold and buildings
	£	£	£	£
Operating leases which expire:				
Within 1 year	41,168	69,600	33,285	69,600
Between 1 and 5 years	20,584	273,567	47,154	275,567
After more than 5 years	-	67,600	-	135,200
The Company	2019		2018	
	Other	Leasehold and buildings	Other	Leasehold and buildings
	£	£	£	£
Operating leases which expire:				
Within 1 year	20,584	2,000	17,036	2,000
Between 1 and 5 years	10,292	3,167	24,134	5,167
After more than 5 years	-	-	-	-

**16 Contingent liabilities**

There were no contingent liabilities at 31 August 2019 or 31 August 2018.

**17 Ultimate controlling party**

In the opinion of the trustees, there is no ultimate controlling party.

**18 Post balance sheet events**

During March 2020, the Covid-19 pandemic emerged in the UK and has caused major disruption to the economy and day-to-day activities. It is not possible to make an estimate of the financial impact of these events. As explained in the principal accounting policies, the Group has sufficient cash to meet its expenses and as such continues to be a going concern.

The following pages do not form part of the statutory financial statements  
which are the subject of the independent auditor's report on pages 15, 16, 17 and 18