

REGISTERED COMPANY NUMBER: 01270675 (England and Wales)
REGISTERED CHARITY NUMBER: 505630

CHARITY

COMMISSION

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST AUGUST 2017
FOR
RICHMOND HOUSE SCHOOL

Thomas Coombs
Statutory Auditor
Chartered Accountants
Century House
29 Clarendon Road
Leeds
West Yorkshire
LS2 9PG

RICHMOND HOUSE SCHOOL

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FOR THE YEAR ENDED 31ST AUGUST 2017**

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RICHMOND HOUSE SCHOOL

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST AUGUST 2017**

TRUSTEES

N D Barnes (resigned 29/3/17)
S J Brazier
M R Grange
P Jolly
V G Monnickendam
C Shuttleworth
Doctor J B Watson
S Stephens
G Galdins (appointed 3/10/16)

REGISTERED OFFICE

170 Otley Road
Leeds
LS16 5LG

REGISTERED COMPANY NUMBER 01270675 (England and Wales)

REGISTERED CHARITY NUMBER 505630

AUDITORS

Thomas Coombs
Statutory Auditor
Chartered Accountants
Century House
29 Clarendon Road
Leeds
West Yorkshire
LS2 9PG

BANKERS

National Westminster Bank plc
8 Park Row
Leeds
West Yorkshire
LS1 5HD

SOLICITORS

Walker Morris LLP
Kings Court
12 Kings Street
Leeds
LS1 5DA

RICHMOND HOUSE SCHOOL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST AUGUST 2017

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st August 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objects of the Charity

The objects of the School as detailed in the Memorandum of Association are to promote and provide for the advancement of education and training and in connection therewith to conduct, carry on, acquire and develop in the United Kingdom any boarding or day school or schools for the education of children of either sex or both sexes.

Principal activity

The Charity's principal activity is the operation of Richmond House School, a day school in Far Headingley, Leeds. The School is registered as a charitable organisation. The main areas of the charitable activity are the provision and advancement of education and training.

Strategies and Objectives

The Board's strategy, as a charitable Independent School, is to foster pupils' academic and personal development in a challenging, caring and happy environment that enables all to achieve their full potential. In addition, supporting public benefit objectives, the aim is to provide opportunities for those children of lower income or otherwise disadvantaged families, who would otherwise be unable to access these facilities and provide facilities for the benefit of third parties and the local community.

Objectives for the year

The objectives reflect the charitable purpose, educational aims and ethos.

- Review and refine the senior organisation structure, roles and responsibilities
- Review the academic curriculum and further enhance pupil progress
- Review and enhance onsite security
- Increase pupil involvement within the School and in the wider community
- Being inspection ready and compliant
- Develop School grounds and infrastructure to support pupil learning
- To develop the new pupil recruitment processes and external communications

Public benefit

In the furtherance of the objects of the Charity the Directors, as Trustees, have complied with the duty in s.4 of the Charities Act 2011. This is to have due regard for the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement.

Richmond House School encourages pupils to consider their place in the wider community, to develop a strong sense of social responsibility, and to support those less fortunate than themselves. These aims are achieved through many avenues: within the curriculum, through expected behaviours and pupils voluntarily organising charity fundraising events throughout the year to benefit local, national and global charities.

The School facilities are used by community groups, external organisations and sports teams. These are supported through free or subsidised use of equipment / hire rates to promote their use in the local community.

In respect of grant making, the School operates a bursary fund to assist new applicants to the School or an existing pupil where a change in parent/guardian's circumstances has resulted in a difficulty to meet tuition fees. This fund is primarily used to broaden the access to the School and use of this fund is reviewed by the Governors to ensure restricted funds are used appropriately and any matching of donated funds or supplements from unrestricted income to the bursary fund are carefully managed. Availability of bursaries is advertised on the School website - www.rhschool.org.

Such support is available on a needs basis via application to the Bursar. Grants to the value of £87,700 (2016:£88,809) were made in 2016/17.

STRATEGIC REPORT

Achievement and performance

Richmond House School continues to pride itself on pupil performance and achievement from a non-selective co-educational intake of pupils, who are educated in an environment where 'children are happy to learn'. The School is regularly complimented on being friendly and welcoming whilst promoting and delivering high standards of behaviour, academic and extra curricular breadth and success.

During the year the School was inspected by ISI. This was a regulatory compliance inspection which reports on the School's compliance with the Independent School Standards regulations and the Early Years Foundation Stage. The School was compliant in all areas, with the full report available on the website, and was particularly delighted with the number of parents who responded to the questionnaire, over 140 replies and 98% positive responses. The whole process reinforced that School is a safe and caring environment for children, being fully compliant and delivering an excellent education in a place where children are happy to learn.

Academic success has been achieved individually and on a team basis. Four children reached the semi-final of the Junior Language Challenge, with one pupil making it to the final, held in London, being one of only 30 finalists. This year the languages were Romanian, Korean and, in the final round, Swahili.

Pupils moving onto senior schools achieved excellent results, with many being awarded scholarships in the process. This success is not at the expense of a varied curriculum in sports, music and drama, as evidenced below. In addition events such as Enrichment Day took place at the end of the summer term with pupils working together in their Houses, across Year groups in a number of team building events. During the year the House system was further developed, with more competitions, including "Richmond House School has got talent" and external poetry and general knowledge competitions. Competing against ten schools from the area we made it through to the semi-final of the general Knowledge Quiz and four of our Year 5 pupils were the overall winners of the "speak up" annual poetry competition, held at GSAL. This event culminated in an evening recital by pupils and poets. The extra-curricular programme was extended further this year with many clubs such as lego club, cookery club, pre school scooter club and sewing club being run by our own staff.

On the sports field, the School's ten acres of grounds hosted many events - football, tag rugby, contact rugby, cricket, netball, athletics, cross country and bowls. In addition, pupils represented School in, and were successful at, local swimming galas, the Leeds and Bradford Junior Aquathon and Leeds Schools Cross Country events. Pupils also participated in the Brownlee Triathlon and took great delight in meeting and being photographed with ex pupils Jonathan and Alistair Brownlee. Ex pupil, Sian Kelly also visited the School - Sian is currently playing badminton within the England International Junior programme.

Participation takes place at all levels; for a comparatively small school our ethos of inclusion, providing opportunities for all children to represent the School with a competitive spirit, has led to another successful year. In October, all Year 6 girls represented the School as part of two teams in the St Pius X Preparatory School Netball Tournament, the Year 3 and Year 4 girls played in tournaments at St Mary's, with the Year 3 girls being joint first on 23 points. The Year 6 netball teams also took part in the prestigious Queen Margaret's Junior School's tournament, with both teams making it through to the Cup competition which the A team won. The annual football and rugby tournaments continue to be popular events.

Music and drama play an important part in providing opportunities for all pupils, with over 80 children taking part in peripatetic music lessons on a weekly basis. The Year 6 end of year production of Cinders was outstanding, showcasing the many talents of the pupils. The School choir were invited for the third time to take part in the Wakefield Cathedral Christmas Service, performing with the Yorkshire Philharmonic Choir, thoroughly enjoying performing to a sell-out audience and receiving many compliments, being fantastic ambassadors for the School.

STRATEGIC REPORT

Achievement and performance

Volunteering, charity work and family events thrive both during and outside the normal school day. These activities included camping trips both on our own grounds and to Slensingford Mill, near Ripon, cycling the length of the Leeds Liverpool canal by one of our pupils to raise money for the Bexley Wing at St James Hospital, presentation of £2,000 to a representative from the Open Arms charity in Malawi (and Richmond House foster home), fundraising for Martin House Hospice and support for other local charities. The School ran an inaugural 5K Family Fun Run which raised money towards the charity of the year, Martin House Hospice. The support of parents and the Parents' Association continues to be a strength of the School community, with contributions of over £5,000 being made towards school equipment and activities, including a Clevertouch screen in the gym and the very popular chicks. Year 6 children also sang at the local Mount St Joseph's Residential Home.

The management team lead by the new Headteacher, Mrs Stiles, was further enhanced by the addition of the role of Director of Studies. From a governance perspective, one new Governor with key commercial experience was recruited to the governing body and, during the year, one of the key activities for the Finance Committee was a strategic review of the School, engaging partners to review the masterplan for the site. Health and safety requirements and considerations in School feature highly this year ranging from a full review of our onsite security leading to changes in start and end of day procedures for parents and improved identity badges for staff and visitors through to safer internet day and activities for children, with a CEOP accredited speaker running a 'Staying Safe Online' evening for parents. The School also has a defibrillator on site.

During the year the trustees, following a strategic review, set up a sub-committee to consider options for enhancing the provision of facilities for Early Years children and for a sports and performance space. By the end of the academic year plans had been drafted and a key objective for the 17/18 academic year will be to gain planning permission for this development.

Financial review

Financial position

The unrestricted surplus for the year amounted to £121,898 (2016: £11,843). There was a £731 decrease (2016: £5,111 decrease) in restricted funds, giving a total net increase in funds of £121,167 (2016: £6,732).

Investment policy and objectives

The Memorandum dictates that the Governors may invest the money of the charity not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject to conditions (if any) and consents (if any) imposed or required by law.

Reserves policy

The Governors aim to have sufficient reserves available to facilitate the efficient operation of the School both in terms of its short term operational and long term capital requirements. Any free cash balances are invested in interest bearing accounts with reputable financial institutions. The reserves of the School include investments in school land and buildings with a net book value at 31 August 2017 of £1,240,853 (2016: £1,262,993).

Free reserves (excluding fixed assets and restricted funds) amounted to £619,957 (2016 : £461,103).

Tangible assets

The Charity's tangible assets are held for use by the School. The Governors maintain the freehold and long leasehold land and buildings out of expenditure to a standard which ensures their residual value exceeds their net book values.

Restricted funds

The Charity has a number of restricted funds which are represented by fixed assets and cash at bank. The purposes of these funds are detailed in note 16 to the financial statements.

RICHMOND HOUSE SCHOOL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST AUGUST 2017

STRATEGIC REPORT

Future plans

The key strategic and operational objectives for the year 2017/18 are:

- To progress developments for Early Years facilities and a sports / performance space
- To embed new assessment and monitoring software to further enhance academic progress
- To incorporate outdoor learning more formally within the curriculum
- To develop use of IT across the curriculum
- To embed new PSHE curriculum
- Develop School grounds and infrastructure to support pupil learning
- To further develop marketing with a new website and improved visibility in the wider community

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Company is governed by its Memorandum and Articles of Association, last amended on 26 March 2006.

Directors and Governors of the company

The Governors are the Charity Trustees and Company Directors of Richmond House School. The Governors are a self appointing body and all of those detailed below served on the board for the full year, except where indicated otherwise:

C Shuttleworth	Chair
M Grange	Vice Chair
G Galdins	
P Jolly	
G Monnickendam	
J Watson	
S Brazier	
S Stephens	

G Galdins was appointed as a Governor on 3rd October 2016.

N Barnes resigned as a Governor on 29th March 2017.

Recruitment and training

The Trustees of the School are members of the Charity. A new member will be admitted to the Board of Governors on the approval of the existing Board of Governors which shall have absolute discretion as to the admission of any person. The Chairperson reviews the policies over selection, recruitment and training of Governors on a regular basis.

All new Governors serve a probationary period and then, if satisfactory in the execution of their duties, have their appointment to the governing body ratified at the AGM. A Governor's term of office is normally four years with re-election required at the AGM for up to three terms.

Organisational management

The Governors meet as a whole body at least four times per annum to review the School's activities and strategies and determine the general policy of the School. The day to day management of the School is delegated to the Headmistress and her senior management team.

Following the retirement of the outgoing Headmistress, a new Headteacher was appointed and commenced employment in April 2016, as Head Designate. The new Headteacher formally took up office on 1 September 2016.

Governors are advised of any changes in governance requirements and informed of training courses and conferences to further their knowledge. The School is a member of the Association of Governing Bodies of Independent Schools (AGBIS) which runs training courses for governors and advises on best practice.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management remuneration

The day-to-day running of the school is delegated to the Headmistress, Deputy Head, Bursar and Director of Academic Studies, as the key management personnel. They attend all main board meetings of the Governing Body, plus the Headteacher and at least one other member of the senior team are members of the sub committees.

The principal officers at 31st August 2017 were:

H Stiles	Headteacher
P Oldham	Deputy Head
G Newsome	Bursar
C Mullis	Director of Academic Studies

The remuneration of key management personnel is set by the Board. The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools, to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere.

Principal risks and uncertainties

The Governors keep the School's activities under review, particularly in regard to major risks that may arise as well as systems and procedures established to manage and mitigate risks. The trustees have assessed the major risks, particularly operational and financial and are satisfied that the systems are in place to manage and mitigate exposure to the major risks.

The principal risks can be categorised as financial, educational, reputational and legal.

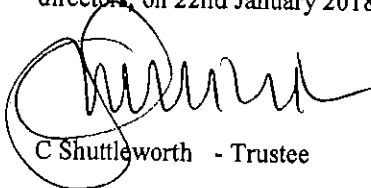
The key controls are:

- clear governance structure, with sub committees and formal agendas.
- clear organisation, responsibilities and reporting lines
- clear authorisation and approval levels
- strategic plans, budgets and financial management including monthly management accounts
- careful planning and management of projected pupil numbers
- formal policies and responsibilities including child safeguarding, health and safety, staff recruitment and areas of operations
- IT system security and remote back ups
- full safeguarding procedures from staff recruitment to day to day management

AUDITORS

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 22nd January 2018 and signed on the board's behalf by:



C Shuttleworth - Trustee

RICHMOND HOUSE SCHOOL

STATEMENT OF TRUSTEES RESPONSIBILITIES FOR THE YEAR ENDED 31ST AUGUST 2017

The trustees (who are also the directors of Richmond House School for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RICHMOND HOUSE SCHOOL

Opinion

We have audited the financial statements of Richmond House School (the 'charitable company') for the year ended 31st August 2017 on pages ten to twenty three. 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 members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st August 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the 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.

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 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
RICHMOND HOUSE SCHOOL**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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

As explained more fully in the Statement of Trustees Responsibilities set out on page seven, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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. This description forms part of our Report of the Independent Auditors.

C. Darwin

Christopher Darwin (Senior Statutory Auditor)
for and on behalf of Thomas Coombs
Statutory Auditor
Chartered Accountants
Century House
29 Clarendon Road
Leeds
West Yorkshire
LS2 9PG

22nd January 2018

RICHMOND HOUSE SCHOOL

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST AUGUST 2017**

	Not es	Unrestricted fund £	Restricted funds £	2017 Total funds £	2016 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	5,332	5,332	5,507
Charitable activities	4				
Operation of the school		1,706,563	-	1,706,563	1,606,107
Other ancillary trading income		259,176	-	259,176	269,577
Investment income	3	<u>339</u>	<u>-</u>	<u>339</u>	<u>1,356</u>
Total		1,966,078	5,332	1,971,410	1,882,547
EXPENDITURE ON					
Charitable activities	5				
Operation of the school		<u>1,844,180</u>	<u>6,063</u>	<u>1,850,243</u>	<u>1,875,815</u>
NET INCOME/(EXPENDITURE)		121,898	(731)	121,167	6,732
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,848,540</u>	<u>23,617</u>	<u>1,872,157</u>	<u>1,865,425</u>
TOTAL FUNDS CARRIED FORWARD		<u>1,970,438</u>	<u>22,886</u>	<u>1,993,324</u>	<u>1,872,157</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.


The notes form part of these financial statements

RICHMOND HOUSE SCHOOL

**BALANCE SHEET
AT 31ST AUGUST 2017**

	Notes	Unrestricted fund £	Restricted funds £	2017 Total funds £	2016 Total funds £
FIXED ASSETS					
Tangible assets	12	1,350,481	22,836	1,373,317	1,411,054
CURRENT ASSETS					
Debtors	13	44,298	-	44,298	43,636
Cash at bank		<u>756,280</u>	<u>50</u>	<u>756,330</u>	<u>575,337</u>
		800,578	50	800,628	618,973
CREDITORS					
Amounts falling due within one year	14	(180,621)	-	(180,621)	(157,870)
NET CURRENT ASSETS					
		<u>619,957</u>	<u>50</u>	<u>620,007</u>	<u>461,103</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>1,970,438</u>	<u>22,886</u>	<u>1,993,324</u>	<u>1,872,157</u>
NET ASSETS					
		<u>1,970,438</u>	<u>22,886</u>	<u>1,993,324</u>	<u>1,872,157</u>
FUNDS					
Unrestricted funds	16			1,970,438	1,848,540
Restricted funds				<u>22,886</u>	<u>23,617</u>
TOTAL FUNDS					
				<u>1,993,324</u>	<u>1,872,157</u>

The financial statements were approved by the Board of Trustees on 22nd January 2018 and were signed on its behalf by



C. Shuttleworth - Trustee

The notes form part of these financial statements

RICHMOND HOUSE SCHOOL

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2017**

	Notes	2017 £	2016 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>214,067</u>	<u>74,711</u>
Net cash provided by (used in) operating activities		<u>214,067</u>	<u>74,711</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(33,074)</u>	<u>(62,089)</u>
Net cash provided by (used in) investing activities		<u>(33,074)</u>	<u>(62,089)</u>
Change in cash and cash equivalents in the reporting period		<u>180,993</u>	<u>12,622</u>
Cash and cash equivalents at the beginning of the reporting period		<u>575,337</u>	<u>562,715</u>
Cash and cash equivalents at the end of the reporting period		<u>756,330</u>	<u>575,337</u>

The notes form part of these financial statements

RICHMOND HOUSE SCHOOL

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2017**

	2017	2016
	£	£
1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	121,167	6,732
Adjustments for:		
Depreciation charges	70,811	56,963
(Increase)/decrease in debtors	(662)	21,762
Increase/(decrease) in creditors	<u>22,751</u>	<u>(10,746)</u>
Net cash provided by (used in) operating activities	<u>214,067</u>	<u>74,711</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Tangible fixed assets

Tangible fixed assets are stated at cost or deemed cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Freehold buildings	50 years
Long Leasehold buildings	50 years
Fixtures, fittings and equipment	3-10 years
Machinery	20 years
Motor vehicles	5 years

Long leasehold land is not depreciated.

The Charity capitalises assets where they are considered to have an economic benefit to the School for a period greater than a year.

The freehold buildings and long leasehold land and buildings were revalued at the transition date 1st September 2014 at £1,300,000. This under FRS 102 is the deemed cost of these assets as at that date.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

1. ACCOUNTING POLICIES - continued

Company and charitable status

Richmond House School is a company limited by guarantee. The guarantors are the Governors named on page 1. The liability in respect of this guarantee, as set out in the memorandum, is limited to £1 per member. The company is a charity, Registration Number 505630.

Going concern

The company has substantial cash resources which, in the opinion of the Trustees, are sufficient to enable it to continue as a going concern for the foreseeable future.

Income and endowments

Operation of school

Income from school fees and for other school services is recognised in line with the term to which they relate. Fees consist of charges billed less discounts.

Investment income

Investment income relates to interest and is included when receivable.

Donations receivable

Donations received are treated as income in the year in which entitlement is demonstrable and conditions have been met. Donations subject to specific wishes of the donors are treated as restricted funds.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. The irrecoverable element of VAT is included with the item of expense to which it relates.

Support costs

Support costs have been allocated to activity cost categories on a basis consistent with the use of the resources.

Pension costs

The Charity makes contributions to the Teachers' Pension Scheme, a multi-employer defined benefit pension scheme. As the Charity is unable to separately identify its share of the assets and liabilities of the scheme, the scheme is accounted for as if it were a defined contribution scheme under FRS 102. The contributions are charged against income as they become payable in accordance with the rules of the scheme.

The Charity also operates a stakeholder pension which is available to all staff.

Debtors and creditors receivable/ payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Leases

Rentals payable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

2. DONATIONS AND LEGACIES

	2017	2016
Donations	£ <u>5,332</u>	£ <u>5,507</u>

RICHMOND HOUSE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2017**

3. INVESTMENT INCOME

	2017	2016
	£	£
Investment Income	<u>339</u>	<u>1,356</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Operation of the school	Other ancillary trading income	2017	2016
	£	£	Total activities £	Total activities £
School fees	1,706,563	-	1,706,563	1,606,107
Lunches	-	118,143	118,143	110,667
Pre and after school care	-	46,143	46,143	50,599
Peripatetic music	-	48,800	48,800	53,014
Learning support	-	13,252	13,252	8,682
Sundry income	-	10,117	10,117	24,826
Extra curriculum activities	-	22,721	22,721	21,789
	<u>1,706,563</u>	<u>259,176</u>	<u>1,965,739</u>	<u>1,875,684</u>

School fees are reported net of bursary awards of £87,700 (2016: £88,809).

5. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 6)	Support costs (See note 7)	Totals
	£	£	£
Operation of the school	<u>1,543,895</u>	<u>306,348</u>	<u>1,850,243</u>

RICHMOND HOUSE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2017

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2017	2016
	£	£
Staff costs	1,190,828	1,190,555
Other staffing costs	4,451	6,973
Peripatetic music	36,889	43,308
Extra curriculum activities	14,266	16,239
Educational departments	21,234	22,185
Canteen provisions	66,037	65,848
Premises costs	44,175	44,035
Repairs and renewals	16,485	31,677
Depreciation	70,811	56,964
Hire of amenities	12,087	12,585
Travelling expenses	10,497	7,537
Computer training and support	15,490	12,077
Cleaning materials	12,443	13,715
Doubtful debts	10,357	11,370
Subscriptions	9,077	7,802
Prize giving	6,851	8,748
Trips and outings	1,917	1,096
	<u>1,543,895</u>	<u>1,552,714</u>

7. SUPPORT COSTS

	Other £
Operation of the school	<u>306,348</u>

Support costs, included in the above, are as follows:

	2017	2016
	Operation of the school	Total activities
	£	£
Wages	211,251	214,735
Social security	16,040	15,469
Pensions	7,550	7,480
Administration costs	23,626	35,310
Marketing and promotions	17,575	27,217
Sundry costs	2,911	5,568
Legal and professional fees	22,349	10,128
Governance cost: Audit fees	5,046	7,194
	<u>306,348</u>	<u>323,101</u>

RICHMOND HOUSE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2017

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2017	2016
	£	£
Depreciation - owned assets	70,811	56,963
Auditors' remuneration	<u>5,046</u>	<u>7,194</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st August 2017 nor for the year ended 31st August 2016.

Trustees' expenses

Trustees' expenses of £79 were paid for the year ended 31st August 2017 (2016: £Nil).

10. STAFF COSTS

	2017	2016
	£	£
Wages and salaries	1,184,699	1,192,750
Social security costs	104,181	94,843
Other pension costs	<u>136,789</u>	<u>140,646</u>
	<u>1,425,669</u>	<u>1,428,239</u>

The average monthly number of employees during the year was as follows:

	2017	2016
Head teacher	1	1
Teachers	25	26
Kitchen staff	4	4
Ancillary	4	4
Administrative	<u>4</u>	<u>4</u>
	<u>38</u>	<u>39</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2017	2016
£60,001 - £70,000	1	-
£70,001 - £80,000	<u>-</u>	<u>1</u>
	<u>1</u>	<u>1</u>

One employee earned more than £60,000 per annum in the current period. Contributions to pensions schemes in respect of higher paid staff amounted to £9,888 (2016: £11,034).

The total employee costs (gross and employer pension contributions) of the key management personnel as considered by the charity were £223,301 (2016: £213,879).

RICHMOND HOUSE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2017**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	2016 Unrestricted fund £	2016 Restricted funds £	2016 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	-	5,507	5,507
Charitable activities			
Operation of the school	1,606,107	-	1,606,107
Other ancillary trading income	269,577	-	269,577
Investment income	<u>1,356</u>	<u>-</u>	<u>1,356</u>
Total	1,877,040	5,507	1,882,547
EXPENDITURE ON			
Charitable activities			
Operation of the school	<u>1,865,197</u>	<u>10,618</u>	<u>1,875,815</u>
Total	1,865,197	10,618	1,875,815
NET INCOME/(EXPENDITURE)	11,843	(5,111)	6,732
RECONCILIATION OF FUNDS			
Total funds brought forward	1,836,697	28,728	1,865,425
TOTAL FUNDS CARRIED FORWARD	<u>1,848,540</u>	<u>23,617</u>	<u>1,872,157</u>

RICHMOND HOUSE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2017

12. TANGIBLE FIXED ASSETS

	Freehold buildings £	Long leasehold land and buildings £	Plant and machinery £
COST			
At 1st September 2016	793,719	513,276	18,675
Additions	-	-	-
At 31st August 2017	<u>793,719</u>	<u>513,276</u>	<u>18,675</u>
DEPRECIATION			
At 1st September 2016	31,469	12,533	11,024
Charge for year	<u>15,874</u>	<u>6,266</u>	<u>934</u>
At 31st August 2017	<u>47,343</u>	<u>18,799</u>	<u>11,958</u>
NET BOOK VALUE			
At 31st August 2017	<u>746,376</u>	<u>494,477</u>	<u>6,717</u>
At 31st August 2016	<u>762,250</u>	<u>500,743</u>	<u>7,651</u>
	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1st September 2016	944,970	49,424	2,320,064
Additions	<u>33,074</u>	-	<u>33,074</u>
At 31st August 2017	<u>978,044</u>	<u>49,424</u>	<u>2,353,138</u>
DEPRECIATION			
At 1st September 2016	815,055	38,929	909,010
Charge for year	<u>42,893</u>	<u>4,844</u>	<u>70,811</u>
At 31st August 2017	<u>857,948</u>	<u>43,773</u>	<u>979,821</u>
NET BOOK VALUE			
At 31st August 2017	<u>120,096</u>	<u>5,651</u>	<u>1,373,317</u>
At 31st August 2016	<u>129,915</u>	<u>10,495</u>	<u>1,411,054</u>

The brought forward cost for the freehold buildings and long leasehold land and buildings represents a combination of a "deemed cost" of £1,300,000 as at 1st September 2014 plus subsequent capital costs of £6,995. The deemed cost is based Existing Use and Market Value according to WSB Property Consultants LLP, of 36 Park Cross Street, Leeds, LS1 2QH. From 1st September 2014 depreciation is applied at 2% straight line.

All tangible fixed assets were used for charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2017

12. TANGIBLE FIXED ASSETS - continued

There were additions of £4,131 (2016: £Nil) relating to assets acquired with restricted funds, the depreciation of which is charged to restricted funds in the statement of financial activities over the useful economic life of the assets.

At 31st August 2017 assets with a cost of £115,820 and a net book value of £22,836 had been acquired with restricted funds. All other assets were purchased from unrestricted funds.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
School fees	14,735	19,478
Accrued income	4,961	3,219
Prepayments	<u>24,602</u>	<u>20,939</u>
	<u>44,298</u>	<u>43,636</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Creditors in the course of ordinary activities	23,012	21,027
Other creditors and deferred grants	32,919	7,395
Deposits	65,600	53,350
Fees in advance	47,849	43,430
Accrued expenses	<u>11,241</u>	<u>32,668</u>
	<u>180,621</u>	<u>157,870</u>

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017	2016
	£	£
Within one year	2,008	2,008
Between one and five years	<u>3,038</u>	<u>4,774</u>
	<u>5,046</u>	<u>6,782</u>

RICHMOND HOUSE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2017**

16. MOVEMENT IN FUNDS

	At 1/9/16 £	Net movement in funds £	At 31/8/17 £
Unrestricted funds			
General fund	1,848,540	121,898	1,970,438
Restricted funds			
Parents' Association Capital Fund	23,617	(781)	22,836
Revenue Fund	-	50	50
	<u>23,617</u>	<u>(731)</u>	<u>22,886</u>
TOTAL FUNDS	<u>1,872,157</u>	<u>121,167</u>	<u>1,993,324</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,966,078	(1,844,180)	121,898
Restricted funds			
Parents' Association Capital Fund	4,131	(4,912)	(781)
Parents' Association Revenue Fund	1,151	(1,151)	-
Revenue Fund	50	-	50
	<u>5,332</u>	<u>(6,063)</u>	<u>(731)</u>
TOTAL FUNDS	<u>1,971,410</u>	<u>(1,850,243)</u>	<u>121,167</u>

Unrestricted funds are those funds expendable at the discretion of the Governors in pursuance of the Charity's objectives.

Included within unrestricted funds is freehold and long leasehold land and buildings with a net book value at the year end of £1,240,853 (2016: £1,262,993). These figures include the revaluation of the freehold buildings and long leasehold land and buildings on 1st September 2014 of £656,864.

The Parents' Association Capital fund reflects donations from the Parents' association to fund the purchase of specific fixed assets. The related annual depreciation relating to the fixed assets is charged against the restricted fund. The Parents' Association Revenue Fund reflects donations to fund specific operating costs.

The Bursary Fund was established to provide assistance with school fees for those children who might otherwise not be able to attend Richmond House School.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2017**

17. CONTINGENT LIABILITIES

Richmond House School is a company limited by guarantee with no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of a winding-up. There were no contingent liabilities at 31st August 2017 or 31st August 2016.

18. CAPITAL COMMITMENTS

There are no (2016: £Nil) capital commitments in the year.

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st August 2017.

20. PENSIONS SCHEME

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £125,661 (2016: £129,779).

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

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The latest actuarial valuation of the TPS was prepared as at 31 March 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%.

This employer rate will be payable until the outcome of the next actuarial valuation, which is due to be prepared as at 31 March 2016 and completed in 2018, with any resulting changes to the employer rate expected to take effect from 1 April 2019. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

21. TAXATION

Richmond House School has charitable status and its investment income and gains are exempt from corporation tax by virtue of its provisions of section 505, Income and Corporation Taxes Act 1988. Furthermore, it is considered that the trading activities of the Charity are carried out as the primary purpose of the Charity and accordingly, any element of the operating surplus attributable to such activities is also exempt from corporation tax under the provisions of that section.

22. INDEMNITY INSURANCE

The charity has purchased professional risks insurance to cover Governors' liability and professional indemnity up to £2,000,000.