
ROYAL SCHOOL FOR THE DEAF DERBY
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

ROYAL SCHOOL FOR THE DEAF DERBY
(A company limited by guarantee)

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ROYAL SCHOOL FOR THE DEAF DERBY
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2017**

Trustees

Mr D C du Celliee Muller
M J H Richardson
Ms L E Senior
Mr A D Castledine (resigned 1 February 2018)
Mr J A B Ottewell
Mr A M L Passmore
Mr D E Bulger (appointed 1 February 2018)
Ms S Killian (appointed 14 February 2018)
Ms T Pepper (appointed 1 February 2018)

Company registered number

03367515

Charity registered number

1062507

Registered office

180 Ashbourne Road
Derby
DE22 3BH

Company secretary

Miss H N Radford

Board of Governors

Mrs J Hall, Chair
Mr D Makinde, Vice Chair
Mrs A Brown
Ms H Flockton, Local Authority Rep
Mrs S Hewitt
Mrs K Hassall, Teachers' Rep
Ms S Hogan, Non-teaching Staff Rep
Mrs A Jones
Mr J Mann
Mr P Milner
Mrs H Shepherd, Headteacher
Mrs A Walsh

Independent auditors

Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE1 2RJ

Bankers

HSBC Bank Plc
1 St Peter's Street
Derby
DE1 2AE

ROYAL SCHOOL FOR THE DEAF DERBY
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees present their annual report together with the audited financial statements for the year 1 September 2016 to 31 August 2017. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

Policies and objectives

The main objective of the charitable company is to promote the relief of those who are deaf or whose hearing or speech is impaired, by furthering their education.

Strategies for achieving objectives

The charitable company accordingly aims to run an effective special school for deaf learners in order that they leave with the confidence and know-how to achieve success in life beyond school.

Activities for achieving objectives

The school prides itself on being a warm and inclusive environment, providing both day and weekly residential places for deaf children and young people. Language is developed using the learner preferred method of communication. The school values British Sign Language as well as written and spoken English. The broad range of subjects offered is delivered using a personalised approach tailored to the individual profile of each pupil.

Main activities undertaken to further the charity's purposes for the public benefit

The trustees confirm that they have paid due regard to the Charity Commission's guidance on public benefit, including the guidance contained in the document 'Public Benefit: Running a Charity (PB2).'

Achievements and performance

Review of activities

Over the past two years the school has experienced a period of significant change starting with a re-structure to improve transparency and accountability followed by a series of significant cost saving exercises to promote financial longevity.

In January 2017 trustees initiated an audit of need to check the progress of these measures in the context of its purpose as a charity, company and education provider. The operational focus of the audit necessarily centred on the School's responsibilities to children and young people. Two members of the governing body with substantial and significant experience in special education led the audit, tasked with finding the answer to two key questions namely, how is the School meeting the needs of children and young people? Could their needs be better met? The outcome of the audit reassured trustees and staff that the school is meeting and in some areas exceeding its responsibilities towards children and young people through a highly competent and committed staffing

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

complement. Trustees wish to thank the entire school community for their willingness to participate and contribute their knowledge, thoughts and ideas.

Ofsted Education made two monitoring visits in the year 2016/2017 reporting the School to be making continuous progress towards its aspiration to become a good then outstanding school and leader in the provision of education to deaf children and young people. An annual inspection by Ofsted Social Care in March 2017 rated the overall experiences and progress of children and young people, the quality of care and support for children and young people and how well children and young people are protected as Good.

Under the careful direction of the BSL & Deaf Studies Lead and framed by 360° Safe accreditation children, young people and staff have launched BSL Newsround, a weekly update on activities at the School broadcast digitally in British Sign Language. Educating children and young people about how to keep safe in an increasingly digital world whilst enjoying the benefits it holds for them forms a continuous thread throughout the curriculum and is an integral part of the everyday experiences of children and young people at the school.

Pupil premium funding released additional resources for targeted pupils identified of at risk of underachieving to ensure they achieved and attained regardless of their socio-economic group. Activities included a range of therapies including horse therapy & art therapy, additional speech and language therapy booster sessions; one:one sessions delivered by qualified teachers of the deaf to children identified of at risk of underachieving in key subject areas such as Mathematics, English, and British Sign Language; additional revision sessions in preparation for assessments in other National Curriculum topics; individual and small group support for children experiencing social and emotional barriers to learning; technological aids such as tablets, laptops and personalised communication aids.

Additional funding for Primary pupil's sporting activities gave the School scope to exploit opportunities to work in collaboration with a wider range of partners which, in turn, added to the breadth of the PE & Sports Curriculum. Activities flowing from the grant included: lunchtime play activities led by KS2; opportunities to observe leaders in Year 5 & 6 (resulting in six children becoming mini leaders and sustaining the initiative); promoting awareness of the outdoor environments in which everyone exists and in particular, opportunities to use these experiences to root personal development. In addition SportsAbility, football and cycling clubs all enjoyed a high level of participation with every child in the assigned year groups participating in one or more clubs. Links forged with local schools, mainstream and special, facilitated access to events enjoyed by children from all schools in the local sports network. A grant to secure the School's sporting facilities has enabled other schools and groups in the local community to enhance the sporting activities on offer at their schools. Facilities are also available to groups in the wider hearing and deaf community.

Financial review

Trustees are utterly delighted to see the School meet and exceed its aim of reaching a break even point a year ahead of target. Substantial funds carried forward demonstrate a positive financial outlook and provide the foundations of a robust pot of reserves to weather any unanticipated spends and to carry out essential maintenance to the fabric of the school building.

As set out under the headings of performance and activities and future developments, the School is looking outwards to find opportunities to build and share community knowledge, educational opportunities, and skills to create social assets that can be enjoyed beyond our campus and at no additional cost to the exchequer.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the Charity has access to adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Principal funding

Pupil fees received from the Education and Skills Funding Agency and Local Authorities represent the largest part of incoming resources. In the year to 31 August 2017 this amounted to 98.6% of total incoming resources (2016: 73.1%).

Reserves and investment policies

The unrestricted funds shown on the balance sheet at the year end represent the free reserves of the charitable company. The trustees are pleased to see a significant growth in the free reserves of the charitable company this year though acknowledge that this trend must continue to enable the School to respond to material fluctuations in its operating commitments independent of support from the RSDD 2016 Property Trust. In the meantime the School takes comfort from ongoing support pledged by the RSDD 2016 Property Trust, subject to the resources available to them.

Structure, governance and management

Constitution

The charitable company is a company limited by guarantee, governed by its Memorandum and Articles of Association and a Board of Governors. The Governors operate subject to a Scheme of Delegation approved by Trustees.

The charitable company operates Royal School for the Deaf Derby, a non-maintained special school approved for the education of deaf and hearing impaired pupils aged 3 to 19.

Method of appointment or election of Trustees

The trustees of the charitable company constitute directors for Companies Act purposes. One third of trustees retire by rotation annually and may also be reappointed. The charitable company may otherwise by ordinary resolution appoint a trustee to either fill a casual vacancy or as an additional trustee. Three additional trustees have been appointed since 1 September 2015. Appointment of an additional trustee is subject to the unanimous approval of existing trustees. The trustees may seek out or advertise for additions to their number in order to enhance the skills of their Board.

The board of governors takes a strategic view of the school's policies and objectives. Progress and achievement in key functional and operational areas are subject to more detailed monitoring and evaluation by governors' committees that meet at least once per academic term. Discrete committees meeting in addition to full board meetings have responsibilities under the following headings:

- Resources (including Human Resources, Premises and Health & Safety)
- Pupil Wellbeing & Attainment
- Finance

In addition to governor representation at these meetings, there is always trustee representation at finance meetings. In addition to general responsibilities, each governor is expected to have or adopt an area of special interest relevant to the school's operation and new governor recruitment is focused on the specialisms needed. A full-board governor appointment is subject to ratification by trustees. The governors may co-opt additional members to any of the committees's capabilities. New governors benefit from an induction process and can access training and support through the Derby City governor programme.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Organisational structure and decision making

Responsibility for the day to day organisation, management and control of the school lies with its senior leadership team which is comprised of the Headteacher, Deputy Head Achievement, Deputy Head Care & Guidance. The Headteacher has overall responsibility for the running of the school. The performance management of the Head is conducted by a specialist consultant together with governor and trustee representation. The performance management of other members of the leadership team is the responsibility of the Head. The pay of members of the senior leadership team has been set by Trustees on the advice of an external consultant, having reference to the School Teachers' Pay and Conditions Document England & Wales. The pay of teaching staff is set by reference to the same Document and the pay of the majority of non teaching staff is determined by reference to the Payscales and Allowances of the National Joint Council for Local Government Services.

Risk management

Governors and Trustees review the risks facing the school as part of monitoring annual budgets and development plans. Individual governors are assigned to scrutinise and report on particular operational risk areas through the Committees listed above.

Health and Safety issues are a permanent feature of the Resources Committee Agenda. The declaration of any conflicts of interest is required before the start of all Trustee, Governor and Committee meetings.

Any material safeguarding issues are notified at all meetings and initially reviewed in detail by the Pupil Wellbeing Committee. There is a safeguarding team comprised of four competent members of school staff, led by the Deputy Head Care & Guidance who is the Designated Safeguarding Lead. The governors ensure that one of their number always acts as Safeguarding Governor and receives appropriate training.

The financial well being of the organisation is intimately connected to the maintenance and development of pupil numbers at suitable fee levels and the Headteacher and Finance Committee are required to pay particular attention to this need.

The school is a member of the National Association of Special Schools, a body representing the interests of non-maintained and independent special schools. It also works closely with Derby City Council in addressing issues of mutual interest in the arena of the provision and development of special education for deaf learners.

Plans for future periods

Future developments

Trustees are looking forward to embedding recent changes to improve transparency and accountability in the structure and governance of the school. Following a successful national recruitment campaign aimed at increasing the diversity and expertise available to the board three new trusteeships are confirmed. Strategic objectives are in place and provide the measures against which future board effectiveness will be measured. Revisions to executive reporting formats have been agreed. These will be implemented in the year ahead with the aim of facilitating the effectiveness of decision making processes at trustee and governor level through comprehensive, balanced, timely and accurate management reporting.

As a unique provider of education to deaf children and young people the school is in prime position to extend its provision to deaf young people aged 19 – 25 and take advantage of relatively new Educational, Health and Care Plans brought about by the Special Educational Needs Disability Act. Together with the implementation of a fair fee basis underpinned by a sound matrix of need the focus on financial sustainability for the benefit of children and young people remains paramount.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Plans to continuously improve the quality of teaching and learning for children are detailed in the School's Self Assessment Report which carefully details areas to develop, milestones, risk indicators and outcomes. At the forefront of improving teaching and learning over the next year is the School's capability to accurately track progress, implement interventions, develop a precise understanding of the quality of teaching across subject areas from Primary to Post 16, support and share best practice across the school.

Intentions to exploit fundraising opportunities through formal applications and raising awareness of the School in the wider community are in progress. The School's aims are two-fold, to enhance the experiences of children and young people at the school and demonstrate added value for money to placing partners. Plans are afoot and the school is looking forward to realising the wishes of children and young people for a more modern school, student councils have prioritised the renovation of student club and the creation of a student café area. The forthcoming year will also be the 125th birthday of Royal School for the Deaf Derby and we look forward to celebrating the heritage of not only the school but the wider contributions the Deaf community have in developing a sense of belonging and a positive "Can Do" attitude for all deaf children and young people that use or may wish to use the School.

Trustees' responsibilities statement

The Trustees (who are also directors of Royal School for the Deaf Derby for the purposes of company law) are responsible for preparing the Trustees' report 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees, on 25 May 2018 and signed on their behalf by:

J A B Ottewell
Trustee

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ROYAL SCHOOL FOR THE DEAF DERBY

Opinion

We have audited the financial statements of Royal School for the Deaf Derby (the 'Charity') for the year ended 31 August 2017 set out on pages 11 to 28. 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 charitable company's affairs as at 31 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 United Kingdom, including the Financial Reporting Council'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.

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 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

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 Auditors' 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.

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ROYAL SCHOOL FOR THE DEAF DERBY

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.

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 Trustees' report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Trustees' report.

We have nothing to report in respect of the following matters in relation to which 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' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Charity 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.

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ROYAL SCHOOL FOR THE DEAF DERBY

Auditors' 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 Auditors' 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. This description forms part of our Auditors' report.

Wayne Thomas ACA (Senior statutory auditor)
for and on behalf of

Bates Weston Audit Ltd

Statutory Auditors
Chartered Accountants

The Mills
Canal Street
Derby
DE1 2RJ
25 May 2018

ROYAL SCHOOL FOR THE DEAF DERBY
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:					
Donations and legacies	2	436,595	116,268	552,863	519,926
Charitable activities	3	3,601,805	-	3,601,805	3,455,053
Other income	4	4,656	-	4,656	333,317
TOTAL INCOME		4,043,056	116,268	4,159,324	4,308,296
EXPENDITURE ON:					
Charitable activities	5	3,729,780	140,052	3,869,832	4,288,256
TOTAL EXPENDITURE	6	3,729,780	140,052	3,869,832	4,288,256
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		313,276	(23,784)	289,492	20,040
Transfers between Funds	15	11,025	(11,025)	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		324,301	(34,809)	289,492	20,040
NET MOVEMENT IN FUNDS		324,301	(34,809)	289,492	20,040
RECONCILIATION OF FUNDS:					
Total funds brought forward		(36,202)	502,403	466,201	208,767
Prior year adjustment (Note 14)		-	-	-	237,394
TOTAL FUNDS CARRIED FORWARD		288,099	467,594	755,693	466,201

The notes on pages 14 to 28 form part of these financial statements.

ROYAL SCHOOL FOR THE DEAF DERBY
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REGISTERED NUMBER: 03367515

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	10		686,356		771,299
CURRENT ASSETS					
Debtors	11	767,648		590,862	
Cash at bank and in hand		383,984		154,294	
		1,151,632		745,156	
CREDITORS: amounts falling due within one year	12	(1,082,295)		(907,812)	
NET CURRENT ASSETS/(LIABILITIES)			69,337		(162,656)
TOTAL ASSETS LESS CURRENT LIABILITIES			755,693		608,643
CREDITORS: amounts falling due after more than one year	13		-		(142,442)
NET ASSETS			755,693		466,201
CHARITY FUNDS					
Restricted funds	15		467,594		502,403
Unrestricted funds	15		288,099		(36,202)
TOTAL FUNDS			755,693		466,201

The Charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 25 May 2018 and signed on their behalf, by:

J A B Ottewell

The notes on pages 14 to 28 form part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	17	235,401	210,183
Cash flows from investing activities:			
Purchase of tangible fixed assets		(5,711)	(76,233)
Net cash used in investing activities		(5,711)	(76,233)
Change in cash and cash equivalents in the year		229,690	133,950
Cash and cash equivalents brought forward		154,294	20,344
Cash and cash equivalents carried forward	18	383,984	154,294

The notes on pages 14 to 28 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Royal School for the Deaf Derby meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Pupil fee income represents fees invoiced to Local Authorities for educational purposes supplied during the year and recognised in the period to which it relates, together with "core" pupil funding from the Educational and Skills Funding Agency, recognised when it is received.

The charitable company also receives grants for educational purposes resulting from initiatives by the Department for Education and Skills.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the school. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure on charitable activities includes the cost of education activities undertaken to further the purposes of the charitable company and their associated support costs.

1.6 Tangible fixed assets and depreciation

Leasehold property includes the cost of any building improvements to leased land.

Items costing less than £500 are written off as expenditure in the year of purchase.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	50 years
Motor vehicles	-	4 years
Fixtures and fittings	-	5 years

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

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

Rentals under operating leases are charged to the Statement of financial activities (incorporating income and expenditure account) on a straight line basis over the lease term.

1.8 Pensions

The School participates in a multi employer defined benefits pension scheme, "The Teachers' Pension Scheme (England and Wales)", for its teachers. As a result it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with Financial Reporting Standard 102 therefore, the Scheme is accounted for as a defined contribution scheme. The Scheme is managed by the Department of Education.

The charity operates a defined contributions arrangement for its non-teaching staff in terms of group personal pension plans.

Contributions to both schemes are charged in the Statement of financial activities (incorporating income and expenditure account) as they become payable in accordance with the rules of the Scheme.

1.9 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	<i>Total funds 2016 £</i>
Donations	7,654	669	8,323	51,032
Legacies	45,713	-	45,713	12,318
Grants	383,228	115,599	498,827	356,485
Grants from connected charities	-	-	-	100,091
	<hr/>	<hr/>	<hr/>	
Total donations and legacies	436,595	116,268	552,863	519,926
	<hr/>	<hr/>	<hr/>	
<i>Total 2016</i>	360,582	159,344	519,926	
	<hr/>	<hr/>	<hr/>	

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Pupil fee income	3,601,805	-	3,601,805	3,455,053
<i>Total 2016</i>	3,455,053	-	3,455,053	

4. OTHER INCOMING RESOURCES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Sundry income	4,656	-	4,656	3,487
Transfer of funds from connected charity	-	-	-	329,830
	4,656	-	4,656	333,317
<i>Total 2016</i>	3,487	329,830	333,317	

5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Staffing costs	2,922,068	33,951	2,956,019	3,226,319
Education and pupil support costs	256,319	57,336	313,655	443,278
Campus and property costs	300,456	48,765	349,221	344,205
Administration costs	201,866	-	201,866	219,049
Governance costs	49,071	-	49,071	55,405
	3,729,780	140,052	3,869,832	4,288,256
<i>Total 2016</i>	4,183,693	104,563	4,288,256	

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6. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2017 £	Depreciation 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Staffing costs	2,909,512	-	46,507	2,956,019	3,226,319
Education and pupil support costs	-	14,566	299,089	313,655	443,278
Campus and property costs	-	76,088	273,133	349,221	344,205
Administration costs	-	-	201,866	201,866	219,049
Governance costs	-	-	49,071	49,071	55,405
	<u>2,909,512</u>	<u>90,654</u>	<u>869,666</u>	<u>3,869,832</u>	<u>4,288,256</u>
<i>Total 2016</i>	<u>2,871,558</u>	<u>116,221</u>	<u>1,294,278</u>	<u>4,282,057</u>	

7. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets: - owned by the charity	<u>90,654</u>	<u>116,222</u>

During the year, no Trustees received any remuneration, benefits in kind or reimbursement of expenses (2016 - £NIL).

8. AUDITORS' REMUNERATION

	2017 £	2016 £
Fees payable to the Charity's auditor and its associates for the audit of the Charity's annual accounts	6,000	6,000
Fees payable to the Charity's auditor and its associates in respect of:		
All other non-audit services not included above	<u>11,782</u>	<u>12,000</u>

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

9. STAFF COSTS

Staff costs were as follows:

	2017	2016
	£	£
Wages and salaries	2,512,451	2,485,677
Social security costs	201,495	181,811
Other pension costs	195,566	204,070
	<hr/> 2,909,512 <hr/>	<hr/> 2,871,558 <hr/>

One employee accepted voluntary redundancy during the year and received £14,670 by way of compensation for the termination of their employment. This was calculated in the same way as a statutory redundancy entitlement.

The average number of persons employed by the Charity during the year was as follows:

	2017	2016
	No.	No.
Academic	28	28
Residential care	9	12
Learning support	37	45
Corporate & technical services	34	20
	<hr/> 108 <hr/>	<hr/> 105 <hr/>

The number of higher paid employees was:

	2017	2016
	No.	No.
In the band £70,001 - £80,000	1	1

Key management personnel during the year comprised 7 employees who received total remuneration and benefits of £311,304 (2016: £269,348 - 5 employees).

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

10. TANGIBLE FIXED ASSETS

	Leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 September 2016	609,195	79,149	1,445,159	2,133,503
Additions	-	-	5,711	5,711
At 31 August 2017	<u>609,195</u>	<u>79,149</u>	<u>1,450,870</u>	<u>2,139,214</u>
Depreciation				
At 1 September 2016	50,064	35,450	1,276,690	1,362,204
Charge for the year	12,185	14,566	63,903	90,654
At 31 August 2017	<u>62,249</u>	<u>50,016</u>	<u>1,340,593</u>	<u>1,452,858</u>
Net book value				
At 31 August 2017	<u>546,946</u>	<u>29,133</u>	<u>110,277</u>	<u>686,356</u>
At 31 August 2016	<u>559,131</u>	<u>43,699</u>	<u>168,469</u>	<u>771,299</u>

11. DEBTORS

	2017 £	2016 £
Trade debtors	679,936	518,949
Due from connected charity	8,691	-
Other debtors	4,350	7,071
Prepayments and accrued income	74,671	64,842
	<u>767,648</u>	<u>590,862</u>

12. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	91,234	142,433
Other taxation and social security	44,845	47,917
Other creditors	34,296	45,900
Accruals and deferred income	911,920	671,562
	<u>1,082,295</u>	<u>907,812</u>

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

12. CREDITORS: Amounts falling due within one year (continued)

	£
Deferred income	
Deferred income at 1 September 2016	644,840
Resources deferred during the year	868,676
Amounts released from previous years	(644,840)
	<u>868,676</u>
Deferred income at 31 August 2017	<u>868,676</u>

Deferred income includes fees charged for pupils of £766,162, various grant funding totalling £101,814 and £700 of other income.

13. CREDITORS: Amounts falling due after more than one year

	2017 £	2016 £
Other creditors	<u>-</u>	<u>142,442</u>

14. PRIOR YEAR ADJUSTMENT

"Core" pupil funding received from the Education and Skills Funding Agency in excess of pupil placements taken up was historically carried forward as a creditor on the balance sheet by the charity. This funding should have been reflected within the Statement of Financial Activity as income during the relevant academic year.

Separately, £500,000 granted by RSDD 2016 Property Trust to the School was received in good faith based on the School's financial outlook at the time. Receipt of new information and revised figures has led the Board of Trustees for both entities to conclude that a substantially reduced grant award is appropriate in the circumstances.

In order to show a true and fair view of the results and comparatives the prior year accounts have been restated to reflect these adjustments.

The effect on funds brought forward as at 1 September 2015 is:

	£
Total funds brought forward as previously stated at 1 September 2015	208,767
Income adjustment to the years ending 31 August 2015	237,394
Net income for the year ended 31 August 2016 as previously stated	301,443
Income adjustment to the year ending 31 August 2016	<u>(281,403)</u>
	<u>257,434</u>
Total funds as restated as at 31 August 2016	466,201

The effect on the balance sheet as at 31 August 2016 is:

Reduction in other creditors	373,900
Reduction in amounts due from connected charity	417,909

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

15. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2017 £
Unrestricted funds					
General Fund	(38,379)	4,042,299	(3,728,169)	11,025	286,776
Designated Children's Fund	2,177	757	(1,611)	-	1,323
	<u>(36,202)</u>	<u>4,043,056</u>	<u>(3,729,780)</u>	<u>11,025</u>	<u>288,099</u>
Restricted funds					
	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2017 £
Leasehold Buildings fund	372,110	-	(8,454)	-	363,656
Devolved Capital Grant	30,712	8,084	(13,394)	-	25,402
Variety Club Fund	15,564	-	(5,188)	-	10,376
Lords Taverners Fund	7,885	-	(2,628)	-	5,257
Miscellaneous fundraising	8,080	668	(450)	-	8,298
Barclays Chase Fund	7,909	-	-	(7,909)	-
NMSS Maintenance Grant	5,933	42,271	(23,425)	-	24,779
European Educational visits	9,894	-	-	-	9,894
Bursary Fund	1,181	4,633	(5,814)	-	-
Sports Premium Grant	4,690	8,205	(7,333)	-	5,562
Pupil Premium Receipts	19,361	46,967	(64,435)	-	1,893
Free School Meals	-	5,440	(5,440)	-	-
Retractable Seating	7,550	-	-	-	7,550
Awards for All Music Project	3,116	-	-	(3,116)	-
RSD Development Trust	8,418	-	(3,491)	-	4,927
	<u>502,403</u>	<u>116,268</u>	<u>(140,052)</u>	<u>(11,025)</u>	<u>467,594</u>
Total of funds	<u>466,201</u>	<u>4,159,324</u>	<u>(3,869,832)</u>	<u>-</u>	<u>755,693</u>

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
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15. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 September 2015 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2016 £</i>
Unrestricted funds					
General Fund	238,796	3,819,122	(4,146,864)	50,567	(38,379)
Designated Children's Fund	3,704	-	(1,527)	-	2,177
	<u>242,500</u>	<u>3,819,122</u>	<u>(4,148,391)</u>	<u>50,567</u>	<u>(36,202)</u>
Restricted funds					
	<i>Balance at 1 September 2015 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2016 £</i>
Leasehold buildings fund	53,380	329,830	(11,100)	-	372,110
Devolved Capital Grant	45,463	8,320	(23,071)	-	30,712
Variety Club Fund	-	20,752	(5,188)	-	15,564
Lords Taverners Fund	-	10,514	(2,628)	-	7,886
Children in Need Project	1,935	-	(1,935)	-	-
Miscellaneous fundraising	58,417	1,247	(1,017)	(50,567)	8,080
Barclays Chase Fund	7,909	-	-	-	7,909
NMSS Maintenance Grant	-	42,271	(36,339)	-	5,932
Playground funds	7,680	-	(7,680)	-	-
European Educational visits	9,894	-	-	-	9,894
Bursary Fund	1,689	3,540	(4,048)	-	1,181
Sports Premium Grant	2,206	8,215	(5,731)	-	4,690
Pupil Premium Receipts	63	55,995	(36,697)	-	19,361
Free School Meals	-	940	(940)	-	-
Retractable Seating	-	7,550	-	-	7,550
Awards for All Music Project	3,116	-	-	-	3,116
RSD Development Trust	11,909	-	(3,491)	-	8,418
	<u>203,661</u>	<u>489,174</u>	<u>(139,865)</u>	<u>(50,567)</u>	<u>502,403</u>
Total of funds	<u>446,161</u>	<u>4,308,296</u>	<u>(4,288,256)</u>	<u>-</u>	<u>466,201</u>

ROYAL SCHOOL FOR THE DEAF DERBY
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NOTES TO THE FINANCIAL STATEMENTS
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15. STATEMENT OF FUNDS (continued)

The designated Children's Fund arises from individual unrestricted donations received by the charitable company that are used in the support of pupils in situations of hardship and for the provision of items for residential pupils not normally funded through local authority fees.

The Leasehold buildings fund represents the grant funding received towards the cost of two campus buildings (the Beddoes Science Lab and the Karten Building) less apportioned accumulated depreciation to date. During the year ended 31 August 2016 the cost of the Karten Building was transferred to the charitable company from Derby College for the Deaf People together with the remaining balance of associated restricted funding and liabilities.

The closing balance on the DfE Devolved Capital Grant represents the cost of qualifying additions to buildings and equipment less depreciation charges to date.

The Variety Club and Lords Taverners Funds represent donations received from those charities towards the cost of two new school minibuses purchased during the year ended 31 August 2016, less depreciation charged.

Miscellaneous fundraising is the accumulation of smaller donations received by the charitable company.

The NMSS Maintenance Grant is received from the DfE as a contribution towards the upkeep of the premises on non-maintained special schools.

The balance of the European Educational Visits Fund is the unused portion of British Council funding for European pupil exchange visits, carried forward to future periods.

The Bursary Fund is received from the ESFA to assist needy Post 16 learners with their course expenses and is distributed at the school's discretion.

The Sport Premium Fund is the unexpired portion of an ESFA Grant received for the benefit of sporting activities in the school's Primary Department.

Pupil Premium funding is received from local authorities to be applied towards the educational benefit of named disadvantaged learners.

The Free School Meals Grant has been used to mitigate the cost of providing food for appropriately aged pupils in the school's Primary Department.

Donations were received towards the cost of retractable seating in the main school hall. The closing balance on this fund is carried forward until sufficient donations or grants are in place to start the project.

The unused portion of support from RSD Development Trust is carried forward.

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

15. STATEMENT OF FUNDS (continued)

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2017 £
General funds	(36,202)	4,043,056	(3,729,780)	11,025	288,099
Restricted funds	502,403	116,268	(140,052)	(11,025)	467,594
	<u>466,201</u>	<u>4,159,324</u>	<u>(3,869,832)</u>	<u>-</u>	<u>755,693</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2016 £
General funds	242,500	3,819,122	(4,148,391)	50,567	(36,202)
Restricted funds	203,661	489,174	(139,865)	(50,567)	502,403
	<u>446,161</u>	<u>4,308,296</u>	<u>(4,288,256)</u>	<u>-</u>	<u>466,201</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	290,763	395,593	686,356
Current assets	1,079,631	72,001	1,151,632
Creditors due within one year	(1,082,295)	-	(1,082,295)
	<u>288,099</u>	<u>467,594</u>	<u>755,693</u>

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16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds 2016 £</i>	<i>Restricted funds 2016 £</i>	<i>Total funds 2016 £</i>
Tangible fixed assets	341,910	429,389	771,299
Current assets	672,142	73,014	745,156
Creditors due within one year	(907,812)	-	(907,812)
Creditors due in more than one year	(142,442)	-	(142,442)
	<u>(36,202)</u>	<u>502,403</u>	<u>466,201</u>

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net income for the year (as per Statement of Financial Activities)	289,492	20,040
Adjustment for:		
Depreciation charges	90,654	116,221
Assets transferred from a connected charity	-	(329,830)
(Increase)/decrease in debtors	(168,095)	223,138
Increase in creditors	23,350	180,614
Net cash provided by operating activities	<u>235,401</u>	<u>210,183</u>

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash in hand and at bank	383,984	154,294
Total	<u>383,984</u>	<u>154,294</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. PENSION COMMITMENTS

The Teachers' Pension Scheme ("TPS") is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pensions Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments in England and Wales maintained by local authorities, to teachers in many independent and voluntary-aided schools, and to teachers in establishments of further and higher education. Membership is automatic for full-time teachers and from 1 January 2007 automatic too for teachers in part-time employment following appointment or a change of contract. Teachers are able to opt out of the TPS.

The pension charge for the year includes contributions payable to the TPS of £150,532 (2016: £160,982). At the year-end £Nil (2016: £Nil) was accrued in respect of contributions to this scheme. The Charity also runs a scheme for its non-teaching staff under which defined contributions are paid into a group personal pension arrangement. The cost for the year represents the School's contributions to that Scheme of £45,034 (2016: £43,088).

THE TEACHERS' PENSION BUDGETING AND VALUATION ACCOUNT

Although teachers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.0%), 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

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions.

The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate ("SCR") is determined. This is the contribution, expressed as a percentage of the salaries of teachers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2004 - 31 March 2012. The GA's report of June 2014 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £191.5 billion. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £176.6 billion. The assumed rate of return is 3.0% in excess of prices. The rate of real earnings growth is assumed to be 2.75%. The assumed gross rate of return is 5.06%.

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19. PENSION COMMITMENTS (continued)

As from 1 April 2015, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 20.4%, and the supplementary contribution rate was assessed to be 5.6% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 26.0%, which translated into an average employee contribution rate of 9.6% and employer contribution rate of 16.4% payable. The cost-sharing agreement also introduced a 10.9% cap on employer contributions payable. These revised contributions have been implemented since 1 September 2015.

20. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Amounts payable:		
Within 1 year	33,244	42,846
Between 1 and 5 years	12,972	68,608
Total	<u>46,216</u>	<u>111,454</u>

21. RELATED PARTY TRANSACTIONS

During the year ended 31 August 2016, the charitable company, together with connected charities was subject to a scheme of reorganisation initiated by the Charity Commission. As part of this, the net assets of Derby College for Deaf People amounting to £329,830 were transferred to Royal School for the Deaf Derby.

	2017 £	2016 £
Included in Unrestricted Grants receivable:		
Grant from Royal School for the Deaf Derby Trust	-	18,000
Grant from RSDD 2016 Property Trust	-	82,091
Included in Debtors at year-end:		
RSDD 2016 Property Trust	<u>8,691</u>	<u>-</u>

22. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £ 10 for the debts and liabilities contracted before he/she ceases to be a member.

23. CONTROLLING PARTY

The Trustees consider there to be no ultimate controlling party.