

Company Registration No 923975
Charity Registration No 254591

Roffey Park Institute Limited
Consolidated Reports and Accounts
For the Year Ended
31 July 2018

Roffey Park Institute Limited
Consolidated Reports and Accounts
For the Year Ended
31 July 2018

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Roffey Park Institute Limited
Report of the Trustees and Directors
31 July 2018

Board of trustees and directors

The trustees of Roffey Park Institute Limited, who were also the directors, and who, unless otherwise stated, served throughout the year were:

	Mr A Talbot	
	Ms S Harrington	(Resigned 05/02/19)
Ø	Mr R Leek	(Appointed 17/11/2017) (Chair from 24/11/18)
	Ms T Killen	(Retired 16/02/2018)
	Mr P Gallagher	(Retired 17/11/2017)
*+	Mr C S Horton	
	Mr S Ling	
*	Ms C Waddington	
Ø * +	Ms A J Ritchie	(Chair to 24/11/18)
Ø	Mr M Tiplady	(Retired 17/11/2017)
Ø	Ms C Waters	
*	Mr P Breckell	(Resigned 6/4/2018)
*	Mr J Sardar	(Appointed 16/2/18)
	Mr M Haworth	(Appointed 25/5/18)

- * Member of the Audit and Risk Committee
- Ø Member of the Employment Committee
- + Member of the Nominations Committee

Key Management Personnel

Chief Executive	Mr M Jenkins (Left 30/6/18)
Chief Executive	Dr R Coles (Appointed 1/8/18)
Director of Support Services and Company Secretary	Mrs A K Humphrey
Director of Qualifications, Research and Practice	Mr A D Smith (Left 31/1/18)

The registered office and principal operating address is:

Forest Road
Horsham
West Sussex
RH12 4TB

Website: www.roffeypark.com

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Professional Advisers:

Auditor: RSM UK Audit LLP
Portland, 25 High Street
Crawley, West Sussex
RH10 1BG

Banker: Unity Trust Bank Plc
Nine Brindleyplace
Birmingham
B1 2HB

Insurance broker: Sutton Winson
Greenacre Court
Station Road
Burgess Hill
RH15 9DS

Solicitor: Irwin Mitchell LLP
Belmont House
Station Way
Crawley
West Sussex
RH10 1JA

Roffey Park Institute Limited
Report of the Trustees and Directors
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The trustees and directors present their report and audited accounts for the year ended 31 July 2018 and confirm that they comply with the Companies Act (2006) and 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, published 16 July 2014).

REFERENCE AND ADMINISTRATIVE INFORMATION

Constitution and structure

Roffey Park Institute Limited (“the Institute”, “Roffey Park”) is a registered Charity No 254591 and a Company limited by guarantee and not having a share capital. Roffey Park Institute was incorporated under the Companies Act on 30 November 1967, registration no. 923975. Membership is by invitation from the Board of Trustees and Directors and the total number of members is limited to 50. Upon dissolution of the Institute, members guarantee to pay the sum of £1 each.

The trustees and directors, officers and the principal address of the charity are listed on page 3 and particulars of the charity’s professional advisers are provided on page 4.

GOVERNANCE AND MANAGEMENT

Governing document and body

The charity’s governing documents are its Memorandum and Articles of Association. The governing body of the charity is the Board of Trustees who are also the directors of the company.

Recruitment and training of trustees

The Board’s nominations committee nominates potential new trustees. Candidates from existing members or member companies are considered having regard to the overall skills required by the Board. The induction process includes interviews with existing Board members, the Chief Executive and members of the executive team and the receipt of a trustee’s induction pack. All trustees are briefed and updated on their professional responsibilities regularly. They are also enabled to attend a training event at Roffey Park or elsewhere when needed to help further their understanding.

A new trustee may be appointed to the Board at any time during the year. The appointment is confirmed at the following Annual General Meeting. The number of the Board of Trustees is limited at any one time to 18.

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Organisational management

The Board is legally responsible for the overall management and control of the charity and meets quarterly. It currently comprises 10 independent trustees drawn from the current 41 members of Roffey Park. Trustees belonging to corporate members submit themselves for re-election every three years; other trustees submit themselves for re-election annually. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance and employment to the Management Team.

In addition the following standing committees meet at least once a year to discuss key areas in more detail and to report back to the main Board. The primary purpose of each standing committee is as follows: the Audit and Risk Committee meets to consider financial matters, the future budget, the Institute's approach to risk and our public benefit initiatives; the Employment Committee meets to consider employment related matters including those affecting the future budget and the Nominations Committee considers the potential recruitment of new trustees. Other committees may be formed from time to time to address particular issues.

Pay policy for senior staff

The board of trustees and directors consider the senior management team, who comprise the key management personnel of the charity, in charge of directing and controlling, running and operating the charity on a day-to-day basis. All the trustees give of their time freely and received no remuneration in the year other than reimbursement of expenses on Roffey Park business.

The pay of the senior staff is reviewed annually, as part of the Employment Committee meeting, to ensure their pay and any pay rises awarded reflect individual performance, market rates and pay settlements generally, whilst also being mindful of the charity's responsibility to consider its own financial position.

Group structure and related parties

Roffey Park Institute Limited has two wholly owned subsidiaries:

Roffey Park Services Limited undertakes lettings and bar activities and uses the Institute's facilities for third party use at times when they are not required for the charity's own use. Its turnover for the year was £1,092k (2017 £1,031k). As a result it was able to make a gift aid donation to the charity of £311k (2017 £253k).

Roffey Park Asia Pacific Pte Ltd undertakes training and research activities in Asia Pacific. Its turnover for the year was £620k (2017 £503k).

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Risk management

The Board of Trustees is responsible for the management of the risks faced by Roffey Park. Detailed considerations of risk are delegated to the Risk Management Committee who are assisted by the Management Team. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management process is undertaken on an annual basis.

The key controls used by the charity include:

- formal agendas and minutes for all committee and Board activity;
- detailed terms of reference for all committees;
- comprehensive strategic planning, budgeting and management accounting;
- organisational structure and lines of reporting.

The trustees have conducted their annual review of the major risks to which Roffey Park is exposed and are satisfied that systems have been established to mitigate those risks. The main risks identified in the year were the Economic and Political Outlook, the Financial Health of the Institute and the Leadership and Management Organisation Structure of the Institute. The mitigating actions being taken include proactive market intelligence; reviewing income streams; investment in technology; tight cost and cash control; appropriate reward, recognition and succession planning.

OBJECTS AND AIMS

Charity objects

Roffey Park's two formal objectives are closely linked:

- To conduct, promote and support for the benefit of the public, research into questions affecting the health and welfare of all those engaged in industry, commerce and the public services, particularly concerning the relationship between management and employees.
- To advance education by providing training and discussion programmes in all or any aspects of the science of personnel management for managers, administrators, supervisors and others having similar responsibilities.

Aims and intended impact

Our aim in life is to develop organisations and their people. In addition, we undertake specific projects from time to time which benefit our community in related ways.

How we achieve this

Whilst Roffey Park Institute Limited was established as a company limited by guarantee in 1967, our work and organisation first started in 1946 at the end of the Second World War. A group of pioneers, led by Lord Horder and Thomas Ling, researched and developed innovative ways to assist individuals, with occupational or psychological disorders, back into the workplace. They ran programmes in which the "discussion method" was chosen as the preferred learning vehicle. Whilst with time the focus of these programmes has moved on, the same methods continue to underpin our work today. At the individual level we are committed to our participants developing themselves and taking responsibility for their own learning. At the organisational level, our clear approaches to thinking and learning allow organisations to develop creative strategies to tackle current and emerging issues.

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Our people

We have an excellent and committed team of people. Our development professionals include our full and part time staff and our Associates. Together with our researchers, facilities and administrative staff, we all put into practice our philosophy. This is instrumental to the overall quality of the learning experience that our participants enjoy.

Our facilities

After doubling our footprint in 2003, our facilities are modern and purpose built to meet our research and development training needs. They continue to provide a tranquil setting and nurturing space in which to undertake the full range of Institute activities. This has enhanced Roffey Park's reputation as an excellent venue for off-site conferences, workshops and learning events.

PUBLIC BENEFIT

In September 2013 the Charity Commission published their revised General Guidance on Public Benefit. Our Public Benefit activities at Roffey are centred on the core work of the Institute, namely research and programmes for the benefit of people in the workplace as well as undertaking specific projects. The specific Key Deliverables of our Public Benefit activities, which include targets for pro bono work and provision of bursaries, are included within our annual Business Plan.

Our beneficiaries

The Charity Commission's first principle of public benefit is that there must be an identifiable benefit or benefits and that this is backed by evidence where necessary. The outputs from our research projects are available, for the benefit of the public, as publications and on our web site. Our development training programmes are primarily available to people within organisations, in positions of responsibility. The beneficiaries of our programmes are the participants and their groups, the organisations that they work for and other organisations that they come into contact with. Around 57% (2017 51%) of our bespoke training income comes from the public and not for profit sector and some 30% (2017 38%) from outside the UK.

The opportunity to benefit

The Charity Commission's second principle of public benefit is that the benefit must be to the public or a sufficient section of the public. In particular, people who cannot afford to pay our fees should have the opportunity to benefit in some material way that is related to our aims. Similarly, less "well off" people must not be excluded from the opportunity to benefit.

We recognise that the cost of providing top quality development training and working with small groups is high. Whilst our fees are affordable to the vast bulk of people in positions of responsibility who are in medium and larger organisations, there will be some, typically those in smaller and not for profit organisations, for whom this may not be the case. Therefore, we specifically address both the availability and accessibility of our work to these people.

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We continue to support less well-off organisations, including charities, through preferential pricing on programmes, bursaries and in kind activities. Fee concessions are provided in each of our business streams and as a percentage of total revenues were at 6.9% (2017 8.3%). In particular, our in kind activities include significant work with local and national charitable organisations. When not being used for our own training activities, our training facilities are available to and are regularly used by local organisations including charities and local schools.

Details of all our research reports and newsletters are available on our website www.roffeypark.com. The vast bulk of these together with guides written by our development professionals on leadership, personal effectiveness and organisational development (OD) are available free of charge.

STRATEGIC REPORT

Achievements and Performance: Review of the year

This year saw our income recover to a level sufficient for us to make a good surplus and restore our reserves to a more sustainable position, this was helped too by a focus on reducing our costs, the sale of an asset and paying down our debt. The uncertainty caused by the EU Referendum (Brexit) undoubtedly resulted in delays in decision making and deferrals or scaling-back of some work, but all our UK income streams performed well and we comfortably exceeded our budgeted target for the year.

As a measure of our overall charitable impact, 14,665 (2017:11,450) development training days took place during the year. Our development professionals provided 2,073 days (2017: 1,761 days) of development training with 34% (2017 39%) taking place on site with these participants enjoying the full Roffey Park learning experience.

Research published this year aligned to Roffey Park's charitable purpose and built on our expert areas of compassion and resilience. At the end of 2017 Roffey Park published the latest in the series, *Towards more Compassionate Workplaces*, and in collaboration with Public Health, England published the *Compassion at Work Toolkit*. This work also led to Roffey Park hosting a well-attended *Creating Compassionate Workplaces Conference*.

The Management Agenda published in February 2018, with an evening launch in London, was produced in a new series format. The six parts in the series were: *Talent management, Diversity, AI and the fourth industrial revolution, Human dimension of productivity, Mental health in the workplace, and Rethinking performance management*.

For the third year running, in successful partnership with Profile Asia, the Singapore research team published *Working in Asia: key HR and leadership priorities for 2018* which represented the views of employees on working life across Singapore, Hong Kong and mainland China. The report chapters were aligned to the UK and covered: *HR and People Challenges, Leadership and Organisational Change, AI and the Fourth Industrial Revolution, Diversity, Mental Well-being, Human Potential and its Development*. In addition, the Singapore research team published *The Engaging Leader*.

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We remain committed to our Asia Pacific subsidiary and have increased the consultant resource to help boost business. We are looking to expand our domestic reach by initially running some of our Open Programmes in other parts of the UK and by exploring options to have a more permanent presence elsewhere in the UK too. We will seek out partnerships so we can offer our programmes overseas and mitigate the risks associated with Brexit.

Progress against our charitable objectives for the year

1. To enhance our capability for reach and impact domestically and internationally across different sectors of society.
 - Our reach and impact in the digital/social media space continues to grow with 101,298 (91,674 last year) website visitors and 4,169 (3,513 last year) social media followers.
 - International training and research revenues as a percentage of total revenues were 22% (26% last year).
 - We provided fee concessions in each of our business streams and as a percentage of total revenues they were 7.4% (8.0% last year).
2. To strengthen our brand and reputation as a thought leader domestically and internationally.
 - We have further developed our online presence by developing video and podcast content, and increasing our social media activity.
 - We continue to present at domestic and international events on a wide variety of leadership, human resources and organisational development related subjects.
3. To lay down the foundations for further systems improvements for this.
 - Our CRM system is regularly updated and improved.
 - We have developed our digital strategy to optimise our website content ahead of a major revamp in 2018/19.
4. To continue our focus on ensuring financial stability.
 - The improved financial performance this year has helped our reserves to recover and allow some investment to be made on the Site.
 - We have reduced the indebtedness of the Company and continue to keep a tight control over our costs.

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Financial Review

Review of the year

The surplus made this year of £1,163k was helped by the sale of a property asset for £582k after costs (with the profit on sale being £483k) and a much improved level of income generated on our core activities as compared to last year. The total income this year, excluding the profit on sale of the asset, was £6.56m compared to last year's income of £5.51m.

In order to provide a more solid platform to continue the charitable objectives of the group, the charity has released its subsidiary RPAP from its obligation to repay the intercompany balance of £1,144,021 owed to the charity.

During the year we repaid the short term loan taken out last year and, with part of the sale proceeds from the sale of the asset, we also repaid a portion of the long term loan. Our bank loans were thus reduced by £741k from £2,202k in July 2017 to £1,461k in July 2018.

The results for the year ended 31 July 2018 are shown on page 17 of the accounts in the Consolidated Statement of Financial Activities. The group net assets have improved to be £6.99m at the year end while the overall level of net debt has decreased to be £99k at year-end (2017: £1.71m).

Reserves policy

The very positive financial result this year and the sale of the asset has helped boost our reserves.

The "liquid" Reserves, represented by current assets less current liabilities (excluding any long term loan capital repayments), improved to be £1,043k (2017 negative £84k) as at 31 July 2018. This level of reserves is sufficient to cover two months of budgeted expenditure (excluding any major capital or other expenditure).

The trustees policy is for Roffey Park to sustain a position whereby funds not committed or invested in land and buildings (the free reserves) should be between two and three months of budgeted expenditure (i.e. currently between £1,000k and £1,500k).

Going concern

The group has net current assets at the balance sheet date totaling £994k (2017: net current liabilities of £144k). The refinancing of the long term loan, improved financial performance and sale of an asset has resulted in this positive position.

As outlined in the accounting policies in note 1 to the financial statements, in making their assessment of the going concern position of the group, and the preparation of the financial statements on this basis, the Trustees have considered the position.

The Trustees are closely monitoring performance against forecasts and cash flow projections and are confident that the matters referred to above will continue to be managed effectively. The Trustees

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and Directors are of the opinion that these measures will be sufficient for the company to continue as a going concern. The financial statements have been prepared on a going concern basis which assumes that the charitable group will be able to continue in operational existence for the foreseeable future.

Future Plans

As Roffey Park Institute looks to the future, we recognise a world of challenges, political, economic and social. We recognise also that we represent an alternate and important voice in helping organisations and their people rise to those challenges. As such, we are shifting our organisational focus, to become more assertively growth oriented, in our current markets and in potential new ones. We, for the first time, will recruit and deploy a professional sales and account management team across the UK and Ireland, and set business growth targets in all our operational segments that are based on an assumption of growth and success.

This does not imply recklessness. We will watch costs and, also for the first time, monitor and measure our workforce utilisation, so that we remain on a sound, cash generative, and profitable footing.

In developing our national reach for open programmes, we must have an active and effective marketing effort. In growing our private sector footprint, nothing but a professional sales effort is likely to succeed. Therefore, we invest to grow. But we will also grow our revenue, our utilisation and our free cash.

We will also re-engage with our local communities, seeking to add value to schools and colleges with a particular focus on deprived and ethnic minority children and their ability to access education, be successful at University and be competitive in the workplace. We will stand for their aspirations, working with partner colleges and our key partner, the University of Sussex.

Ultimately, we will step up to the plate as the Management Institute with voice and commitment to the flourishing of all people in the workplace. We will succeed through the combined efforts of all staff and associates, showing how the Roffey Park Difference, offered to clients, works in practice.

With the arrival of Dr Coles as our new CEO, a strategic and operational shift has begun and will gather pace as our dialogue and understanding deepens.

As part of this shift, some assumptions will alter in commercial terms, whilst our focus on our charitable purpose will sharpen and be enhanced. As part of this shift, here are some of the changes that will occur in the next trading year:

- To set both budget and target revenue goals for the year, to stretch our performance and build reserves.
- Future years will see higher revenue targets with targeted margins.

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- To maintain a rigorous approach to both cost management and margin management to protect and build cash reserves.
- To introduce compulsory utilisation management through timesheets and a strict focus on billing for work and eliminating non-billable client time.
- To roll-out a multi-region approach to our open programmes, enabling us to run them in parallel across the country, maximising our revenue and building a national presence and reputation.
- To deploy a national sales and key account development team in the UK and Ireland, to attract, win and retain business in the private and commercial sectors.
- To have all consultants on or over their business development, facilitation and other work targets.
- To develop a strong relational network approach to local colleges and universities, to enable a combined effort in employability for marginalised students of all kinds.
- To review, refine and standardise a core programme offering in four portfolios (leadership development, management development, organisational development and human resource development), aligned to national standards and fully accredited to certificate, diploma and post-graduate diploma levels.
- To continue the excellent work of the UK site team, growing our reputation as a great venue to work, study and learn.
- To recognise and reward the staff of Roffey Park for their hard work and entrepreneurial spirit.
- To increase our research activity in areas related to our four core portfolios, as well as in our dialogic and group-based learning approaches, working in concert with partners to create joint research propositions and seek grant and research council funding.
- To develop our charitable activities locally especially in the area of mental health/wellbeing as well as in the area of care support (through our annual Carers Weekend – now in its seventh year) and other health and wellbeing-related events.

Statement as to disclosure of information to auditor

The Trustees, who were in office on the date of approval of these accounts, have confirmed that, as far as they are aware, there is no relevant audit information of which the company's auditor is unaware and have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Third party indemnity provision for trustees (directors)

Qualifying third party indemnity provision is in place for the benefit of all trustees (directors) of the company.

Auditor

RSM UK Audit LLP has agreed to offer themselves for re-election as auditor to the charity.

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The Trustees' Annual Report of the Trustees and Directors is approved by order of the Board as trustees and the Strategic Report (included therein) is approved by the Board of Trustees in their capacity as the directors at a meeting on 27th March 2019 and signed on its behalf by:

R. Leek

Chair

Forest Road.

Horsham.

West Sussex, RH 12 4TB

27th March 2019

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Statement of Trustees' Responsibilities

The trustees (who are also directors of Roffey Park Institute Limited for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic 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 that give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Roffey Park Institute Limited

Independent auditor's report

Independent auditor's report to the members of Roffey Park Institute Limited

Opinion on financial statements

We have audited the financial statements of Roffey Park Institute Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2018 which comprise as the Consolidated Statement of Financial Activities (including Consolidated Income and Expenditure Account, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 July 2018 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 .

Basis for opinion

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

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees and Directors other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If,

Roffey Park Institute Limited

Independent auditor's report

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' and Directors' Report [and the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' and Directors' Report and the incorporated Strategic Report have 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' and Directors' Report and the incorporated Strategic Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of Our Report

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

Zoe Longstaff-Tyrrell (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor, Chartered Accountants
Portland, 25 High Street, Crawley, West Sussex RH10 1BG

Roffey Park Institute Limited
Consolidated Statement of Financial Activities
(Including Consolidated Income & Expenditure Account)
For the year ended 31 July 2018

		Unrestricted funds	
		2018	2017
	Note	£	£
INCOME from			
Charitable activities			
Education	2	5,295,026	4,336,275
Research		177,410	147,064
Other trading activities	3	1,091,582	1,030,826
Other : Gain on the disposal of a property asset		483,125	-
Total income		7,047,143	5,514,165
EXPENDITURE on			
Raising funds			
Trading activities	3	780,657	777,948
Financing costs		77,222	81,936
Charitable activities			
Education		4,772,762	4,388,365
Research		253,368	250,036
Total	6	5,884,009	5,498,285
NET INCOME		1,163,134	15,880
RECONCILIATION OF FUNDS			
Total funds brought forward		5,824,391	5,808,511
Total funds carried forward	14	6,987,525	5,824,391

The statement of financial activities includes all gains and losses recognised in the year.

Roffey Park Institute Limited
Company Registration No. 923975
Consolidated and Charity Balance Sheets
At 31 July 2018

	Note	Group 2018 £	Charity 2018 £	Group 2017 £	Charity 2017 £
Fixed assets					
Tangible assets	7	7,405,970	7,402,517	7,679,174	7,674,080
Investment in subsidiaries	8	-	100	-	100
Total Fixed assets		<u>7,405,970</u>	<u>7,402,617</u>	<u>7,679,174</u>	<u>7,674,180</u>
Current assets					
Stocks	9	40,730	35,257	25,002	18,883
Debtors	10	908,498	801,854	1,108,291	2,100,842
Cash at bank and in hand		1,362,507	1,206,092	489,948	387,146
Total Current assets		<u>2,311,735</u>	<u>2,043,203</u>	<u>1,623,241</u>	<u>2,506,871</u>
Creditors: amounts falling due within one year	11	<u>(1,317,774)</u>	<u>(1,153,043)</u>	<u>(1,767,538)</u>	<u>(1,595,379)</u>
Net current assets/(liabilities)		<u>993,961</u>	<u>890,160</u>	<u>(144,297)</u>	<u>911,492</u>
Total assets less current liabilities		<u>8,399,931</u>	<u>8,292,777</u>	<u>7,534,877</u>	<u>8,585,672</u>
Creditors: amounts falling due after more than one year	12	<u>(1,412,406)</u>	<u>(1,412,406)</u>	<u>(1,710,486)</u>	<u>(1,710,486)</u>
Net assets		<u><u>6,987,525</u></u>	<u><u>6,880,371</u></u>	<u><u>5,824,391</u></u>	<u><u>6,875,186</u></u>
Total unrestricted funds	14	<u><u>6,987,525</u></u>	<u><u>6,880,371</u></u>	<u><u>5,824,391</u></u>	<u><u>6,875,186</u></u>

As permitted by section 408 of the Companies Act 2006, the parent charity's Statement of Financial Activities (including Income and Expenditure account) has not been included in these financial statements. The parent charity's result for the year was a surplus of £5,185 (2017: £107,608).

The Board of Trustees approved and authorised for issue the accounts on pages 18 to 34 on 27th March 2019. The accounts are signed on behalf of the Board by:

R. Leek, Chair

A. Ritchie, Director

Roffey Park Institute Limited
Consolidated Cash Flow Statement
For the year ended 31 July 2018

	2018 £	2017 £
a) Cash flows from operating activities		
Net cash provided/(used in) by operating activities (note 17)	<u>1,170,709</u>	<u>372,374</u>
b) Cash flows from investing activities		
Interest paid	(77,222)	(81,936)
Receipts from sale of tangible fixed assets	582,242	8
Interest received	(328)	-
Payments to acquire tangible fixed assets	<u>(62,385)</u>	<u>(16,657)</u>
Net cash used in/(provided) investing activities	442,307	(98,585)
c) Cash flows (repaying)/from financing activities	<u>(740,457)</u>	<u>330,013</u>
(Refinancing of loans, property loan repayments)		
d) Change in cash and cash equivalents in the year	872,559	603,802
Cash and cash equivalents at the beginning of the year	489,948	(113,854)
Cash and cash equivalents at the end of the year	<u><u>1,362,507</u></u>	<u><u>489,948</u></u>

Further details are shown in note 17.

Roffey Park Institute Limited
Notes to the Accounts
31 July 2018

I. Principal accounting policies

Basis of accounting

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) (published 16 July 2014) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

No acquisitions took place during the year and all consolidated activities are continuing.

The statement of financial activities (SOFA) and balance sheet consolidate the accounts of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. The charity has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities. In accordance with s408 of the Companies Act, no separate SOFA has been presented for the charity alone.

Roffey Park Institute Limited 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.

Reduced disclosures

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements;

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.

Going concern

As at 31 July 2018 Roffey Park Institute Limited had net current assets of £994k (last year net current liabilities of £144k).

The financial statements have been prepared on the going concern basis which assumes that the charitable group and the parent charity will be able to continue in operational existence for the foreseeable future. The validity of this assumption depends on the group and the parent charity continuing to meet its day to day working capital requirements.

Roffey Park Institute Limited
Notes to the Accounts
31 July 2018
(Continued)

I. Principal accounting policies (continued)

Income

Income, including fees receivable and charges for services and use of premises, are accounted for in the period in which the service is provided and are stated net of VAT.

- Income from trading activities include the trading activities of the subsidiary company, Roffey Park Services Limited and bank interest receivable.
- Charitable activities represent the educational and research activities. Fees receivable are stated after deducting concessions of £478,000 (2017: £450,000). These are available in each of the business streams.

Expenditure

Expenditure is accounted for on an accruals basis.

- Costs of raising funds include the trading activities of the subsidiary company, Roffey Park Services Limited and the financing costs associated with interest on the long term bank loan.
- Charitable activities represent the educational and research activities and include both the direct costs and the support costs relating to them. Expenditure on research is charged to the SOFA as incurred.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources e.g. allocating property costs on their usage and staff costs by time spent.

Depreciation

Depreciation of fixed assets is charged by equal annual instalments commencing with the year of acquisition at rates estimated to write off their cost or valuation less any residual value over the expected useful lives that are as follows:

Freehold land	Nil
Freehold buildings	50 years
Grounds store and workshop	20 years
Furniture, fittings and equipment	4 - 10 years
IT equipment	2 - 5 years

Small items of capital expenditure under £500 are expensed through the SOFA and not depreciated.

Operating Leases

Rentals paid under operating leases are charged to the SOFA as incurred.

Stocks

Stocks, including consumables, are valued at the lower of cost and net realisable value, after making due allowance for obsolete and damaged items.

Roffey Park Institute Limited
Notes to the Accounts
31 July 2018
(Continued)

I Principal accounting policies (continued)

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pensions

Tutorial staff that joined the Institute prior to 30 June 2003 are eligible for membership of the Teachers' Pension Scheme ("TPS").

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

Under the definitions set out in FRS 102 section 28, the TPS is a multi-employer pension scheme. The Institute is unable to identify its share of the underlying assets and liabilities of the scheme.

Accordingly, the Institute has accounted for its contributions to the scheme as if it were a defined-contribution scheme. The Institute has set out above the information available on the scheme and the implications for the Institute in terms of the anticipated rates.

As from 1 July 2003 all staff are eligible for participation in a group personal pension plan managed by Standard Life. This is a defined contribution scheme and contributions to the scheme are charged to the SOFA as incurred.

Taxation

Roffey Park Institute Limited is a registered charity and as such its income and gains falling within Sections 466 to 493 of the Corporation Tax Act 2010 or section 256 of Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objects.

Roffey Park Institute Limited
Notes to the Accounts
31 July 2018
(Continued)

I Principal accounting policies (continued)

Foreign currency

Transactions expressed in foreign currencies are translated into sterling at rates of exchange approximating to those ruling at the date of transaction. Monetary assets and liabilities are translated at rates ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities (SOFA).

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Management consider there are no significant judgements or key sources of estimation uncertainty impacting amounts recognised in these financial statements.

Roffey Park Institute Limited
Notes to the Accounts
31 July 2018
(Continued)

2 Education

28% (2017 32%) of the Institute's incoming resources from educational activities have been earned from services performed outside the UK and/or received from clients based outside the UK.

3 Subsidiary Undertakings: Roffey Park Asia Pacific Pte Ltd (RPAP) and Roffey Park Services Ltd (RPS)

RPAP undertakes training and research activities and RPS undertakes lettings activities and provides bar facilities. The charity owns the whole of the share capital of each subsidiary. Their trading results for the year, as extracted from the audited accounts, are summarised below.

	RPAP	RPS	RPAP	RPS
	2018	2018	2017	2017
	£	£	£	£
Turnover	620,289	1,091,582	502,841	1,030,826
Cost of sales	(324,826)	(366,642)	(282,383)	(326,333)
Gross (loss)/profit	295,463	724,940	220,458	704,493
Administration expenses	(281,535)	(414,015)	(312,186)	(451,615)
Other operating income	1,144,021	-	-	-
Operating (loss)/profit	1,157,949	310,925	(91,728)	252,878
Corporation tax	-	-	-	-
Profit/(loss) on ordinary activities after taxation	1,157,949	310,925	(91,728)	252,878
Fixed assets	3,453		5,094	
Current assets	176,814	234,020	260,410	189,108
Current liabilities	(82,674)	(224,359)	(1,325,860)	(179,447)
Net Assets/(liabilities)	97,593	9,661	(1,060,356)	9,661

RPS Trading costs of £780,657 (2017 £777,948), as shown on page 18, comprise cost of sales and administration expenses.

	2018	2017
	£	£
4 Expenditure		
Net expenditure for the year is stated after charging/(crediting):		
Auditor's remuneration - audit	20,350	28,675
- audit RSM Chio Lim LLP	4,350	2,380
- non audit services	5,250	24,186
Operating leases - equipment	78,515	89,885
Depreciation of tangible fixed assets - owned assets	234,784	267,428
(Profit)/loss on sale of tangible fixed assets	(481,437)	(8)
Cost of goods sold	310,842	277,309
Foreign exchange differences	(17,430)	13,288

Roffey Park Institute Limited
Notes to the Accounts
31 July 2018
(Continued)

5 Employees	2018	2017
Staff costs:	£	£
Wages and salaries	2,522,020	2,565,578
Social security costs	249,047	257,732
Pension contributions	162,014	174,750
	<u>2,933,081</u>	<u>2,998,060</u>

	2018	2017
Average number of staff employed:	Number	Number
Education	25	25
Research	5	5
Learning Resources and Information Technologies	5	4
Facilities	32	30
Administration and marketing	11	11
	<u>78</u>	<u>75</u>

During the year termination payments of £50,000 (2017: £9,969) were recognised.

The number of employees whose emoluments (total pay, vehicle and medical insurance) amounted to over £60,000 in the year was as follows:

	2018	2017
	Number	Number
£60,001 - £70,000	4	5
£70,001 - £80,000	1	3
£80,001 - £90,000	1	-
£90,001 - £100,000	1	2
£100,001 - £110,000	1	-
£150,001 - £160,000	1	-
£160,001 - £170,000	-	1

No trustee received remuneration from the charity during the year. Trustee indemnity insurance cover was provided.

	£	£
Out of pocket, travel, subsistence and professional membership expenses incurred by and reimbursed to five (2017 three) trustees totalled:	<u>2,338</u>	<u>1,181</u>

The key management personnel of the group comprise the trustees, the Chief Executive, the Director of Support Services and Company Secretary, the Director of International Operations and Associate Relations and the Director of Qualifications, Research and Practice. The employee benefits of key management personnel for the group was £432,046 (2017: £504,623).

Roffey Park Institute Limited
Notes to the Accounts
31 July 2018
(Continued)

Pension costs

The Charity's employees are eligible for membership of either the Teachers' Pension Scheme (TPS) or the Standard Life Group Personal Pension Plan. However, the TPS was closed to new entrants with effect from 1 July 2003. The total pension cost for the period was £162,014 (2017: £174,750). For the employees whose emoluments are shown above the Charity contributed £7,471 (2017: £14,283) to the TPS for 1 staff and £42,424 (2017: £54,578) to Standard Life for 7 members of staff.

Standard Life Group Personal Pension Plan

As from 1 July 2003 all staff are eligible for participation in a group personal pension plan. The charity contributes up to 8% of pensionable salary into this defined contribution scheme.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act 1972 and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest actuarial review of the TPS was carried out as at 31 March 2012 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education (the Department) on 9 June 2014. The key results of the valuation are:

- employer contribution rates were set at 16.4% of pensionable pay;
- total scheme liabilities for service to the effective date of £191.5 billion, and notional assets of £176.6 billion, giving a notional past service deficit of £14.9 billion;
- an employer cost cap of 10.9% of pensionable pay.

The new employer contribution rate for the TPS has been implemented in September 2015.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website at the following location:

<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx>

The pension costs paid to TPS in the year amounted to £7,471 (2017: £16,448)

Roffey Park Institute Limited
Notes to the Accounts
31 July 2018
(Continued)

6 Allocation of governance and support costs

Allocation of support costs within total expenditure

	Roffey Park Services Ltd	Financing	Education	Research	2018	2017
	£	£	£	£	Total £	Total £
Direct costs	61,303	77,222	2,611,782	196,294	2,946,601	2,544,414
Support costs:						
- IT and Learning Resources	6,431	-	299,735	19,727	325,893	408,370
- Facilities	690,082	-	1,049,023	-	1,739,105	1,617,570
- Admin and Management	19,029	-	605,881	29,722	654,632	778,931
- Marketing	3,812	-	141,053	7,625	152,490	80,539
Governance costs	-	-	65,288	-	65,288	68,461
Total	<u>780,657</u>	<u>77,222</u>	<u>4,772,762</u>	<u>253,368</u>	<u>5,884,009</u>	<u>5,498,285</u>

Financing costs include £77,222 (2017: £38,110) of bank interest payable during the year on the property loans.

Governance costs are made up of follows:

	2018	2017
	£	£
Auditors' remuneration	26,950	31,280
Trustee expenses	2,338	1,181
Staff costs	36,000	36,000
	<u>65,288</u>	<u>68,461</u>

Roffey Park Institute Limited
Notes to the Accounts
31 July 2018
(Continued)

7 Tangible fixed assets - Group

	Freehold Land & Buildings £	Furniture & fittings £	IT Equipment £	Total £
Cost or Valuation				
1 August 2017	8,130,392	2,504,752	511,539	11,146,683
Additions	-	52,280	10,105	62,385
Disposals	(157,745)	(107,559)	(43,237)	(308,541)
31 July 2018	7,972,647	2,449,473	478,407	10,900,527
Depreciation				
1 August 2017	1,261,695	1,750,519	455,295	3,467,509
Charge for year	75,742	125,936	33,106	234,784
Disposals	(58,628)	(105,871)	(43,237)	(207,736)
31 July 2018	1,278,809	1,770,584	445,164	3,494,557
Net book amount				
31 July 2018	6,693,838	678,889	33,243	7,405,970
1 August 2017	6,868,697	754,233	56,244	7,679,174
Historical cost information			2018	2017
			£	£
Cost of revalued land and buildings			7,802,212	7,959,957
Depreciation			(1,269,374)	(1,200,329)
Net book value			6,532,838	6,759,628

Capitalisation and replacement of Institute buildings and equipment

The original Institute land and buildings were professionally valued by N Hodgson ARICS on 19 January 1996 at £2,367,680 on an existing use basis of which £2,034,680 related to the buildings and £333,000 to the land. A later addition to acquire building development land was revalued by the trustees on 31 July 1999 at £260,000 of which £60,000 related to the buildings, now demolished, and £200,000 to the land.

Tangible fixed assets - Charity

	Freehold Land & Buildings £	Furniture & fittings £	IT Equipment £	Total £
Cost or Valuation				
1 August 2017	8,130,392	2,504,752	497,674	11,132,818
Additions	-	52,280	9,506	61,786
Disposals	(157,745)	(107,559)	(43,237)	(308,541)
31 July 2018	7,972,647	2,449,473	463,943	10,886,063
Depreciation				
1 August 2017	1,261,695	1,750,519	446,524	3,458,738
Charge for year	75,742	125,936	30,866	232,544
Disposals	(58,628)	(105,871)	(43,237)	(207,736)
31 July 2018	1,278,809	1,770,584	434,153	3,483,546
Net book amount				
31 July 2018	6,693,838	678,889	29,790	7,402,517
1 August 2017	6,868,697	754,233	51,150	7,674,080

Roffey Park Institute Limited
Notes to the Accounts
31 July 2018
(Continued)

8 Investments

	Charity 2018 £	Charity 2017 £
Cost		
1 August 2017 and 31 July 2018	<u>100</u>	<u>100</u>

The charity owns the whole of the 100 issued £1 ordinary shares of Roffey Park Services Limited, a company registered in England registration number 5025908 and with the registered address Forest Road, Horsham, West Sussex, RH12 4TB. The subsidiary has a coterminous year-end and is used for non-primary purpose trading activities, namely letting of spare training room and bedroom space at the Institute and bar trading. All activities have been consolidated on a line by line basis in the SOFA and profits are distributed via gift aid to the charity.

The charity owns the whole of the 1 issued S\$1 ordinary shares of Roffey Park Asia Pacific Private Limited, a company registered in Singapore on 23 July 2010. The subsidiary has a coterminous year-end and undertakes training and research activities. All activities have been consolidated on a line by line basis in the SOFA.

	Group 2018 £	Charity 2018 £	Group 2017 £	Charity 2017 £
9 Stocks				
Raw materials & consumables	8,010	8,010	11,020	11,020
Stocks for resale	28,720	23,247	9,982	3,863
Teaching aids	4,000	4,000	4,000	4,000
	<u>40,730</u>	<u>35,257</u>	<u>25,002</u>	<u>18,883</u>
10 Debtors				
Trade debtors	749,212	531,316	882,083	624,995
Amounts owed by subsidiary undertakings	-	142,302	-	1,333,148
Prepaid expenses	155,239	124,864	148,768	107,192
Accrued income	4,047	3,372	77,440	35,507
	<u>908,498</u>	<u>801,854</u>	<u>1,108,291</u>	<u>2,100,842</u>
11 Creditors: amount falling due within one year				
Bank loan	48,721	48,721	491,098	491,098
Trade creditors	356,057	312,007	346,946	297,671
Other taxation and social security	262,824	209,001	215,603	150,529
Fees receivable in advance	479,305	426,446	504,045	465,742
Accrued expenses	170,867	156,868	209,846	190,339
	<u>1,317,774</u>	<u>1,153,043</u>	<u>1,767,538</u>	<u>1,595,379</u>

During the year, for the group, fees of £2,044,208 (2017: £1,727,269) were receivable in advance and fees of £2,068,949 (2017: £1,571,656) were released and recognised within the SOFA.

The short term loan of £400,000 taken out in January 2017 was repaid in January 2018.

Roffey Park Institute Limited
Notes to the Accounts
31 July 2018
(Continued)

	Group & Charity 2018 £	Group & Charity 2017 £
12 Creditors: amount falling due after more than one year		
Bank loan	1,412,406	1,710,486
Amount payable:		
In more than one but not more than two years	54,869	67,765
In more than two but not more than five years	176,598	215,913
In five years or more	1,180,939	1,426,808
	<u>1,412,406</u>	<u>1,710,486</u>

The long term loan and short term loan were refinanced in June 2017 into one long term loan. The new bank loan is secured on the freehold property of the Institute. The long term loan is repayable by 30 June 2037 at an interest rate of 2.75% per annum above the Bank of England base rate.

13 Financial Instruments

The carrying amount of the Group's financial instruments at 31 July were:

	Group 2018 £	Group 2017 £
Financial assets:		
Debt instruments measured at amortised cost		
Trade debtors	749,212	882,083
Accrued income	4,047	77,440
Total	<u>753,259</u>	<u>959,523</u>
Financial liabilities:		
Measured at amortised cost		
Bank loans	1,461,127	2,201,584
Trade creditors	356,057	346,946
Accruals	170,867	209,846
Total	<u>1,988,051</u>	<u>2,758,376</u>

Roffey Park Institute Limited
Notes to the Accounts
31 July 2018
(Continued)

14 Total unrestricted funds

	Balance at 1 Aug 2017 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2018 £
Revaluation reserve	109,073	-	-	(11,592)	97,481
Designated fund:					
Val Hammond Fund	56,574	-	675	116,313	172,212
General funds	6,709,539	4,191,251	4,185,391	(104,721)	6,610,678
Charity	6,875,186	4,191,251	4,186,066	-	6,880,371
Activities undertaken by Roffey Park Asia Pacific	(1,060,356)	1,764,310	606,361	-	97,593
Non charitable trading funds	9,561	1,091,582	1,091,582	-	9,561
Group	5,824,391	7,047,143	5,884,009	-	6,987,525

	Balance at 1 Aug 2016 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2017 £
Revaluation reserve	112,482	-	-	(3,409)	109,073
Designated fund:					
Val Hammond Fund	59,574	-	3,000	-	56,574
General funds	6,595,522	3,980,498	3,869,890	3,409	6,709,539
Charity	6,767,578	3,980,498	3,872,890	-	6,875,186
Activities undertaken by Roffey Park Asia Pacific	(968,628)	502,841	594,569	-	(1,060,356)
Non charitable trading funds	9,561	1,030,826	1,030,826	-	9,561
Group	5,808,511	5,514,165	5,498,285	-	5,824,391

Depreciation on the revalued assets is transferred to the general fund account. The designated Val Hammond fund is held as cash and was created to provide start up resources for research projects and will be used as and when suitable project arise. It will be funded by transferring 10% of the surplus made in future years, from the unrestricted general funds. All other assets and liabilities relate to unrestricted general funds.

Roffey Park Institute Limited
Notes to the Accounts
31 July 2018
(Continued)

Analysis of assets between funds

	Tangible fixed assets £	Net current assets/(liabilities) £	Creditors over 1 year £	Total as at 31 July 2018 £
Group				
Unrestricted funds				
General	7,308,489	821,749	(1,412,406)	6,717,832
Revaluation reserve	97,481	-	-	97,481
Val Hammond Fund	-	172,212	-	172,212
	7,405,970	993,961	(1,412,406)	6,987,525
Charity				
Unrestricted funds				
General	7,305,136	717,948	(1,412,406)	6,610,678
Revaluation reserve	97,481	-	-	97,481
Val Hammond Fund	-	172,212	-	172,212
	7,402,617	890,160	(1,412,406)	6,880,371

Analysis of assets between funds

	Tangible fixed assets £	Net current (liabilities)/assets £	Creditors over 1 year £	Total as at 31 July 2017 £
Group				
Unrestricted funds				
General	7,570,101	(200,871)	(1,710,486)	5,658,744
Revaluation reserve	109,073	-	-	109,073
Val Hammond Fund	-	56,574	-	56,574
	7,679,174	(144,297)	(1,710,486)	5,824,391
Charity				
Unrestricted funds				
General	7,565,107	854,918	(1,710,486)	6,709,539
Revaluation reserve	109,073	-	-	109,073
Val Hammond Fund	-	56,574	-	56,574
	7,674,180	911,492)	(1,710,486)	6,875,186

15 Members' liability

Roffey Park Institute Limited is limited by guarantee of its members, whose maximum number is 50. Each member's guarantee is limited to a sum not exceeding £1

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16 Guarantees and other financial commitments

The company, under a group VAT registration, is jointly and severally liable for Value Added Tax due by Roffey Park Services Limited. At 31 July 2018 this amounted to £172,806 (2017: £139,035).

	2018	2018	2017	2017
	Group	Charity	Group	Charity
	£	£	£	£
Due within 1 year	50,103	22,703	47,841	26,421
Due between 2 and 5 years	74,275	74,275	68,401	68,401
Due over 5 years	-	-	-	-
	<u>124,378</u>	<u>96,978</u>	<u>116,242</u>	<u>94,822</u>

17 Consolidated cash flow statements

Reconciliation of net expenditure to net cash flow from operating activities

Net movement in expenditure for the year

Adjusted for:

Investment income

Interest payable

Depreciation

(Profit)/loss on disposal of fixed assets

(Increase)/decrease in stocks

Decrease/(increase) in debtors

(Decrease)/increase in creditors

Net cash provided by operating activities

	2018	2017
	Group	Group
	£	£
	1,163,134	15,880
	328	-
	77,222	81,936
	234,784	267,428
	(481,437)	(8)
	(15,728)	5,104
	199,793	(110,368)
	(7,387)	68,732
	<u>1,170,709</u>	<u>372,374</u>

18 Related party transactions

During the year, the charity entered into the following transactions with related parties:

Group companies

	2018	2017
	£	£
Sales	3,005	4,290
Purchases	(212,102)	(16,624)
Recharge of costs	823,596	865,141
Gift Aid received	310,925	252,878
Amounts owed at the year end	<u>142,302</u>	<u>1,333,148</u>

In order to provide a more solid platform to continue the charitable objectives of the group, the charity has released its subsidiary RPAP from its obligation to repay the intercompany balance of £1,144,021 owed to the charity.

