

REGISTERED COMPANY NUMBER: 07788700 (England and Wales)
REGISTERED CHARITY NUMBER: 1145239

**Report of the Trustees and
Financial Statements for the Year Ended 31 August 2018
for**

**Durham School Langley Foundation
(Limited by Guarantee)**

Clive Owen LLP
Chartered Accountants
Kepier House
Belmont Business Park
Durham
County Durham
DH1 1TW

**Durham School Langley Foundation
(Limited by Guarantee)**

**Report of the Trustees
for the Year Ended 31 August 2018**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2018. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal activity of the charitable company is the provision of financial support to assist children who, without support, would be unable to access the educational opportunities provided at Durham School.

The Foundation interacts with current and past pupils of the school and current and past parents, as well as with the wider public.

Public benefit

The charity's aims and achievements are set out within this report. The activities set out in this report have been undertaken to further the charity's charitable purposes for the public benefit. The trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and the trustees have paid due regard to this guidance in deciding what activities the charity should undertake.

Durham School Langley Foundation is a registered charity and is able to demonstrate its fulfilment of the Public Benefit criteria through its fundraising and charitable activities and through the financial support it provides to enable children to access education at Durham School, thereby supporting the education of children and savings to the taxpayer.

Savings to the taxpayer

Without the financial support provided by the Foundation the children would inevitably have been educated through the state sector, at cost to the taxpayer.

Education

The Foundation provides key financial support to children to enable them to access educational opportunities at Durham School.

ACHIEVEMENT AND PERFORMANCE

The financial statements have been made up for the year ended 31 August 2018.

The Trustees, with support from Durham School, commenced the first awards of financial support with the effect from 1 September 2012, despite the shortfall in funds, in order to launch the Langley bursaries for pupils at Durham School and thereby increase awareness of the Foundation. In 2017/18 the balance remaining due to Durham School for these awards has been written off by the School and therefore the results for the current year are a significant surplus.

The Foundation has continued to establish itself among current and past pupils and parents of Durham School, it has an active website and alumni database. Fundraising activities continued in the year, including dinners and events for Old Dunelmians. Fundraising for bursaries through the Foundation is also included as a specific aim within the overall School fundraising plan.

No new awards have been agreed by the Trustees during the year.

FINANCIAL REVIEW

The results for the year show a surplus of £177,996 (2017: £5,818). This includes the credit relating to the write off of the balance due to Durham School.

The trustees consider that the Foundation will continue to operate for the foreseeable future and the accounts have therefore been drawn up on a going concern basis.

**Durham School Langley Foundation
(Limited by Guarantee)**

**Report of the Trustees
for the Year Ended 31 August 2018**

FINANCIAL REVIEW

Reserves policy

In terms of reserves the initial objective of the Foundation is to achieve a breakeven position. Once achieved an assessment of the ongoing reserve requirement will be made.

FUTURE PLANS

The Foundation will continue to work to develop its network of alumni contacts and to increase fund raising opportunities. The trustees have agreed that no further awards will be granted until there are sufficient funds generated to cover their cost.

The Trustees will review this decision at each meeting to determine when the Foundation will be able to make awards again.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Durham School Langley Foundation was incorporated as a Company Limited by Guarantee on 27 September 2011. The company has charitable status (Charity number 1145239) and is governed by its Memorandum and Articles of Association (Company number 07788700).

The directors of Durham School Langley Foundation are also trustees of the charity.

Recruitment and appointment of new trustees

The trustees nominate new trustees when a vacancy arises and the trustees will then vote on whether or not to appoint the new trustee. A trustee's term of office is normally for three years and he/she may offer himself / herself for re-election when the three year period expires. The Chairman of the trustees is annually elected by the trustees. None of the trustees receive any remuneration.

To fulfil these requirements the board of trustees, comprising up to 15 members, meets at least twice per year to administer the charitable company.

Organisational structure

The day to day running of the Foundation is delegated to the Headmaster and Bursar of Durham School.

Induction and training of new trustees

New trustees are reminded of their legal responsibilities, and any training requirements that are brought to the notice of the Board are seriously considered.

Key management remuneration

The personnel of the charity are the trustees who are unpaid. Therefore the key management employee benefits was nil (2017: nil).

Related parties

Any dealings between the charity and any related parties are disclosed in Note 13 to the Accounts.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07788700 (England and Wales)

Registered Charity number

1145239

**Durham School Langley Foundation
(Limited by Guarantee)**

**Report of the Trustees
for the Year Ended 31 August 2018**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered office

c/o Durham School
Quarry Heads Lane
Durham
DH1 4SZ

Trustees

R J Cripwell
S M Cronin
H S C Dias
K S Fraser
R V Lyall
G Reader
R Thomas
A MacConachie OBE

Company Secretary

D J Leigh

Independent examiner

Gary Ellis BA, FCA
Clive Owen LLP
Chartered Accountants
Kepier House
Belmont Business Park
Durham
County Durham
DH1 1TW

Bankers

Barclays Bank Plc
6 Market Place
Durham
DH1 3ND

Solicitors

Swinburne Maddison LLP
Venture House
Aykley Heads Business Centre
Durham
DH1 5TS

Approved by order of the board of trustees on 4 December 2018 and signed on its behalf by:



.....
A MacConachie OBE - Trustee

Durham School Langley Foundation
(Limited by Guarantee)

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 August 2018

		Unrestricted fund	Restricted fund	2018 Total funds	2017 Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	5,459	-	5,459	6,756
Other trading activities	3	6,489	-	6,489	1,490
Other income		<u>170,726</u>	<u>-</u>	<u>170,726</u>	<u>-</u>
Total		182,674	-	182,674	8,246
EXPENDITURE ON					
Raising funds	4	3,625	-	3,625	-
Charitable activities					
Bursaries		-	-	-	14,007
Other		<u>1,053</u>	<u>-</u>	<u>1,053</u>	<u>57</u>
Total		<u>4,678</u>	<u>-</u>	<u>4,678</u>	<u>14,064</u>
NET INCOME/(EXPENDITURE)		177,996	-	177,996	(5,818)
RECONCILIATION OF FUNDS					
Total funds brought forward		(183,471)	-	(183,471)	(177,653)
TOTAL FUNDS CARRIED FORWARD		<u>(5,475)</u>	<u>-</u>	<u>(5,475)</u>	<u>(183,471)</u>

The notes form part of these financial statements

Durham School Langley Foundation
(Limited by Guarantee) (Registered number: 07788700)

Balance Sheet
At 31 August 2018

	Notes	Unrestricted fund £	Restricted fund £	2018 Total funds £	2017 Total funds £
CURRENT ASSETS					
Cash at bank		1,219	-	1,219	1,396
CREDITORS					
Amounts falling due within one year	10	(6,694)	-	(6,694)	(184,867)
NET CURRENT ASSETS/(LIABILITIES)		<u>(5,475)</u>	<u>-</u>	<u>(5,475)</u>	<u>(183,471)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>(5,475)</u>	<u>-</u>	<u>(5,475)</u>	<u>(183,471)</u>
NET ASSETS/(LIABILITIES)		<u><u>(5,475)</u></u>	<u><u>-</u></u>	<u><u>(5,475)</u></u>	<u><u>(183,471)</u></u>
FUNDS					
Unrestricted funds	11			<u>(5,475)</u>	<u>(183,471)</u>
TOTAL FUNDS				<u><u>(5,475)</u></u>	<u><u>(183,471)</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2018.

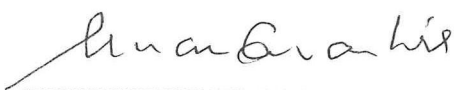
The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 4 December 2018 and were signed on its behalf by:


.....
A MacConachie OBE -Trustee

The notes form part of these financial statements

**Durham School Langley Foundation
(Limited by Guarantee)**

**Notes to the Financial Statements
for the Year Ended 31 August 2018**

1. ACCOUNTING POLICIES

Company status

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

The charitable company is a company limited by guarantee and as such does not have share capital. The liability of each member in the event of winding up is limited to £10 per member.

Basis of preparing the financial statements

The financial statements are prepared on the going concern basis which assumes that the charitable company will continue to trade. However, the validity of the going concern basis is dependent upon the charitable company's ability to continue to operate within its agreed facilities and the support of Durham School. If the charitable company is unable to continue to trade, adjustments would be required to reduce the value of assets to their recoverable amount, to provide for any further liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations and legacies

Donations and legacies are only included in the SOFA when the charity has probability of receipt of the resources.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Support costs

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of fundraising activities, events and non-charitable trading.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Taxation

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

**Durham School Langley Foundation
(Limited by Guarantee)**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2018**

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

All funds held at 31 August 2018 and 31 August 2017 together with all transactions in these years were unrestricted.

Financial instruments

The charitable company 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.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Due to the non-complex nature of the charities operations and balance sheet, in the opinion of the trustees there are no key judgements or estimation uncertainties that need to be considered when preparing the financial statements.

2. DONATIONS AND LEGACIES

	2018	2017
	£	£
Donations	1,990	6,756
Gift aid	<u>3,469</u>	<u>-</u>
	<u>5,459</u>	<u>6,756</u>

3. OTHER TRADING ACTIVITIES

	2018	2017
	£	£
Fundraising events	5,123	936
Book sales	80	470
Merchandise sales	<u>1,286</u>	<u>84</u>
	<u>6,489</u>	<u>1,490</u>

**Durham School Langley Foundation
(Limited by Guarantee)**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2018**

4. RAISING FUNDS

Other trading activities

	2018	2017
	£	£
Purchases	<u>3,625</u>	<u>-</u>

5. GRANTS PAYABLE

	2018	2017
	£	£
Bursaries	<u>-</u>	<u>14,007</u>

All grants payable were to individuals.

6. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Other resources expended	<u>13</u>	<u>20</u>	<u>1,020</u>	<u>1,053</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2018 nor for the year ended 31 August 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2018 nor for the year ended 31 August 2017.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted fund	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	6,756	-	6,756
Other trading activities	<u>1,490</u>	<u>-</u>	<u>1,490</u>
Total	8,246	-	8,246
EXPENDITURE ON			
Charitable activities			
Bursaries	<u>14,064</u>	<u>-</u>	<u>14,064</u>
Total	<u>14,064</u>	<u>-</u>	<u>14,064</u>
NET INCOME/(EXPENDITURE)	(5,818)	-	(5,818)

Durham School Langley Foundation
(Limited by Guarantee)

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	(177,653)	-	(177,653)
TOTAL FUNDS CARRIED FORWARD	<u>(183,471)</u>	<u>-</u>	<u>(183,471)</u>

9. EMPLOYEES AND DIRECTORS

The average number of employees during the current and prior year was nil.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Amounts owed to related parties	-	178,396
Other creditors	-	150
Accrued and deferred income	<u>6,694</u>	<u>6,321</u>
	<u>6,694</u>	<u>184,867</u>

Deferred Income

	At 31.8.17 £	Income released £	Income deferred £	At 31.8.18 £
Social Events	<u>5,301</u>	<u>5,151</u>	<u>4,829</u>	<u>4,979</u>
	<u>5,301</u>	<u>5,301</u>	<u>4,979</u>	<u>4,979</u>

11. MOVEMENT IN FUNDS

	At 1.9.17 £	Net movement in funds £	At 31.8.18 £
Unrestricted funds			
General fund	(183,471)	177,996	(5,475)
TOTAL FUNDS	<u>(183,471)</u>	<u>177,996</u>	<u>(5,475)</u>

**Durham School Langley Foundation
(Limited by Guarantee)**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2018**

11. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	182,674	(4,678)	177,996
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>182,674</u>	<u>(4,678)</u>	<u>177,996</u>

Comparatives for movement in funds

	At 1.9.16 £	Net movement in funds £	At 31.8.17 £
Unrestricted Funds			
General fund	(177,653)	(5,818)	(183,471)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>(177,653)</u>	<u>(5,818)</u>	<u>(183,471)</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	8,246	(14,064)	(5,818)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>8,246</u>	<u>(14,064)</u>	<u>(5,818)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.16 £	Net movement in funds £	At 31.8.18 £
Unrestricted funds			
General fund	(177,653)	172,178	(5,475)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>(177,653)</u>	<u>172,178</u>	<u>(5,475)</u>

**Durham School Langley Foundation
(Limited by Guarantee)**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2018**

11. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	<u>190,920</u>	<u>(18,742)</u>	<u>172,178</u>
TOTAL FUNDS	<u><u>190,920</u></u>	<u><u>(18,742)</u></u>	<u><u>172,178</u></u>

The purpose of each Fund is as follows:

Unrestricted general fund - These funds represent unrestricted resources available for the general work of the Charity.

12. RELATED PARTY DISCLOSURES

During the year Durham School (Limited by Guarantee) agreed to write off the debt of £170,726 owed by Durham School Langley Foundation. As at 31 August 2018 the balance owed by Durham School Langley Foundation to Durham School (Limited by Guarantee) was £Nil (2017:£178,396).

Durham School Langley Foundation
(Limited by Guarantee)
Detailed Statement of Financial Activities
for the Year Ended 31 August 2018

	2018 £	2017 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,990	6,756
Gift aid	<u>3,469</u>	<u>-</u>
	5,459	6,756
Other trading activities		
Fundraising events	5,123	936
Book sales	80	470
Merchandise sales	<u>1,286</u>	<u>84</u>
	6,489	1,490
Other income		
Other Income	<u>170,726</u>	<u>-</u>
Total incoming resources	182,674	8,246
EXPENDITURE		
Other trading activities		
Fundraising event and book costs	3,625	-
Charitable activities		
Grants to individuals	-	14,007
Support costs		
Management		
Sundries	13	26
Finance		
Bank charges	20	31
Governance costs		
Accountancy	<u>1,020</u>	<u>-</u>
Total resources expended	4,678	14,064
Net income/(expenditure)	<u><u>177,996</u></u>	<u><u>(5,818)</u></u>

This page does not form part of the statutory financial statements