

ROUGEMONT SCHOOL TRUST LIMITED

**GOVERNORS' REPORT
AND FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2018**

Company Registration No. 01178886

Charity Registration No. 532341

VAT Registration No. 268 6253 71

ROUGEMONT SCHOOL TRUST LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

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ROUGEMONT SCHOOL TRUST LIMITED

REFERENCE AND ADMINISTRATIVE INFORMATION

YEAR ENDED 31 AUGUST 2018

GOVERNORS AND CHARITY TRUSTEES

The Rougemont School Governors are the charity trustees and directors of Rougemont School Trust Ltd. They have all served in office throughout the year except where indicated. Together with past Governors who served in the year as indicated, they are:

Chair of Governors	Mrs S Desai B Pharm, MR Pharm S. (App. Chair of Gov. 1/9/16)
Chair of Education Committee & Vice Chairman	Mrs C Thomas SRN, SCM, JP Mr I G Short ∞ Mrs J A Clark BA(Hons), P.G.C.E. ∞ Prof D Fone MD, FFPH, FRGS ∞ (Resigned 06/07/18) Miss J Sollis BA, AKC. ∞ (Resigned 06/07/18) Dr J Tribbick ∞ (Resigned 14/05/18) Mrs McNamara ∞ (Appointed 27/06/18)
Chair of Finance & General Purposes Committee	Mr M Tebbutt * Mr H Clark * Mr M Cordner * Mr R Green B.Sc. * (Hons), B.Arch., R.I.B.A. Mr P Harris * Mr I Hoppe BEng *

* Members of the Finance and General Purpose Committee.
∞ Members of the Education Committee.

KEY PERSONNEL AND PROFESSIONAL ADVISERS

HEAD	Mr R Carnevale
COMPANY SECRETARY	Mr R Carnevale
CLERK TO THE GOVERNORS	Mrs C Shepherd
KEY MANAGEMENT TEAM	Mr R Carnevale – Headmaster Mrs L Pritchard – Head of Prep School Mrs S Archer – Deputy Head Mr A Knight – Director of Business and Finance
CHARITY ADDRESS	Llantarnam Hall Malpas Rd Newport South Wales NP20 6QB 01633 820800
WEBSITE	www.rougemontschool.co.uk
AUDITORS	haysmacintyre Chartered Accountants 10 Queen Street Place London, EC4R 1AG.

ROUGEMONT SCHOOL TRUST LIMITED

REFERENCE AND ADMINISTRATIVE INFORMATION

YEAR ENDED 31 AUGUST 2018

BANKERS	The Royal Bank of Scotland, South Wales Commercial Office One Kingsway Cardiff CF10 3AQ
SOLICITORS	Veale Wasbrough Orchard Court Orchard Lane Bristol, BS1 5WS
REGISTERED CHARITY NUMBER	532341
REGISTERED COMPANY NUMBER	01178886

ROUGEMONT SCHOOL TRUST LIMITED

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

The Governors, who act as Trustees and who are also directors for the purposes of company law, present their annual report incorporating the Strategic Report and the financial statements for the year ended 31 August 2018. The Governors confirm that the financial statements comply with the charity's governing documents, the Statement of Recommended Practice (SORP 2005) "Accounting and Reporting by Charities" and the Companies Act 2006.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Rougemont School Trust Ltd is a company limited by guarantee and a Registered Charity.

Governing Document

The Charity is governed by its Memorandum and Articles of Association and its Instrument of Government which was last amended in November 2015.

Governing Body

Governors are elected at a Meeting of the Board of Governors on the basis of nominations received from other governors. Their appointment is based on their eligibility, personal competence and specialist skills. One Governor is always a parent of a pupil at the school. Mr Hoppe was a "parent governor" during the financial year ended 31st August 2018.

Governors serve for a term of five years and are eligible for re-election for two subsequent periods so that a consecutive period of fifteen years may be served. The Governors elect from their number a Chairman and a Vice Chairman for a period of five years who are each eligible to serve for one subsequent period, so that a consecutive period of ten years may be served. No Governor receives any remuneration and where a Governor has a child at the School fees are paid on the same basis as all other parents. The Governors are entitled to recoup legitimate expenses incurred in the course of their duties as Governors. Please refer to note 18 of the accounts for related party transactions.

Induction and Training of Governors

New Governors are inducted into the workings of the school, Board Policy and Procedures by the Chairman, Headmaster and Clerk to the Governors. Trustees are encouraged to attend appropriate training courses or seminars and are circulated with relevant publications.

Organisational Structure and Management

The Governors provide strategic leadership to the School. They formally meet as a Board at least once a term (3 times a year) to determine the general policy of the Charity and review its overall management and control, for which they are legally responsible. The work of implementing most of the Board's policies is carried out by the Finance and General Purposes Committee which meets three times a year under the chairmanship of Mr Tebbutt, and by the Education Committee which also meets three times a year under the chairmanship of Mrs Thomas.

All Governors are kept fully informed of the management of the School, receiving Minutes of Governors' Meetings and their Committees.

ROUGEMONT SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

The day to day management of the School is delegated to the Head who works with a Senior Management Team to assist him in his leadership role. The Director of Business and Finance is part of his team and reports directly to the Board through the Finance and General Purposes Committee. The Headmaster appoints Heads of Department throughout the School structure to assist in the management of the organisation. Wherever sensible and appropriate and in order to encourage financial ownership and responsibility, Heads of Department manage their own budgets which are formally delegated by the Head through the Director of Business and Finance.

Remuneration for key management is set by the Board, with the policy objective providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success. The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the school remains sensitive to the broader issues of pay and employment conditions elsewhere.

The Headmaster is a member of the Headmasters' and Headmistresses' Conference, which consists of approximately 250 heads of leading British independent schools. The School is also a member of The Independent Schools Bursars' Association which enables the school to be kept abreast of best management practice in independent schools.

The School is also a member of a number of other professional bodies including the Governing Bodies' Association and the Welsh Independent Schools' Council.

The School provides its facilities to a number of local sporting clubs and associations as well as providing venues for local community events.

STRATEGIC REPORT

The following sections of the Governors' Report forms part of the strategic report.

OBJECTIVES AND ACTIVITIES

The object of the Charity is the education, for the public benefit, of children between the ages of three and eighteen.

Strategic Aim and Intended Effect

The Principal Aim

Rougemont School aims to help each pupil realise his or her academic potential by offering an all-round education.

ROUGEMONT SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

Academic Development

Rougemont School aims to provide an excellent academic education which seeks to develop the full potential of each pupil and to help each pupil to develop an enquiring and independent mind. In pursuing these aims the School has the following objectives:

- to help each pupil to develop good working habits;
- to enable each pupil to tackle work independently and to develop the ability to think independently;
- to stimulate intellectual curiosity and help develop enquiring minds and a desire to learn;
- to teach each pupil to communicate effectively in writing, speech and action;
- to help each pupil to acquire a sense of judgment by encouraging the ability to read, listen, observe and discriminate;
- to help each pupil to develop talents, skills and interest in art, drama, literature, music, manual and technical skills, sport and a wide variety of hobbies by encouraging creative and recreational pursuits both inside and outside school time.

Personal and Social Development

Rougemont School aims to have a positive influence on the development of each pupil's character and personality so as to enable him or her to be a useful member of society and to be prepared for the world beyond school. In pursuing these aims the School has the following objectives:

- to encourage self-discipline and a sense of responsibility;
- to help each pupil to develop as an individual and grow in independence, confidence and self-knowledge;
- to encourage initiative, enterprise and a desire to excel;
- to equip each pupil to use his or her leisure time effectively, enjoyably and profitably;
- to help each pupil develop his or her physical abilities;
- to promote and encourage good manners;
- to make pupils aware of problems and dangers associated with drugs, alcohol and sex;
- to promote teamwork and cooperation with others;
- to appreciate and acknowledge the strengths and achievement of others;
- to maintain the school as a caring community, emphasizing the central importance of good human relationships based upon sensitivity, tolerance, good will and a sense of humour;
- to make pupils aware of the wider community and to teach them to appreciate the importance of the individual's contribution to and responsibility within the wider community;
- to teach pupils to respect other people's property;
- to teach pupils to take care of their cultural and physical environment;
- to instill and encourage a sense of fair play and sportsmanship;
- to encourage pupils to respect social, political, racial or religious attitudes that may differ from their own;
- to help each pupil to acquire a set of moral values;
- to help pupils to explore the spiritual dimension of life;
- to enable pupils to understand both the Christian faith, and the needs and beliefs of others.

ROUGEMONT SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

Objectives for the Year.

The Board's main objective during the year continued to be to educate all the School's pupils to their maximum potential. This includes:

- to provide a stimulating learning environment in which pupils can develop their academic potential to the full;
- to provide a happy and secure pastoral environment in which pupils can learn to live together and thus foster a sense of community, co-education, respect for one other and good citizenship;
- to provide pupils with the opportunity to take advantage of a breadth of co-curricular activities in order to develop positively all aspects of their character;
- to provide pupils with the opportunity to take decisions based on their own judgment and to communicate those decisions appropriately and effectively;

The strategy to achieve this is to maintain a low pupil to teacher ratio and to provide continuing professional development to staff to ensure that the school remains at the forefront of educational practice.

Principal Activity

The School's principal activity continues to be the provision of a Co-educational Day school for pupils from 3 to 18.

ROUGEMONT SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Operational Performance of the School 2017-18

A-level Results- 74% of the exam entries achieved A*-B grades (National Average 52%) and A*/A grades 50% (National 26%), **our best ever**. The overall pass rate was 100%. The majority of our students were successful in accessing their university choices, ranging from; Architecture, Dentistry, Economics, History, Journalism, Mathematics, Medicine, Natural Sciences, Veterinary Sciences and many more. Twin brothers achieved a truly remarkable **10 A* grades** between them after taking five A levels each in Maths, Further Maths, Chemistry, Biology and Physics. The brothers will now take up their places at **Cambridge University** where they will study Natural Sciences at Churchill College. Our Deputy Head Boy will take up his place at Oxford University to read History after achieving excellent results and a fellow classmate heads to Cambridge where he will also read History.

AS level results also produced further improvements from previous years; 47% A grades (National Average 19%) and **68% were graded A/B grades**, our best results for Year 12. 15 pupils achieved at least three A grades at AS level.

The **GCSE Results** were **outstanding**; this includes many in Year 10 who were entered for modules a year early. **Almost two thirds of entries (63%) achieved A*/A grades (National 18%) our best ever!!** 97% of pupils achieved a minimum of 5 A* - C grades, including English and Maths (National 52%). In addition, **85% achieved A*-B grades (National 43%). Our best ever!!**

Additional Success and Activities

The Year 10 top set Mathematics Group sat the Mathematics GCSE external exam a year early, and collectively achieved 12 A* grades and 1 A grade, an excellent achievement.

22 pupils were selected to represent Wales/UK in a wide range of sporting and musical disciplines.

One pupil (Year 12) was chosen from approximately 15,500 candidates to be awarded an Arkwright Scholarship. This is a National Award and is linked to Science and Engineering.

Duke of Edinburgh Award - 23 students are potentially achieving their Silver Award and 12 their Gold Award, completing their expedition in either Dartmoor or the Isle of Man.

New Developments

We are planning to open the new £4.2m refectory on 7th December 2018 and the Auditorium and Sixth Form Centre in early December. There are several impressive drone images on the school website www.rougemontschool.co.uk/facilities/newbuild.

Our newly established partner, Hollies@Rougemont, have opened their doors and they are now providing care for children from 6 weeks up until they join our 3+ nursery on their 3rd Birthday. This has led to the relocation of the current school nursery. Lots of enhancements to the school infrastructure include:

- Resurfacing of tennis courts
- Running/cycle track around the school
- Development of a new fitness suite
- Significant improvement to the IT infrastructure in the school

ROUGEMONT SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

Principle Risks and Uncertainties

The Governors consider the economic turbulence of recent years and the affordability of fees by parents across the independent sector to be the principle risk faced by the School. Numbers have fallen over recent years. However, the school has an active marketing and strategic plan to increase pupil numbers over the next few years. Retention of pupils is key to future pupil numbers. The Governing Body, therefore, decided last year to increase fees in September 2017 by only 3%. For September 2018 the Governing Body has again limited fee changes to a 3.5% increase. Health and Safety is always a significant area for risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the school on trips and expeditions). The level and breadth of activity at the School is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment. Data protection is also a significant risk particularly in the digital environment and staff are undergoing training to ensure that they are up to date with the latest legislation and procedures.

Detailed consideration of risk is delegated to the Senior Management Team. The risk management process and the resulting report identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high. The generic controls used by the school to minimise risk include:

- Strategic development planning, reviewed annually by the Senior Management Team;
- Comprehensive budgeting and management accounting;
- Established organisational structures and lines of reporting;
- Formal written policies including clear authorisation and approval levels;
- Safeguarding and vetting procedures as required by law for the protection of the vulnerable.

Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks for the school.

FINANCIAL REVIEW

Income for the year totalled £6,068,515 (2017: £6,074,848) and expenditure amounted to £5,803,709 (2017: £5,877,850) resulting in a surplus of £264,806 (2017: £196,998).

The net income in the year was £264,806 (2017: £196,998). This is the result of achieving the best value for money through cost effective procurement and better use of school resources. However, there has been an increase in general maintenance, grounds and legal fees.

Future surpluses and cash flows have been reviewed and forecasted. The Trustees are confident that all present and future plans can be met out of planned numbers of pupils and financial resources.

Reserves Policy

The Governors recognise the need for reserves to generate funds to provide for investment in property and the management of risks and contingencies. At 31 August 2018, the unrestricted funds of Rougemont School were £14,902,312. The school currently has no free reserves as all amounts are represented by the value of fixed assets. On a practical level, like many independent schools, the governors continually assess the financial resilience of the school through close monitoring of the termly cashflow and the governors are content that looking forward, the school currently has adequate cashflow to meet its short and medium term strategic aims.

ROUGEMONT SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

FINANCIAL REVIEW (continued)

ROUGEMONT SCHOOL AND THE COMMUNITY (PUBLIC BENEFIT)

The School remains committed to the aim of providing public benefit in accordance with its founding principles. Charity legislation includes a requirement to demonstrate that public benefit for any charitable purpose where is had hitherto been presumed in the absence of evidence to the contrary. This calls in turn for commensurate disclosure of our public benefit aims.

The Governors would like to confirm that they have paid due regard to the Charity Commission's statutory guidance, on public benefit in deciding what activities the School should undertake. The Governors have always considered that the school should strive to play a full and responsible part in its local community, striving to pursue its charitable objects within and beyond the confines of its pupil population. The principal ways in which the School achieves this aim are as follows:

1. Bursary Policy

The School wishes to do all it can to widen access to the educational opportunities that it offers and to this end has increased the value of its bursary provision steadily in recent years, including the provision of 100% bursaries in cases where parental means are very slight.

The School supported 41 (2017: 33) children through the Bursary Scheme in the year ended 31 August 2018. This support, which is available on a means tested basis as determined by the Finance Manager in consultation with the Head, reduced annual fee income by £302,850 (2017: £197,784). The School does all it practically can to advertise and promote the Bursary Scheme to the wider community, in an attempt to attract candidates who would otherwise be unable to attend a fee-paying school.

2. Scholarship Awards

The Scholarship Scheme, which recognises academic ability, continues to offer valuable grant awards. The School in so doing makes independent education affordable to a wider section of the community. Applications are welcomed from pupils already attending Rougemont, as well as those from other schools. Scholarships are awarded by the Headmaster on the results of the Scholarship Examinations. Successful applicants are awarded between a 10% and 25% scholarship which is applied to academic fees for between 2 and 4 years. This scheme supported 39 (2017: 37) children and reduced annual fee income by £128,829 (2017: £110,392).

3. Charitable fund-raising

Rougemont School has a strong sense of community and through the enthusiastic support of pupils, staff and parents participates in a wide range of charitable fund raising events throughout the year. Charities which these activities support are usually selected on the grounds that they complement the objects of the School and that they are based locally. Themes pertaining to charitable causes are incorporated into curricular learning programmes where possible. In the summer term children undertake their main fundraising activities of the year.

ROUGEMONT SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

ROUGEMONT SCHOOL AND THE COMMUNITY (PUBLIC BENEFIT) (continued)

3. Charitable fund-raising (continued)

The Preparatory School has maintained its connections with the local community. Fundraising activities have been undertaken not only during the school day, such as mufti days, but also during evenings and weekends. Through these activities children continue to gain an appreciation of the needs of others. This charity link has fed into many areas of the Foundation Phase curriculum, such as Literacy and Knowledge and Understanding of the World. We continue to support the principles of Global Citizenship through our fundraising for schools in Africa.

The Senior School also promotes and supports good causes through its fundraising efforts. The various **charity events across the whole school this year** have raised a total of over **£16,000!** Further fund raising is detailed below.

From 1 September 2017 to 31 August 2018 Rougemont School supported the following charities through its fund raising activities:

	2018	2017
	£	£
Angel Watch	59	-
Cancer Research	-	112
Children in Need	957	2017
Comic Relief	-	116
CRY	83	-
Dementia UK	206	-
Fairtrade	-	488
Food Bank Donations	398	-
Gandy's Foundation	-	50
Grenfell Fire	-	257
Latch	60	-
MacMillan	108	-
Muscular Dystrophy	566	-
Newport Night Shelter	29	-
Owen Thomas	40	-
PONT	57	-
Roald Dahl Charity	-	248
Roy Castle Foundation	282	-
RSPCA	71	-
Save the Children	358	610
Soi Dogs	36	-
Sparkle	3000	-
Traidcraft Exchange	262	-
Ty Hafan	-	27
Velindre Hospital	10310	384
World Wildlife Fund	-	-
	<u>16,882</u>	<u>4,309</u>

The School supported 18 charities and raised £16,882 in the year ended 31 August 2018.

ROUGEMONT SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

ROUGEMONT SCHOOL AND THE COMMUNITY (PUBLIC BENEFIT) (continued)

4. Career development and workplace training

Rougemont School welcomes individuals who wish to undertake practical work experience in the school as part of their teacher or childcare training. The school donates its resources, in most cases freely, to help in the training and supervision of these students. During the year under review there were 2 student placements.

5. Working closely with local community groups

The School continues to work closely with its neighbours in the local community. The School views its relationship with St Anne's Hospice, a local cancer charity, as one which accords with its ethos of responsibility within the wider community. The School also opens its facilities for use to the general public, through local sporting, dance and drama groups. Letting of facilities for these activities is given in some cases free of charge or charged at concessionary rates to enable as many local user groups to enjoy the excellent facilities Rougemont has to offer.

6. Saving to the Public Purse

The School relieves the pressure to provide places in the maintained sector by independently educating 528 children, of compulsory school age, which saved the public purse an estimated £2,455,728 in the year ended 31 August 2018. This illustrative estimate is calculated by assuming a rate of £4,651 per place in the state sector.

PLANS FOR FUTURE PERIODS

The Board's detailed direction to the Headmaster and Senior Management Team for the next academic year remains unchanged. The areas of particular interest and attracting priority during the next 5 years are:

- **Widening Accessibility**
The School is to continue its efforts to widen accessibility. The School's continued commitment to awarding new scholarships and increasing bursary assistance remains a corner stone of this policy. The importance of letting the School's first class facilities to external organisations, such as community groups, sports clubs, holiday clubs and others remains of immense importance in the School's aspirations to demonstrate real public benefit.
- **Academic Success**
The excellent academic success enjoyed in recent years is evidence of the value added by a Rougemont education. This continued success in the classroom, balanced by fine extra-curricular activities, remains a high priority.
- **Maintenance of facilities**
The Board acknowledges the importance of providing sufficient resources for the continuing routine reactive and preventative maintenance of the buildings, fixtures, fittings and grounds of Rougemont School, including the historical building Llantarnam Hall and the protected woodland surrounding the School. During the coming five years this will remain a high priority.
- **Improvement of Facilities**
The Board wishes the School to continue to improve the facilities for the use of the School and the wider community. With this in mind the School has a detailed plan of capital work, under continuous review, designed to greatly improve the internal and external facilities available for use. This includes the new Refectory, Auditorium and Sixth Form building.

ROUGEMONT SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

GOVERNORS' RESPONSIBILITIES

The Governors (who are also directors of Rougemont School Trust Limited for the purposes of company law) are responsible for preparing the Governors' 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 judgements 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 Governors 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

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

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

AUDITORS

The re-appointment of haysmacintyre as auditors for the ensuing year will be considered at the Annual General Meeting in accordance with section 485 of the Companies Act 2006.

The Governors' report including the strategic report was approved and authorised for issue by the Board of Directors (Governors) at its meeting on *5 December* 2018 and signed on its behalf by:

S. Desai
.....

S. Desai
Chairperson

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROUGEMONT SCHOOL TRUST LIMITED

Opinion

We have audited the financial statements of Rougemont School Trust Limited for the year ended 31 August 2017 which comprise of the Statement of Financial Activities, Balance Sheet, Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of the charitable company's net movement in funds, including the 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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.

Responsibilities of governors for the financial statements

As explained more fully in the governors' responsibilities statement set out on page 11, the governors (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 governors 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 governors 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 governors either intend to liquidate the 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 located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 governors use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ROUGEMONT SCHOOL TRUST LIMITED (continued)**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions 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 Governors' Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Report (which incorporates the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception


In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

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.


.....
Richard Weaver (Senior Statutory Auditor)
For and on behalf of Haysmacintyre, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date : 13 December 2008

ROUGEMONT SCHOOL TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2018
(Incorporating Income & Expenditure Account)

	Notes	Unrestricted funds General Funds £	Designated Funds £	Total 2018 £	Total 2017 £
INCOME FROM:					
Charitable Activities					
School fees	2	5,396,050	-	5,396,050	5,567,024
Ancillary trading income	3	608,407	-	608,407	472,521
Other Trading Activities					
Other income	5	45,384	-	45,384	33,479
Investment Income					
Bank and other interest	6	793	-	793	1,081
Income from Donations and Legacies					
Grants and donations	4	17,881	-	17,881	743
TOTAL INCOME		<u>6,068,515</u>	<u>-</u>	<u>6,068,515</u>	<u>6,074,848</u>
EXPENDITURE					
Raising Funds					
Financing Costs	9	31,075	-	31,075	51,924
Charitable Activities					
Education and grant making	8	5,772,634	-	5,772,634	5,825,926
TOTAL EXPENDITURE		<u>5,803,709</u>	<u>-</u>	<u>5,803,709</u>	<u>5,877,850</u>
NET INCOME BEFORE TRANSFERS		<u>264,806</u>		<u>264,806</u>	<u>196,998</u>
Transfer between funds		<u>(498,545)</u>	<u>498,545</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS AFTER TRANSFERS		<u>(233,739)</u>	<u>498,545</u>	<u>264,806</u>	<u>196,998</u>
RECONCILIATION OF FUNDS					
Funds as at 1 September 2017		<u>7,910,521</u>	<u>6,726,985</u>	<u>14,637,506</u>	<u>14,440,508</u>
FUNDS CARRIED FORWARD AT 31 AUGUST 2018	17	<u><u>7,676,782</u></u>	<u><u>7,225,530</u></u>	<u><u>14,902,312</u></u>	<u><u>14,637,506</u></u>

The notes on pages 18 to 32 form part of these financial statements.

The Statement of Financial Activities includes all gains and losses recognised in the year. All amounts derive from continuing activities. All income and expenditure in both years are unrestricted and therefore a comparable Statement of Financial Activities is not required.

ROUGEMONT SCHOOL TRUST LIMITED

Company number: 01178886

BALANCE SHEET
AS AT 31 AUGUST 2018

	Notes	£	2018 £	£	2017 £	£
FIXED ASSETS						
Tangible assets	11		17,170,244			15,164,853
CURRENT ASSETS						
Debtors	12	122,460			104,440	
Cash at bank and short term deposits		743,825			144,849	
		<u>866,285</u>			<u>249,289</u>	
CREDITORS: amounts falling due within one year	13	<u>(961,624)</u>			<u>(653,492)</u>	
NET CURRENT LIABILITIES				<u>(95,339)</u>		<u>(404,203)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				17,074,905		14,760,650
CREDITORS: amounts falling due after more than one year	14		<u>(2,172,593)</u>			<u>(123,144)</u>
NET ASSETS			<u>14,902,312</u>			<u>14,637,506</u>
FUNDS						
UNRESTRICTED FUNDS						
General fund -Revaluation reserve	17	7,676,782			7,910,521	
Designated funds	17	<u>7,225,530</u>			<u>6,726,985</u>	
			14,902,312			14,637,506
TOTAL FUNDS			<u>14,902,312</u>			<u>14,637,506</u>

The financial statements were approved and authorised for issue by the Board of Governors on 5/12/2018 and were signed below on its behalf by:



S Desai
Chairperson

The notes on pages 18 to 31 form part of these financial statements.

ROUGEMONT SCHOOL TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

		2018		2017	
		£	£	£	£
CASH FLOWS FROM OPERATING ACTIVITIES					
Net cash inflow/(outflow) from operations					
Net cash provided by/(used in) operating activities	19		956,760		645,014
			<u>956,760</u>		<u>645,014</u>
Cash flows from investing activities					
Payments to acquire tangible fixed assets		(2,347,924)		(659,054)	
Receipts on disposal of tangible fixed assets		-		-	
Investment income		793		1,081	
		<u>793</u>		<u>1,081</u>	
Net cash (used in)/provided by investing activities			(2,347,131)		(657,973)
			<u>(2,347,131)</u>		<u>(657,973)</u>
Cash inflow before financing			(1,390,371)		(12,959)
			<u>(1,390,371)</u>		<u>(12,959)</u>
Cash flows from financing activities					
Repayments and bank borrowings		2,000,024		(320,792)	
Net inflow/(outflow) in respect of finance					
Leases		21,335		(9,275)	
Finance costs paid		(32,012)		(56,245)	
		<u>21,335</u>		<u>(9,275)</u>	
Net cash outflow from financing			1,989,347		(386,312)
			<u>1,989,347</u>		<u>(386,312)</u>
Change in cash and cash equivalents in the reporting period			598,976		(399,271)
			<u>598,976</u>		<u>(399,271)</u>
Cash and cash equivalents at the beginning of the reporting period			144,849		544,120
			<u>144,849</u>		<u>544,120</u>
Cash and cash equivalents at the end of the reporting period	20		743,825		144,849
			<u>743,825</u>		<u>144,849</u>

The notes on pages 18 to 31 form part of these financial statements.

ROUGEMONT SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES

1.1 Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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.

As highlighted in the Governors' Report, having assessed the School's financial position, the plans for the foreseeable future, the risks to which the School is exposed and the detailed cash projections, the Governors are satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 29th July 1974 (company number: 1178886) and registered as a charity on 24th October 1974 (charity number: 532341)

Critical Accounting Judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

The Governors consider the following items to be areas subject to estimation and judgement:

Depreciation:

The useful economic lives of tangible fixed assets are based on management's judgement and experience. When management identifies that accrual useful economic lives differ materially from the estimates used to calculate depreciation, that charge is adjusted retrospectively. Although tangible fixed assets are significant, variances between actual and estimated useful economic lives will not have a material impact on the operating results. Historically, no changes have been required.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following principal accounting policies have been applied:

1.2 Income

All income and endowments are recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Rents are stated gross and are included on an accruals basis. Interest is included on an accruals basis.

ROUGEMONT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

1.2 Income (continued)

Donations and legacies and other voluntary income

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

Donations received for the general purposes of the School are credited to Unrestricted Funds. Donations Subject specific wishes of the donors are credited to the relevant Restricted Funds, where the amount is held as expendable capital, or to Endowment Funds.

Legacies are recognised when the School has entitlement to the funds, the amount can be reliably quantified and the economic benefit to the School is considered probable. Entitlement is the earlier of the School being notified of an impending distribution or the legacy being received.

Fees and similar earned income

Fees receivable and charges for services and use of the premises are accounted for in the year in which the services are provided. Fees receivable are stated after deducting bursaries, scholarships and other remissions allowed by the School.

Registration fees are non-refundable and are credited to income when received.

Deposits are included as a liability until refunded or, on ceasing to be refundable, are credited to income. Advance fees are credited to income as and when they fall due.

1.3 Expenditure

Expenditure is accounted for on an accruals basis where there is a legal and constructive obligation to make a payment to a third party and the amount of the obligation can be measured reliably, expenditure is allocated to the appropriate headings relevant to the charitable activities on a direct basis. Support costs mainly represent office administration. Irrecoverable VAT is charged to the Statement of Financial Activities as incurred. Governance costs comprise the costs of running the School, including strategic planning for its future development, external audit, legal advice and all the costs of complying with constitutional and statutory requirements. Charitable expenditure represents the costs of running the School including salaries, catering, premises and welfare costs. Costs of raising funds include non-ancillary trading, financing, investment management and fundraising and development costs.

1.4 Tangible Fixed Assets and Depreciation

All fixed assets are initially recorded at cost. Revaluation of Tangible assets: Under the previous GAAP, the charitable company had a policy of revaluing its land and buildings. On transition to FRS 102 the charitable company elected to use the previous valuation of land and buildings as at 31 August 2014 as the deemed cost for that asset.

1.5 Depreciation

Depreciation is provided on fixed assets to write off the cost or valuation over their estimated useful economic lives at the following rates:

Freehold buildings	-	2% on cost or valuation
Fixtures and fittings	-	20% on reducing balance
Computers	-	25% on cost
Sports facilities	-	10% on cost
Agricultural Equipment	-	25% on reducing balance
Motor Vehicles	-	25% on cost

ROUGEMONT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

1.6 Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the statement of financial activities on a straight line basis.

1.7 Finance lease agreements

Assets acquired under finance lease contracts are capitalised economic lives. Obligations under such contracts are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the income and expenditure account in equal annual instalments over the length of the contract.

1.8 Operating lease agreements

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly on a straight-line basis over the lease term.

1.9 Fund accounting

The School has three types of funds:

- Endowment – where the capital is held in perpetuity to generate distributable income;
- Restricted – where the purpose for which the funds may be used has been restricted by donors; and
- Unrestricted – where the fund is not restricted as to use other than in furthering the objects of the School. These include Designated Funds, where the funds are unrestricted but the Governors have designated them for a specific purpose.

1.10 Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and cash equivalents, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and cash equivalents is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

Debtors and creditors

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

Bank borrowings

Liabilities for borrowings which are subject to a market rate of interest are measured at the value of the amount advanced, less capital repayments.

Advance Fees Fund

The Charity has an advance fees scheme whereby parents and others make advance payments, which together with the discount accruing thereon, provide for a set contribution each term towards the pupils' fees.

ROUGEMONT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

The capital portion outstanding is recognised as a liability and the amount of discount crystallised in the year is included in the Statement of Financial Activities.

Provisions for liabilities

Provisions are made where an event has taken place that gives the School a legal or constructive obligation that probably requires settlement by a transfer of economic benefits, and a reliable estimate can be made of the amount of the obligation.

1.11 Staff Benefits Including Pension costs

The school contributes to the following schemes:

- i. The School contributes to the Teachers' Pension Scheme. This is a multi-employer pension scheme and it is not possible to identify the School's share of the underlying assets and liabilities on a consistent and reasonable basis. Therefore, As required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.
- ii. a contributory Group Personal Pension Plan. This is a defined contribution scheme, contributions to the plan are made in accordance with the rules of the plan and are charged to expenditure when they are payable. Pension costs are charged as a percentage of salaries and paid over to Scottish Widows on a monthly basis.

Short term benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accruals basis and in accordance with FRS 102.

1.12 Bursary fund

Bursary assistance continues to be given on a means tested basis, however, this is achieved by discounting ongoing fee income.

1.13 Auditorium and Refectory fund

The Auditorium and Refectory designated fund has been created for the development of a new facility on the site of the previously destroyed canteen, which perished during a fire in the year ended 31st August 2008.

1.14 VAT Registration

The School became VAT registered as a group as of 1st April 2017.

ROUGEMONT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

2. CHARITABLE ACTIVITIES – SCHOOL FEES

	2018 £	2017 £
Gross fees	6,058,698	6,099,667
Bursaries	(302,851)	(197,784)
Scholarships	(128,829)	(110,392)
Fee discounts – Sibling	(86,159)	(96,463)
Staff discounts	(137,792)	(125,519)
Discounts on fees in advance	(7,017)	(2,485)
Less: Total bursaries, grants and allowances	(662,648)	(532,643)
Add back: Scholarships, grants etc paid for by restricted funds	-	-
	<u>5,396,050</u>	<u>5,567,024</u>

Bursaries totalling £302,851 were paid to 30 pupils (2017: £197,784 to 33 pupils)

Scholarships totalling £128,829 were paid to 39 pupils (2017: £110,392 to 37 pupils)

3. ANCILLARY TRADING INCOME

	2018 £	2017 £
Registration fees	4,620	3,000
Transport recoveries general	141,251	135,731
Catering recoveries	198,743	187,497
School trips	258,270	141,371
Charges for late payment of fees	723	122
Other	4,800	4,800
	<u>608,407</u>	<u>472,521</u>

4. GRANTS AND DONATIONS

	2018 £	2017 £
Donations	17,881	743

5. OTHER INCOME

	2018 £	2017 £
Lettings	45,384	33,479

6. BANK AND OTHER INTEREST

	2018 £	2017 £
Bank interest receivable	793	1,081

ROUGEMONT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

7. STAFF COSTS	2018 £	2017 £
Total staff costs comprised:		
Wages and salaries	3,435,291	3,497,797
Social security costs	306,626	313,728
Pension contributions	418,270	421,794
Redundancy Costs	12,658	64,590
	<u>4,172,845</u>	<u>4,297,909</u>

None of the Governors received any remuneration or other benefit from the School or from any connected body. No reimbursements were made to trustees during the year (£2017: Nil) see note 18 for further details.

	2018 No.	2017 No.
The average number of employees in the year, was as follows:		
Teaching staff	69	70
Support staff	59	62
Number of staff	<u>128</u>	<u>132</u>

The number of employees whose emoluments for the year fell within the following bands were:

£60,000 - £69,999	2	1
£90,000 – £99,999	1	1
£100,000 - £109,999	-	-

Employer pension contributions for the higher earners total £31,964 (2017: £15,662)

Aggregate employee benefits of Key Management Personnel	350,437	371,350
	<u>350,437</u>	<u>371,350</u>

During the year termination and redundancy payments totalled £12,658 (2017: £64,590)

ROUGEMONT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

8. ANALYSIS OF EXPENDITURE 2018

	Staff costs	Other	Depreciation	2018
	£	£	£	£
Charitable expenditure:				
Raising Funds	--	31,075	--	31,075
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	--	31,075	--	31,075
School Activities				
Teaching	3,204,452	190,718	65,164	3,460,334
Welfare	153,018	119,548	-	272,566
Premises	307,501	324,461	257,838	889,800
Support and governance costs	495,217	635,185	19,532	1,149,934
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	4,160,188	1,269,912	342,534	5,772,634
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	4,160,188	1,300,987	342,534	5,803,709
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Support costs and other governance costs relates to the one activity of running a school. Other support costs consist principally of the following: -

	2018
	£
Legal and professional fees	120,303
Telephones, postage, stationery and other costs	79,761
Advertising, marketing & PR expenditure	56,437
Transport, trips including related costs	347,259
Other costs	20,226
	<u> </u>
	623,986
	<u> </u>

Grants awards and prizes

2018

From Unrestricted Funds

Bursaries and other grants and awards	302,851
Prizes and leaving awards	5,374
	<u> </u>
	308,225
	<u> </u>

ROUGEMONT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

ANALYSIS OF EXPENDITURE 2017

	Staff costs £	Other £	Depreciation £	2017 £
Charitable expenditure:				
Raising Funds		51,924		51,924
School Activities				
Teaching	3,249,033	198,437	75,159	3,522,629
Welfare	143,583	115,877	-	259,460
Premises	318,050	327,785	266,160	911,995
Support and governance costs	522,652	589,531	19,659	1,131,842
	<u>4,233,318</u>	<u>1,283,554</u>	<u>360,978</u>	<u>5,877,850</u>

9. FINANCE AND OTHER COSTS

	2018 £	2017 £
Bank charges and interest	32,012	56,245
Hire purchase and finance lease costs	3,793	2,785
Other	(4,730)	(7,106)
	<u>31,075</u>	<u>51,924</u>

10. NET INCOME FOR THE YEAR

	2018 £	2017 £
This is stated after charging:		
Staff pension contributions	418,270	421,794
Disposal of fixed assets	-	-
Depreciation	342,534	360,977
Auditors' remuneration:		
- audit of financial statements (excluding VAT)	15,060	15,060
-for other services (excluding VAT)	1,790	1,445
Operating lease costs:		
- Other	56,907	59,525
	<u>834,561</u>	<u>858,801</u>

ROUGEMONT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

11. TANGIBLE FIXED ASSETS	Land and Buildings £	Building Development £	Fixtures & Fittings £	Sports Facilities £	Computers £	Motor Vehicles £	Total £
Cost							
At 1 September 2017	14,376,330	748,418	843,352	434,700	193,042	178,135	16,773,9
Additions	-	2,240,676	45,627	21,669	38,749	1,204	2,347,9
Disposals	-	-	-	-	-	-	-
At 31 August 2018	14,376,330	2,989,094	888,979	456,369	231,791	179,339	19,121,9
Depreciation							
At 1 September 2017	595,680	-	562,636	172,759	163,300	114,749	1,609,1
Charge for the year	198,560	-	59,278	43,651	21,513	19,532	342,1
Disposals	-	-	-	-	-	-	-
At 31 August 2018	794,240	-	621,914	216,410	184,813	134,281	1,951,0
Net Book Value							
At 31 August 2018	13,582,090	2,989,094	267,065	239,959	46,978	45,058	17,170,2
At 31 August 2017	13,780,650	748,418	280,717	261,941	29,742	63,386	15,164,3
12. DEBTORS						2018 £	2017 £
School fees						47,248	37,1
Prepayments						75,212	32,8
Other Debtors – VAT						-	34,4
						<u>122,460</u>	<u>104,4</u>
13. CREDITORS: amounts falling due within one year						2018 £	2017 £
Bank loans and overdrafts (secured)						83,710	54,0
Trade creditors						187,535	36,4
Autumn 2018 fees paid						262,304	174,9
Advance fee payment schemes						71,739	41,4
Pupil deposits						114,500	152,7
Amounts owed to group undertakings						400	4
Other taxes and social security						69,378	75,2
Other creditors						118,546	79,7
Accruals						38,820	30,9
Hire purchase agreements						14,692	7,4
						<u>961,624</u>	<u>653,4</u>

ROUGEMONT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

14. CREDITORS: amounts falling due after more than one year	2018 £	2017 £
Bank loans	2,016,400	46,001
Advance fee payment schemes	114,749	49,800
Hire purchase agreements	41,444	27,343
	<u>2,172,593</u>	<u>123,144</u>

Advanced fee payments:

Parents may enter into a contract to pay to the school up to the equivalent of five years' tuition fees in advance and the amount received forms part of the schools working capital. It is treated as deferred income, until the pupils fees become due whereupon the fees for each school term are charged against the remaining balance and taken to income. A discount rate is agreed at the contracts inception and this is treated as a deduction from the school fee income in the relevant period. The money may be returned subject to specific conditions on the receipt of one term's notice.

Assuming pupils will remain in the School, advance fees will be applied as follows:

	2018 £	2017 £
After 5 years	12,588	-
Within 2 to 5 years	55,655	19,560
Within 1 to 2 years	46,506	30,240
	<u>114,749</u>	<u>49,800</u>
Within one year	71,739	41,432
	<u>186,488</u>	<u>91,232</u>

The balance represents the accrued liability under the contracts, and the movements during the year were:

	2018 £	2017 £
Balance at 1 September 2017	91,232	120,240
New contracts	159,909	22,054
Amounts accrued to contracts	3,642	2,485
	<u>254,783</u>	<u>144,779</u>
Amounts utilised in payment of fees	(68,295)	(53,547)
Balance at 31 August 2018	<u>186,488</u>	<u>91,232</u>

ROUGEMONT SCHOOL TRUST LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 AUGUST 2018****14. CREDITORS: amounts falling due after more than one year (continued)****Bank loans:**

The bank loan creditor falling due within one year and after more than one year is secured by the company and is disclosed as follows:

	2018 £	2017 £
After 5 years	1,719,560	-
Within 2 to 5 years	225,091	-
Within 1 to 2 years	71,749	45,767
	<u>2,016,400</u>	<u>45,767</u>
Within one year	83,710	54,085
	<u>2,100,110</u>	<u>99,852</u>

The bank overdraft and bank loans are secured by a first legal charge over the freehold property known as Llantarnam Hall and Llantarnam Hall Wood, Torfaen, Gwent dated 28 August 2006 valued at £5.7million, newer buildings more recently constructed and an unscheduled Mortgage Debenture dated 18th April 2002 incorporating a fixed and floating charge over all current and future assets of the charity. The loan is repayable by 2019 rate of interest paid is variable. The school has entered into two new loans, the first is for £2,275,000 and began drawdown in September 2017 and the second is for £1,100,000 which is due to begin drawdown in October 2018. Both are secured by a first legal charge over the freehold property known as Llantarnam Hall and its associated assets and a debenture.

Hire purchase and finance leases:

The liabilities under hire purchase agreements are secured over the assets to which they relate and are disclosed as follows:

	2018 £	2017 £
After 5 years	-	-
Within 2 to 5 years	26,752	19,886
Within 1 to 2 years	14,692	7,457
	<u>41,444</u>	<u>27,343</u>
Within one year	14,692	7,457
	<u>56,136</u>	<u>34,800</u>

ROUGEMONT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

15. Financial Instruments

	2018	2017
	£	£
Financial assets measured at amortised and cash (a)	791,073	214,850
Financial liabilities measured at amortised cost (b)	(3,064,839)	(701,388)
Net financial assets measured at amortised cost	(2,273,766)	(486,538)
(a) Financial assets include cash, trade and fee debtors, staff loans and other debtors.		
(b) Financial liabilities include deposits, fees in advance, trade creditors, other creditors, accruals, bank loans and hire purchase agreements.		

16. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2018 the company had the following future minimum operating payment as set out below.
The charge to the Statement of Financial Activities is £42,724 (2017: £45,545)

	Assets other than land and buildings	
	2018	2017
	£	£
Operating leases which expire:		
Within 2 to 5 years	10,516	42,545
Over 5 years	130,738	141,612
	<u>141,254</u>	<u>184,157</u>

17. STATEMENT OF FUNDS	Balance at 1 September 2017	Income	Expenditure	Gains/Loss Revaluation & Transfers	Balance at 31 August 2018
	£	£	£	£	£
Unrestricted funds					
General funds					
Other reserves	-	6,068,515	(5,803,709)	(264,806)	-
Revaluation reserve	7,910,521	-	-	(233,739)	7,676,782
Total general funds	<u>7,910,521</u>	<u>6,068,515</u>	<u>(5,803,709)</u>	<u>(498,545)</u>	<u>7,676,782</u>
Designated funds					
Auditorium & Refectory fund	521,556	-		(521,556)	-
Fixed Asset Reserve fund	6,205,429	-	-	1,020,101	7,225,530
Total Unrestricted funds	<u><u>14,637,506</u></u>	<u><u>6,068,515</u></u>	<u><u>(5,803,709)</u></u>	<u><u>-</u></u>	<u><u>14,902,312</u></u>

ROUGEMONT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

	Balance at 1 September 2016 £	Incoming Resources £	Resources Expended £	Gains/Loss Revaluation & Transfers £	Balance at 31 August 2017 £
Unrestricted funds					
General funds					
Other reserves	-	6,074,848	(5,877,850)	(196,998)	-
Revaluation reserve	8,357,999	-	-	(447,478)	7,910,521
Total general funds	8,357,999	6,074,848	(5,877,850)	(644,476)	7,910,521
Designated funds					
Auditorium & Refectory fund	521,556	-	-	-	521,556
Fixed Asset Reserve fund	5,560,953	-	-	644,476	6,205,429
Total Unrestricted funds	14,440,508	6,074,848	(5,877,850)	-	14,637,506

Designated Fund - Auditorium & Refectory fund - This fund was set up to support the construction of the new auditorium and refectory. At the year-end the build was in progress and the designated funds had been spent. Fixed Asset Reserve fund – The fund has been set up to separately build up balances to match the net book value of fixed assets excluding the revaluation reserve. Unrestricted funds represent accumulated income of the school that are available for the general purposes of the school.

The Comparative Statement of Funds note can be obtained from the published and authorised accounts from the Charity Commission website.

18. RELATED PARTY TRANSACTIONS

As at 31 August 2018, Rougemont School Trust Limited owed £400 to Rougemont School Activities Limited, a non-trading subsidiary which has been dormant throughout the year.

Three Governors had children who were pupils at Rougemont School during the year (2017: one). School fees paid and discounts received were at the same rate and on the same terms as for all other parents of pupils at the school. These Governors are not involved in decision making processes relating to their own children. Governors are not remunerated for their duties, however, they are reimbursed travelling costs to attend meetings from time to time. No Governors were reimbursed for travel costs in the year £Nil (2016: £Nil). There were no governor costs paid to third parties during the year.

R S Green Limited invoiced costs of £34,000 (2017: £40,883) to the School for works associated with the new refectory and auditorium new building project. The Governor (Richard Green) is a director of R S Green Limited. No amounts were outstanding at year end (2016: Nil).

Facilities Manager's domestic partner holds a key position within DT Consulting who have invoiced the school for £18,297 (2017: £11,056). £14,505 was outstanding at the year end (2017: Nil).

ROUGEMONT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

19. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2018 £	2017 £
Net income before transfers	264,806	196,998
Elimination of non-operating cash flows:		
Add: interest payable	32,012	56,245
Less: interest receivable	(793)	(1,081)
	<u>296,025</u>	<u>252,162</u>
Loss on disposal of fixed assets	-	-
Depreciation	342,534	360,978
Decrease/(increase) in debtors	(18,020)	(6,539)
Increase/(decrease) in creditors	336,221	38,413
	<u>956,760</u>	<u>645,014</u>

20. ANALYSIS OF CASH AND CASH EQUIVILENTS	At 1 September 2017 £	Cash flows £	At 31 August 2018 £
Cash in hand and at bank	144,849	598,976	743,825
Overdrafts	-	-	-
	<u>144,849</u>	<u>598,976</u>	<u>743,825</u>

21. TRADING SUBSIDIARY

Rougemont School Trust Limited hold 100% of the share capital in Rougemont School Activities Limited, a company registered in the United Kingdom. This company has been dormant throughout the year ended 31 August 2018 and therefore its losses before taxation are £Nil (2017: £Nil). At the 31 August 2018 the net assets of this company were £412 (2017: £412). Rougemont School Trust Limited has deemed it unnecessary to consolidate this subsidiary on grounds of non-materiality. The School plans to begin trading through Rougemont School Activities Ltd in September 2018.

ROUGEMONT SCHOOL TRUST LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2018 FOR MANAGEMENT PURPOSES ONLY

22. PENSION COMMITMENTS

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £386,345 (2017: £389,339) and at the year-end £Nil (2017 - £Nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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

This employer rate will be payable until the completion and outcome of the next actuarial valuation which is being prepared as at 31 March 2016. Her Majesty's Treasury published draft Directions for the TPS on 6 September 2018 to allow the Department for Education to finalise this valuation. Early indications from the valuation are that the amount employers will be required to pay towards the scheme may increase substantially from September 2019.

There are also indications that the protections in the new cost cap mechanism required by the Public Service Pensions Act 2013 mean public sector workers will get improved pension benefits for employment over the period April 2019 to March 2023.

Non-teaching staff are offered membership of Scottish Widows, a defined contribution scheme (Group Personal Pension Plan), to which the school contributes between 2% and 5%. The amount contributed into the scheme by the employer amounted to £33,694 (2017: £34,225). Employees contribute the same amount as the employer into the scheme.

23. CAPITAL COMMITMENTS

The Governors had approved expenditure of £4,126,800 for the new refectory and auditorium building. As at 31st August 2018 total spend of £2,989,094 had been incurred. The remaining balance of £1,137,706 will be incurred during the 18-19 year.

ROUGEMONT SCHOOL TRUST LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2018

FOR MANAGEMENT PURPOSES ONLY

	2018	2017
Average number of pupils	523	541
INCOME		
INCOME FROM CHARITABLE ACTIVITIES	2017	2017
SCHOOL FEES	£	£
Gross fees	6,058,698	6,099,667
Bursaries	(302,851)	(197,784)
Scholarships	(128,829)	(110,392)
Fee discounts – Sibling	(86,159)	(96,463)
Staff discounts	(137,792)	(125,519)
Discounts on fees in advance	(7,017)	(2,485)
Less: Total bursaries, grants and allowances	(662,648)	(532,643)
Add back: Scholarships, grants etc paid for by designated/restricted funds	-	-
School fees	5,396,050	5,567,024
OTHER EDUCATIONAL INCOME		
Registration fees	4,620	3,000
Transport recoveries general	141,251	135,731
Catering recoveries	198,743	187,497
School trips	258,270	141,371
Charges for late payment of fees	723	122
Other	4,800	4,800
	608,407	472,521
VOLUNTARY INCOME		
Donations -	17,881	743
	17,881	743
NON-ANCILLARY TRADING INCOME		
Lettings	45,384	33,479
	45,384	33,479
INVESTMENT INCOME		
Bank Interest receivable	793	1,081
	793	1,081
OTHER INCOME		
Other Income	-	-
	-	-
TOTAL INCOME	6,068,515	6,074,848

ROUGEMONT SCHOOL TRUST LIMITED**DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2018****FOR MANAGEMENT PURPOSES ONLY (continued)**

EXPENDITURE	2018 £	2017 £
CHARITABLE ACTIVITIES		
Teaching		
Staff costs:		
- Wages and salaries	2,541,109	2,574,680
- Employers NIC	250,878	259,731
- Pension costs	386,345	389,339
Other teaching support costs	(135)	10,897
Teacher training and recruitment	40,149	40,081
Educational equipment, books and materials	122,157	123,094
Departmental copying and supplies	43,750	43,322
Examination costs and prizes	10,916	6,326
Depreciation – computers and sports facilities	65,164	75,159
	<u>3,460,333</u>	<u>3,522,629</u>
Welfare		
Medical:		
- Medical and nursing salaries	21,511	19,478
- Medical expenses		
School meals:		
- Catering wages and salaries	121,737	115,120
- Employer NIC	5,609	4,052
- Pension costs	4,161	4,933
- Catering food, materials and clothing	117,846	113,074
Hospitality:		
- Function costs	1,703	2,803
	<u>272,567</u>	<u>259,460</u>
Premises		
Maintenance staff:		
- Wages and salaries	160,860	150,549
- Employers NIC	13,306	12,634
- Pension costs	8,469	7,522
Premises repairs and renewals	135,411	139,731
Cleaning:		
- Cleaning salaries	81,520	91,745
- Cleaning material and services	19,482	37,945
Security:		
- Security wages	43,346	55,569
- Maintenance contracts and related costs	11,408	12,485
Miscellaneous:		
- General insurance	38,068	37,338
- Fuel (electricity and gas)	78,668	64,405
- Rates (general and water)	41,424	35,882
Depreciation – Buildings and Fixtures	257,838	266,160
	<u>889,800</u>	<u>911,995</u>

ROUGEMONT SCHOOL TRUST LIMITED**DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2018****FOR MANAGEMENT PURPOSES ONLY (continued)**

EXPENDITURE (continued)	2018 £	2017 £
CHARITABLE ACTIVITIES		
Support costs of schooling: administration & financing costs		
Administration staff costs:		
- Administration salaries	354,584	375,655
- Employers NIC & Apprenticeship Levy	32,193	31,919
- Pension costs	19,295	19,969
Admin training, recruitment and support	42,434	31,252
Telephones and postage	19,795	20,036
Stationery, printing and IT	59,966	68,118
Advertising, marketing and PR	56,437	88,000
Subscriptions	12,937	15,279
Legal and professional fees	63,474	37,624
Redundancy Costs	12,658	64,590
School Minibus Service:		
- Driver wages and salaries	64,174	71,387
- Employers NIC & Pensions	4,640	5,392
- Bus hire and Minibus leasing	56,907	59,525
- Minibus insurance	9,600	9,600
- Minibus expenses	26,944	32,148
School trip expenses	253,808	140,553
Depreciation – Motor vehicles	19,532	19,659
Disposal of fixed assets	-	-
Bank charges	14,205	45,597
Bank interest	-	422
Loan interest	17,807	10,226
HP and finance lease charges	3,793	2,785
Bad debt provision	(4,730)	(7,106)
	<u>1,140,451</u>	<u>1,145,630</u>
Governance costs		
Apportioned Salaries	20,332	18,330
Audit fees	20,226	19,806
Other professional fees	-	-
Costs of governor meetings	-	-
	<u>40,558</u>	<u>38,136</u>
TOTAL EXPENDITURE	<u>5,803,709</u>	<u>5,877,850</u>
NET INCOME FOR THE YEAR	<u>264,806</u>	<u>196,998</u>

