

Charity Registration No. 1153948

Company Registration No. 08652238 (England and Wales)

BISHOP CHALLONER SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

BISHOP CHALLONER SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Chair of Trustees	Patricia Mary Colling (Appointed as Chair from 1 September 2018)	
Trustees	Michael Vernon Cronin Patricia Mary Colling Susanne Gabriela Owen Rev Fr Stephen Wymer Philip Walter Huggett Mary Anne Noone Susannah Mary Watchorn Dean Lee Lake	(Appointed 29 November 2017) (Appointed 29 November 2017) (Appointed 29 November 2017) (Appointed 14 March 2018)
Charity number	1153948	
Company number	08652238	
Principal address	228 Bromley Road Shortlands Kent BR2 0BS	
Registered office	228 Bromley Road Shortlands Kent BR2 0BS	
Auditors	Ledger Sparks Audit LLP Airport House Suite 43-45 Purley Way Croydon Surrey CR0 0XZ	
Head Teacher	Mrs P Anderson	
Bursar	Mr D Rolls	

**BISHOP CHALLONER SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
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BISHOP CHALLONER SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees of the charity, who are also the Directors of the company, Bishop Challoner School ("the School"), present their annual report and the audited financial statements for the School for the Year Ended 31 August 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Bishop Challoner School's constitution, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities" applying FRS102.

Objectives and activities

Bishop Challoner is an independent Catholic school that also provides educational opportunities for non-Catholics. The school aims to provide a broad general education for 3 to 18-year-old boys and girls. The "all-through" education provides them with a good moral grounding, outstanding pastoral care and excellent academic success. Bishop Challoner provides a supportive, nurturing and caring environment for the pupils and pupils support the Catholic ethos of the school. Catholicity is at the heart of the school and the constitution provides for strong Catholic leadership both from the teaching staff and Trustees.

We aim to:-

- recognise each individual as a unique part of God's creation and respect the human dignity of all members of the community;
- encourage each pupil to achieve his or her full potential in all areas including academic, creative, emotional and physical;
- celebrate and value personal success and achievement in all areas;
- provide a balanced curriculum which is responsive to and supportive of all needs and aspirations, fostering both intellectual curiosity and academic achievement;
- create a positive and supportive environment where high expectations are the norm;
- provide high quality teaching by well qualified staff in a disciplined working environment; and develop a social conscience towards all members of society - locally, nationally and globally.

We work in partnership with parents to develop the talents and interests of all the young people entrusted to us. We aim to develop each individual pupil's potential, academically, personally and spiritually. We serve the wider community by making this education available to all, including those who cannot afford our fees, as far as we are able within our resources. The school awards scholarships and bursaries to enable pupils who would not otherwise be able to be educated at the school. Scholarships are offered at 11+, 13+ and 16+ for gifted and talented pupils who show potential. The school also offers means-tested bursaries.

The school educates around 371 pupils, relieving pressure on local schools, and providing a Catholic "all-through" education not otherwise available in the Borough of Bromley.

In addition, the local community benefits through such facilities as the school can offer such as entirely free accommodation for both the extremely active local scouts and another charity's local office (CAFOD).

We respond to the changing demands of young people in the wider community in ways that would not otherwise be available locally. We provide lettings to a number of after school clubs e.g. Chess, Irish dancing, fencing.

We work hard to maintain the historic listed buildings which the school is fortunate to occupy. The Trustees have paid due regard to guidance issued by the Charity Commission and the school's constitution in deciding what activities Bishop Challoner School should undertake.

BISHOP CHALLONER SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 AUGUST 2018

Achievements and performance

In 2017/18, 81 per cent of all grades were 9-4. The new top grade 9 and grade 8 included biology, chemistry, drama, French, history, religious education, English Language and Literature. Over half of all pupils studying History and French gained grades 9-7. At A level, there were many individual successes with 50 per cent of students achieving A grades in mathematics, over 60 percent of students gained A-B grades in geography, physics and English Literature. 100 per cent A-C grades were achieved in computer science, further maths, history and in the Extended Project Qualification.

Students have gone off to Russell Group and other universities to study a range of courses including, for example, robotics-electronic/mechatronic engineering at Southampton and mathematics at Exeter. Other subjects have included law, sport psychology, computer science, pharmacy, psychology, music and construction management.

Bishop Challoner has taken part in a number of competitions with the Independent Schools Association (ISA) including art where some of the Bishop Challoner pupils have been recognized for their talent. Some members of our Creative writing club have had their poems featured in a poetry anthology entitled 'The Poetry Games' by the Young Writers organisation. We had some excellent results from the Bromley Speech Festival where children had to perform their poems and readings. Bishop Challoner hosted and competed in Quiz club against other independent schools from the area. The Bishop Challoner team won the area heat and went through to the semi-finals where they produced a great performance with a score of 1,750 points.

The UK Maths Challenge has seen Year 7 and 8 pupils achieve bronze, silver and gold awards. We continue to offer the Higher Project Qualification (HPQ) and have gained some pleasing grades. The primary mathematics challenge national bonus round took place at a local independent school and our Year 5 came second out of eighteen schools.

Some of our pupils entered a Biology Challenge competition conducted by the Royal Society of Biology with 43,000 pupils taking part. A strong performance resulting in pupils achieving bronze and silver awards in addition to four pupils achieving gold awards.

Our Eco club is very strong within the school and we aim to continue to focus on saving energy and making our school 'greener' and we are now working towards our Silver Award.

Central to the school is an appreciation of the importance of service to others, a commitment furthered in the work of the pupil voice, The Model United Nations debate, and through our charitable community service and fundraising activities. Fundraising has also included collections for The Passage, a Roman Catholic charity supporting homelessness, support for a school in a remote part of Cambodia called Pong Tek, and the shoebox appeal. The children have been proactive in raising money for CAFOD World gifts by holding a film night and a busking picnic event raising money for Demelza House.

In the Nursery there have been a number of successful 'Stay and Play' days for parents of young children to bring them to the nursery for a short session. Tapestry is a continual source of enjoyment for the parents and provides regular updates for parents.

Read, Write Inc is taught every morning at Key Stage 1. Children are set according to their reading age and are assessed every eight weeks. They are becoming familiar with the programme and applying the skills to other areas of learning.

Almost every subject organises a day trip or residential experience. Many of these trips are planned to enhance pupils understanding of subjects, support their examination courses and other trips have been organised to provide challenges and contribute to pupil's personal and social development. Earlier in the year, our Year 5 and 6's enjoyed a successful residential visit to France as well as a Year 4 residential to Grosvenor Hall and a trip to the Metro Bank. Pupils have experienced a pilgrimage to Lourdes, retreats to Aylesford and Kintbury. The nursery children visited Godstone farm and Crystal Palace Park.

Retention from year 6 to 7 has remained strong and consistent with the majority of pupils transferring to the senior department. Our sixth form continues to attract more pupils externally. Pupil quality numbers continue to increase at Bishop Challoner. Emphasis and time is placed on each individual pupil to ensure they reach their full potential in music, drama, sport and in the Duke of Edinburgh Award scheme.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 AUGUST 2018

The School has had excellent take up of individual instrumental tuition. The Senior and Junior choirs continued to impress with their abilities and sang at a range of events inside and outside of school. The Junior department worked well together to put on 'A Countdown to Christmas'. Music highlights included performances at the Christmas Carol Service at St. Edmund's Church, Open Morning and Prize-Giving. Father Simplicio also leads Mass for the whole school and leads the Holy Communion in the Chapel of the Annunciation.

Our pupils have represented the school in a variety of sports ranging from individual events such as fencing, cross-country, athletics, swimming and tennis to team sports including football, rugby and netball. The junior school has had a busy year in sport with many fixtures, tournaments and house competitions with participation in cross country, football, hockey, handball and tennis.

There is an ongoing programme of maintenance and upkeep of the building and, during the year, refurbishment of corridors, internal lighting, external paintwork, and painting took place. In addition a new computer suite was created. Improvements have been made to the front of the school with the removal of the wooden fence with replacement railings.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 AUGUST 2018

Financial review

The School recorded a deficit of £84,530 for the year ending 31 August 2018, a vast improvement on the previous year's deficit of £461.5k. These losses follow a decade of surpluses which has enabled the school to build substantial reserves, currently standing at just under £2m. The Trustees are pleased with the management of the deficit and continue to support investment in the school and its facilities in a managed way. The school continues to attract academically able pupil admissions with the strong financial position providing support for greater discounts to be applied both through means tested bursaries and targeted scholarships. This allows the school to attract the most able candidates regardless of financial background whilst complying with the school's constitutional arrangements.

The previous year's substantial investment in staffing, with subject specialist teachers being recruited in part-time roles to cover any gaps in the timetable ensuring pupils receive the best education, is already paying dividends with an improvement in pupil numbers year on year leading to the current (2018-19) Year 7 senior school intake being at capacity. The improving pupil numbers have been achieved against a small reduction in salary costs during the financial year as permanent subject specialists have been appointed.

The school remains determined to nurture pupils and continues to improve its excellent exam results. The school recognizes its attractiveness in its provision of "all-through" Catholic education. Pupil retention of those already on school roll continues to be good.

Costs are continuously controlled and monitored against budget. The historic nature of the premises means that significant investment in the upkeep of the site will always be required. Maintenance projects during the year included a brand new roof for the junior block. However, substantial remedial expenditure in recent years has enabled the school to deliver more focused projects to improve the learning environment. The provision of railings at the front of the school, opening up a view of the beautiful main building, has attracted positive comments from both parents and the general public. During the financial year, the school completely renovated the senior IT suite, as well as an extensive internal redecoration programme of classrooms. Further IT investment was provided with class sets of laptops, I-Pads for the junior school and computers for the music department. The school aspires to further expand and develop its site in a prudent manner.

The Impact of Brexit

The school is aware that if the United Kingdom leaves the European Union (EU) with a deal, students may be admitted from EU countries on the latest timetable until 31 December 2020. After 31 December 2020, any EU admissions would be treated the same as overseas students from any other area. The school is not currently registered for Tier 4 sponsorship so would not be able to sponsor any overseas students into the country.

If the United Kingdom leaves the EU with "no deal", new EU students are only allowed to stay for 3 months under the transition arrangements. Therefore, any EU admissions would be treated the same as overseas students from any other area with immediate effect.

Bishop Challoner School does not believe that Brexit will make a significant difference to pupil numbers as the school admits relatively few pupils from EU countries. However, the school will continue to review pupil numbers and, if it were felt necessary, would seek to register for Tier 4 sponsorship status which would open up the EU market and beyond.

Reserves

The Balance Sheet of the School shows the net worth ('Total assets less current liabilities') of the company at a still very healthy £1.96m. Furthermore, whilst many schools' assets are tied up in the fabric of their building, Bishop Challoner School is in the strong position that net current assets make up £1.25m. The freehold of the site is owned by the Archdiocese of Southwark and is therefore not included in the School's fixed assets. Additionally, all of the School's reserves are Unrestricted Funds giving the Trustees complete freedom to target expenditure as necessary.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
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The Trustees will continue to support the drive for improving academic standards and recognize the need to maintain and develop the site to enhance the education experience and attractiveness of the environment. The Trustees have considered the pricing structure of the school and will ensure that reserves are ringfenced for future projects and not depleted for funding day-to-day operational matters. This strategic investment will be planned long term and balanced against a prudent approach to ensure the continued financial health of the school and its ability to provide an outstanding educational experience for its pupils into the future.

Plans for the future

The Trustees are satisfied that the new constitution gives them an effective framework to build on the school's many successes in the years ahead. They continue to review average use and any issues which may have adverse effects on the effectiveness of the school. Broadly the Trustees have the following aims for Bishop Challoner School:

- To maintain and sustain our current objectives whilst keeping fees at very reasonable levels compared to other local independent schools.
- To increase pupil numbers in Reception Class and to continue to retain pupils from Year 6 to Year 7.
- To maintain and develop the current site and facilities.
- To continue to develop the distinctive Catholic nature of the school.
- To continue to develop partnerships with local State Schools.
- To sustain recruitment and retention of pupils through effective Marketing of the School
- To continue to develop partnerships with local Catholic State Schools.

Structure, governance and management

The School is a charitable company (Co. No: 8652238) limited by guarantee and was incorporated on 15 August 2013.

The School is constituted under a Memorandum and Articles of Association dated 22 July 2013 (as per the Companies Act 2006 for a Company Not Having a Share Capital).

The School is a registered charity (Registered Charity No: 1153948) with a date of registration of 25 September 2013.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Margaret Brocklehurst	(Resigned 31 August 2018)
Joseph Anthony Carroll	(Resigned 29 November 2017)
Philip Gerard Patrick Cartin	(Resigned 25 June 2018)
Michael Vernon Cronin	
Patricia Mary Colling	
Susanne Gabriela Owen	
Christopher Anthony Panas	(Resigned 10 July 2018)
Rev Fr Stephen Wymer	
Philip Walter Huggett	(Appointed 29 November 2017)
Mary Anne Noone	(Appointed 29 November 2017)
Susannah Mary Watchorn	(Appointed 29 November 2017)
Dean Lee Lake	(Appointed 14 March 2018)

BISHOP CHALLONER SCHOOL
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FOR THE YEAR ENDED 31 AUGUST 2018

The School occupies its premises at 228 Bromley Road, Shortlands, Kent, BR2 0BS, under a 99 year lease dated 4 June 2014 with the start of occupancy backdated to 6 December 2013, the date of the Deed of Transfer. The Landlord is the Southwark Roman Catholic Diocesan Corporation (Co. No: 393665) registered at 59 Westminster Bridge Road, London, SE1 7JE. The property incorporates everything within the curtilage of the site including St. Catherine's Cottage (228 Bromley Road, BR2 0AB). The School sublets a room within the cottage on a rent free basis to the Catholic Agency for Overseas Development (CAFOD), a Charity registered in England and Wales with registered number 285776 whose registered office is at 55 Westminster Bridge Road, London, SE1 7JB.

Buildings and Contents Insurance are held in joint names between Bishop Challoner School and the Diocese through the Catholic Church Insurance Association. All other insurances in respect of Bishop Challoner School are held solely by the School (including Public Liability Insurance, Employer's Liability Insurance and Governors' Liability Insurance).

Governance and Management

The School was governed during the year by a voluntary Board of Governors, chaired by Margaret Brocklehurst, who resigned at the end of the academic and financial year on 31 August 2018.

There were two other departures from the Board during the summer term 2018, namely Philip Cartin and Christopher Panas.

The school would like to put on record its sincere thanks to the departing Trustees who gave decades of service to the school. Margaret Brocklehurst, a retired Deputy Head, served on the curriculum and personnel committees before taking over as Chair of Trustees in September 2015, overseeing the last school inspection in autumn 2016. Philip Cartin served on multiple committees, including chairing the Premises committee, and taking over as Deputy Chair of Trustees in September 2015. Christopher Panas also held several roles, serving on the finance, premises and personnel committees. All three were instrumental in overseeing the transition of the school to independent status in 2013 following its demerger from the Archdiocese of Southwark.

Four Trustees were appointed during the financial year, namely Maria Anne Noone, Susannah Mary Watchorn, Philip Walter Huggett and Dean Lee Lake. All four were also appointed as Directors of the school company. The new appointees bring a breadth of experience to the Board. Ms. Noone is a serving Headteacher, Mrs. Watchorn, a parent governor, is a Management Consultant with a background in marketing, Mr. Huggett is a Civil Servant with experience in internal audit and Mr. Dean Lake FCA, a parent of 2 pupils at the school, is a Chartered Accountant.

Patricia Colling, a former Head of the Junior School, has taken over as Chair of Trustees post year-end from 1 September 2018. Susannah Watchorn is serving as Deputy Chair of Trustees, and Dean Lake has been appointed as Chair of the Finance Committee.

The school was originally formed by the parishes of Beckenham and Bromley –The Archbishop of the Catholic Diocese of Southwark has the power reserved in the constitution to appoint two trustees. One post is filled by Fr Stephen Wymer and one appointment is awaiting ratification. The Trustees come from a variety of backgrounds including religious, education, legal, finance and marketing. The Board is attended by Trustees who are parents, and a Teacher representative, Dr. David Free, also served during the year. Dr. Free has subsequently taken a post in his native Yorkshire; the school thanks him for his service and wishes him well for the future.

The Trustees of the registered charity are also the Directors of the charitable company limited by guarantee. The Board of Trustees meets at least once a term. The Board delegates decision making powers to various sub-committees of Trustees to drive the school forward through their area of responsibility. The current subcommittees are Finance, Premises, Personnel, Junior, Senior, Admissions and Marketing, and Catholicity. The various sub-committees report back to the Full Board Meeting, which is the final meeting of each term, and ratify any decisions.

BISHOP CHALLONER SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 AUGUST 2018

The day to day decision making and implementation of Trustees' decisions rests with the Senior Leadership Team, currently comprising the Head teacher, the Bursar, a Deputy Head and Head of Junior School.

The Trustees invite relevant staff representation to the sub-committee meetings held each term. The Head teacher attends all sub-committee meetings, the Bursar provides termly reports to the Finance sub-committee, the Estates Project Manager reports to the Premises sub-committee, the Deputy Head attends the Senior sub-committee and the Head of Junior School attends the junior sub-committee.

The Trustees have arranged for the school to maintain a live risk matrix for the purposes of managing risk.

Statement of Trustees responsibilities

The Trustees, who are also the directors of Bishop Challoner School for the purpose of company law, are responsible for preparing the Trustees Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Bishop Challoner School and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Bishop Challoner School will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Bishop Challoner School and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Bishop Challoner School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution proposing that Ledger Sparks Audit LLP be reappointed as auditors of the company will be put to the members.

Disclosure of information to auditor

So far as each of the Trustees is aware at the time the report is approved:

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

The Trustees report was approved by the Board of Trustees.



Dean Lee Lake

Trustee

Dated: 20th March 2019

**BISHOP CHALLONER SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF BISHOP CHALLONER SCHOOL**

Opinion

We have audited the financial statements of Bishop Challoner School (the 'Bishop Challoner School') for the year ended 31 August 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 2018 and of its incoming resources and application of resources, 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 Bishop Challoner School in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Bishop Challoner School's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If 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.

**BISHOP CHALLONER SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF BISHOP CHALLONER SCHOOL**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, the Trustees, who are also the directors of the Bishop Challoner School for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.


Daniel Glover FCCA (Senior Statutory Auditor)
for and on behalf of Ledger Sparks Audit LLP

Statutory Auditor

25/3/19
.....

Airport House
Suite 43-45 Purley Way
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CR0 0XZ

BISHOP CHALLONER SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted funds £	Total 2017 £
<u>Income and endowments from:</u>			
<u>Incoming resources from charitable activities</u>			
Incoming resources from charitable activities	3	3,252,608	3,067,651
Investment income	4	13,842	13,495
Other income	5	13,700	3,134
Total income and endowments		3,280,150	3,084,280
<u>Expenditure on:</u>			
<u>Charitable activities</u>			
Support Costs	6	920,960	925,974
Direct Charitable Expenditure	6	2,443,720	2,619,905
Total charitable expenditure		3,364,680	3,545,879
Total resources expended		3,364,680	3,545,879
Net expenditure for the year/ Net movement in funds		(84,530)	(461,599)
Fund balances at 1 September 2017		2,044,128	2,505,727
Fund balances at 31 August 2018		1,959,598	2,044,128

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

All income and expenditure derive from continuing activities .

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 13 to 22 form part of the accounts

**BISHOP CHALLONER SCHOOL
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BALANCE SHEET**

AS AT 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	11		705,896		626,311
Current assets					
Debtors	12	110,158		89,853	
Cash at bank and in hand		2,174,957		2,262,766	
		2,285,115		2,352,619	
Creditors: amounts falling due within one year	13	(1,031,413)		(934,802)	
Net current assets			1,253,702		1,417,817
Total assets less current liabilities			1,959,598		2,044,128
Income funds					
Unrestricted funds			1,959,598		2,044,128
			1,959,598		2,044,128

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Trustees on 20 March 2019



Dean Lee Lake
Trustee

Company Registration No. 08652238

The notes on pages 13 to 22 form part of the accounts

BISHOP CHALLONER SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	14		64,525		(253,223)
Investing activities					
Purchase of tangible fixed assets		(166,176)		(240,789)	
Interest received		13,842		6,797	
Net cash used in investing activities			(152,334)		(233,992)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(87,809)		(487,215)
Cash and cash equivalents at beginning of year			2,262,766		2,749,981
Cash and cash equivalents at end of year			2,174,957		2,262,766

BISHOP CHALLONER SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

Company information

Bishop Challoner School is a private company limited by guarantee incorporated in England and Wales. The registered office is 228 Bromley Road, Shortlands, Kent, BR2 0BS.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The Bishop Challoner School is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Bishop Challoner School. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention, modified to include the revaluation certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Bishop Challoner School has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 Incoming resources

Income is recognised when the Bishop Challoner School is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Expenditure is mainly classified under the following activity headings:

- Expenditure on charitable activities includes the costs of educational activities undertaken to further the purposes of the charity and their associated support costs.
- Support costs are those costs incurred directly in support of expenditure on the objects of the school
- Governance costs are those costs incurred in connection with administration of the school and compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

BISHOP CHALLONER SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Long Leasehold Improvements	5% Straight Line
Plant and machinery	33.3% Straight Line
Fixtures, fittings & equipment	20% Straight Line
Motor vehicles	25% Reducing Balance

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with a short maturity.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Bishop Challoner School transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Bishop Challoner School's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when Bishop Challoner School is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

1.11 Legal status of the School

The School is a company limited by guarantee and has no share capital. The members of the company are the Trustees named on page 1. In the event of the school being wound up, the liability in respect of the guarantee is limited to £1 per member of the school.

1.12 Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the School and which have not been designated for any other purposes. Investment income, gains and losses are also allocated to unrestricted funds.

2 Critical accounting estimates and judgements

In the application of the Bishop Challoner School's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Incoming resources from charitable activities

	2018 £	2017 £
Gross Tuition Fees	3,558,384	3,327,848
Breakfast Club	12,787	5,833
Scholarship Awarded	(188,290)	(166,420)
Bursaries Awarded	(153,846)	(118,190)
Other Educational Income	23,573	18,580
	<u>3,252,608</u>	<u>3,067,651</u>

4 Investment income

	Total 2018 £	Total 2017 £
Interest receivable	<u>13,842</u>	<u>13,495</u>

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NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

5 Other income

	Unrestricted funds	Total
	2018	2017
	£	£
Other income	13,700	3,134

6 Charitable activities

	Support Costs	Direct Charitable Expenditure	Total 2018	Total 2017
	£	£	£	£
Expenditure on charitable activities	-	2,443,720	2,443,720	2,619,905
Share of support costs (see note 8)	897,537	-	897,537	879,201
Share of governance costs (see note 8)	23,423	-	23,423	46,773
	<u>920,960</u>	<u>2,443,720</u>	<u>3,364,680</u>	<u>3,545,879</u>
Analysis by fund				
Unrestricted funds	920,960	2,443,720	3,364,680	
	<u>920,960</u>	<u>2,443,720</u>	<u>3,364,680</u>	
For the year ended 31 August 2017				
Unrestricted funds	925,974	2,619,905		3,545,879
	<u>925,974</u>	<u>2,619,905</u>		<u>3,545,879</u>

Governance costs includes:

Payments to the auditors of £13,680 (2017 - £14,100) in relation to audit fees and £Nil (2017 - £Nil) in relation to non-audit services. Legal and Professional Fees amounting to £9,743 (2017 - £32,672).

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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018

7 Direct charitable expenditure

Teaching costs	2018	2017
	£	£
Gross Wages	1,715,927	1,787,039
National Insurance	158,046	165,734
Pension Contributions	230,784	240,317
Recruitment Costs	42,270	46,362
Computer Expenses	77,869	114,502
Subscriptions	11,158	9,022
Playing Fields	14,411	22,004
Staff Training	26,064	26,307
Prize Giving	2,650	10,623
Refreshments for Children	5,009	22,269
Books and Teaching Aids	72,941	100,354
Depreciation Expense	86,591	75,372
Total	2,443,720	2,619,905

The pension charge for the year amounts to £230,784 (2017: £240,317) as above which was payable to the TPS.

BISHOP CHALLONER SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018

8 Analysis of Support costs (including Governance costs)

	Support costs	Governance costs	2018	2017
	£	£	£	£
Gross Wages	343,586	-	343,586	319,861
National Insurance	33,149	-	33,149	30,681
Pension Contributions	22,972	-	22,972	20,729
Rates	15,240	-	15,240	14,568
Insurance	19,685	-	19,685	17,544
Light & heat	44,176	-	44,176	45,447
Repairs and Maintenance	134,502	-	134,502	183,508
Postage and Stationery	33,908	-	33,908	34,887
Telephone and Fax	7,635	-	7,635	7,490
Motor Expenses	5,653	-	5,653	4,733
Cleaning	70,085	-	70,085	67,978
Staff Welfare	10,749	-	10,749	10,428
Bank Charges	8,585	-	8,585	7,077
Advertising	86,577	-	86,577	83,604
Donations	31,794	-	31,794	30,895
Other costs	29,241	-	29,241	(228)
Audit fees	-	13,680	13,680	14,100
Legal and professional	-	9,743	9,743	32,672
	<u>897,537</u>	<u>23,423</u>	<u>920,960</u>	<u>925,974</u>

Support costs for the period total £897,537 (2017: £879,202). If allocated on the basis of staff numbers, the support cost allocation would be £757,661 (2017: £734,676) to teaching staff and £147,540 (2017: £144,526) allocated to administration, premises and office staff.

The pension charge for non teaching staff total £22,972 (2017: £20,729) for the period, as shown above.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from Bishop Challoner School during the year. None of the trustee received payment for professional or other services supplied to Bishop Challoner School.

BISHOP CHALLONER SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018

10 Employees

	2018	2017
	Number	Number
Teaching staff	41	41
Teaching Support Staff	20	20
Office & Premises Staff	12	12
	<u>73</u>	<u>73</u>

Their aggregate remuneration comprised:

	2018	2017
	£	£
Wages and salaries	2,059,513	2,106,900
Social security costs	191,195	196,415
Pension costs	253,756	261,046
	<u>2,504,464</u>	<u>2,564,361</u>

The number of employees who had emoluments and benefits in excess of £60,000 in the year was 2 (2017: 2). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

BISHOP CHALLONER SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018

11 Tangible fixed assets

	Long Leasehold Improvements	Plant and machinery	Fixtures, Motor vehicles fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2017	511,447	137,848	122,806	829,968
Additions	76,451	18,711	71,014	166,176
Disposals	-	(14,668)	-	(14,668)
At 31 August 2018	587,898	141,891	193,820	981,476
Depreciation and impairment				
At 1 September 2017	48,148	78,978	32,897	203,657
Depreciation charged in the year	25,997	28,006	29,030	86,591
Eliminated in respect of disposals	-	(14,668)	-	(14,668)
At 31 August 2018	74,145	92,316	61,927	275,580
Carrying amount				
At 31 August 2018	513,753	49,575	131,893	705,896
At 31 August 2017	463,299	58,870	89,909	626,311

12 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	25,115	26,993
Other debtors	31,109	16,072
Prepayments and accrued income	53,934	46,788
	110,158	89,853

13 Creditors: amounts falling due within one year

	2018 £	2017 £
Other taxation and social security	48,815	50,700
Trade creditors	230,569	202,869
Other creditors	688,959	611,987
Accruals and deferred income	63,070	69,246
	1,031,413	934,802

BISHOP CHALLONER SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018

14 Cash generated from operations	2018	2017
	£	£
Deficit for the year	(84,530)	(461,599)
Adjustments for:		
Investment income recognised in profit or loss	(13,842)	(13,495)
Depreciation of tangible fixed assets	86,591	75,372
Movements in working capital:		
(Increase) in debtors	(20,305)	(6,008)
Increase in creditors	96,611	145,809
(Decrease)/increase in deferred income	-	6,698
Cash generated from/(absorbed by) operations	64,525	(253,223)
15 Financial instruments	2018	2017
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	56,224	43,065
Carrying amount of financial liabilities		
Measured at amortised cost	982,598	884,102

16 Operating lease commitments

At 31 August 2018 the company had annual commitments under non-cancellable operating leases as follows:

	2018	2017
	£	£
Expiry date		
Within one year	9,558	9,558
Between two and five years	2,403	9,558
	11,961	19,116

The Financial Commitments are in relation to 4 Canon Photocopiers and a Honda car.

17 Capital commitments

As at the balance sheet date, Bishop Challoner School did not have any capital commitments.

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NOTES TO THE FINANCIAL STATEMENTS
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18 Related party transactions

There were no disclosable related party transactions during the year (2017 - none).

19 Controlling party

During both periods the school, having no share capital, is under the control of the Board of Governors who are also the trustees and directors of the school.