

**BELMONT SCHOOL (FELDEMORE)
EDUCATIONAL TRUST LIMITED**

**ANNUAL REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

**Company No 00866751
Charity Registration No 312077**

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BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS

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BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED

GOVERNORS, OFFICERS AND ADVISORS

Governors, Directors and Charity Trustees

The Governors of Belmont School (Feldemore) Educational Trust Limited ("the School") are the School's charity trustees under charity law and the directors of the charitable company. The members of the Governing Body who served in office as Governors during the year and subsequently are detailed below.

| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
|----------------------|--|-----|-----|-----|-----|-----|-----|-----|
| Mr N Butcher (Chair) | | | | • | • | | • | |
| Mr A Baker | | | | • | | | | |
| Mrs T Botting | | | | | | | | • |
| Mr A Goss | | | | • | | • | | |
| Dr S Mackenzie Ross | | • | | | | | | |
| Mrs H Priday | | | | | | | • | |
| Mrs T Timperlake | | | | | | | | • |
| Mr J Turnbull | | | • | | | | | |
| Mr J Sheldon | | | | • | • | | | • |

- (1) Education Committee
- (2) Estates, Health & Safety Committee
- (3) Finance & Audit Committee
- (4) Legal & Compliance Committee
- (5) Marketing Committee
- (6) Nominations & Remuneration Committee
- (7) Safeguarding Committee

The activities of the Governing body are carried out through seven committees. The membership of these committees is shown above for each governor

Officers

Mrs C Candlish, BSC, PGCE, ACMA, CGMA Clerk to the Governors

Key management personnel currently and throughout the year,

Mrs H Skrine, BA, PGCE, NPQH Head
Mrs C Candlish, BSC, PGCE, ACMA, CGMA Bursar

Address and Registered Office

Belmont Preparatory School, Feldemore, Holmbury St Mary, Dorking, Surrey, RH5 6LH

Auditors

Jacob Cavenagh & Skeet, 5 Robin Hood Lane, Sutton, Surrey, SM1 2SW

Bankers

Barclays Bank plc, 5 Church Street, Leatherhead, Surrey, KT22 8DE

Solicitors

Barlow Robbins LLP, The Oriel, Sydenham Road, Guildford, Surrey, GU1 3SR

Website

www.belmont-school.org

BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED

REPORT OF THE GOVERNORS

The members of the Belmont School Governing Body present their Annual Report for the year ended 31 July 2018 under the Charities Act 2011 and the Companies Act 2006, including the Group Directors' Report as required by Company law, together with the audited Financial Statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

Belmont School (Feldemore) Educational Trust Limited ("The School") was founded in 1880. It is constituted as a company limited by guarantee registered in England and Wales, No. 00866751, and is registered with the Charity Commission under Charity No. 312077.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The School is governed by its Memorandum and Articles of Association last amended on 4 March 2013.

Governing Body

Governors of the School are elected at full Board Meetings on the basis of nominations received, through the Nominations & Remuneration Committee, to the Board's specifications concerning eligibility, personal competence, specialist skills and availability.

Governors are elected at any meeting of the Board, subject to confirmation of their eligibility to act as a Director and Trustee and serve a term of office of three years. A retiring Governor shall be eligible for re-election, provided they have not served in excess of three periods of three years, unless invited to do so by the Chairman.

Governor training

New Governors are inducted into the workings of the school, and of the Company as a registered charity, including Board Policy and Procedures.

Members of the Governing Body can attend external trustee training and information courses designed to keep them informed and updated on current issues in the sector and regulatory requirements.

Organisational Management

The members of the Governing Body, as the charity trustees, are legally responsible for the overall management and control of the School. The work of implementing their policies is carried out by seven committees as set out on page 1.

The day-to-day running of the school is delegated to the Head and the Bursar, as the key management personnel, who in turn are supported by other members of the Senior Management Team. The Head and Bursar attend all meetings of the full Governing Body and Committee meetings according to the Terms of Reference of each Committee.

The remuneration of key management personnel is set by the Board, with the objective to reward them fairly and provide the appropriate incentive to encourage enhanced performance. Pay levels are reviewed annually and every three years by reference to comparisons with other independent schools to ensure the School remains sensitive to the broader issues of pay and employment conditions elsewhere. Delivery of the School's charitable vision and purpose is dependent on our key management personnel and staff costs are the single largest element of our charitable expenditure.

Group structure

The School has a wholly owned non-charitable subsidiary, Feldemore Enterprises Limited, which is currently dormant but which has been established for the purpose of activities which fall outside the scope of the Charity, such as the use of the facilities for weddings or location shoots.

Employment policy

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Communication with employees continues through normal management channels in a variety of forms to apprise staff of current issues.

Investment powers and policy

These are governed by the Memorandum and Articles of Association, which permit surplus funds to be invested in any investments, security or property as may be thought fit and as may be prescribed by law. The School's investment objective is to maximise the return on its investment funds while maintaining maximum security and a high degree of liquidity. To meet this objective the School invests in call deposits with a high security rating.

BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED

REPORT OF THE GOVERNORS (continued)

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

The School's Objects as set out in the Memorandum of Association are the academic, physical, moral and religious education of boys and girls. Belmont School operates as a Preparatory, Pre Preparatory and Early Years day and boarding school for boys and girls. In furtherance of these Objects for the public benefit the School has established and administers bursaries. The Board is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection the Board continues to monitor closely the guidance on public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

Principal aims

- To provide a healthy, happy, safe and caring environment for young children, and maximising opportunities for stimulation, enjoyment, and achievement both individually and collectively;
- To promote successful and enjoyable learning through a curriculum designed to meet the needs of our 21st century learners;
- To ensure that the academic curriculum is enriched by sport, performing arts, visual arts and other cultural and creative pastimes;
- To provide a broad and balanced education for pupils, across a wide range of intellectual capabilities, enabling them to gain entry to their preferred Senior Schools via a school's own entry procedures;
- To equip all our pupils with the knowledge, skills and attributes necessary not only for Belmont, but for senior school, for work and for the future;
- To produce well-rounded, confident, independent, polite and friendly boys and girls ready to take on the challenges ahead of them and to make a positive contribution to the society in which they will play a part.

Strategy to achieve the primary objectives

The Governors lead a review of the Early Years' facilities which resulted in investment in improving the presentation of the playground and courtyard, including the installation of a sensory garden and new play equipment for use both in the playground and the dedicated Early Years woodland area. This was partly funded by the Friends of Belmont through restricted donations to the School. Additionally, the final phase of installing secure fencing was completed, enclosing the whole Early Years site, playground and woodland area. Replacement windows were also fitted within the Reception classroom. As a result of the review, from September 2018 the school will be offering 15 hours of funded childcare supported by Surrey County Council to all eligible pupils, as well providing wrap around care from 7.30 am to 6.20pm for all pupils at the School.

In the current year there has also been investment in the external redecoration of all of the main school buildings, including the first stages of redecoration of the interior of the main Grade II listed School building, Feldemore.

A new playground for the junior school children was installed, this was funded through restricted donations from the Friends of Belmont. The school completed the refurbishment of the Boarding house with new dormitory furniture and carpets. The boys' shower room was also refurbished and updated. The programme for updating classroom IT continued with the addition of 3 new interactive touch screens.

The school has also now committed to the development of a new Website which will launch in Autumn 2018. Additionally a woodland ropes course for senior children will be installed in October 2018.

Principal activity

The School's principal activity, as specified in the Memorandum of Association, is the advancement of education and, in this, the School has again had a successful year, average pupil numbers were 217 (2017: 233).

Public Benefit

The School remains committed to the aim of providing public benefit in accordance with its founding principles and seeks to find opportunities to widen our public benefit wherever possible. The School awards bursaries to broaden our access to those families who could not otherwise afford independent education for their children. The School continues to support both current pupils whose families have encountered difficulties that would result in the withdrawal of a pupil part way through their education as well the award of bursaries and to new pupils who would not be able to access an independent education without bursarial support. This year the School awarded means tested bursaries totaling £81,111 to 9 pupils of which 1 pupil benefitted from a full remission of fees. The level of Bursaries is a decrease on the previous year (2017: £96,092) due to previous bursary pupils departing the school. Free boarding and other services are also made available to pupils where this is needed due to family circumstances. The School continues to operate a rigorous means-

BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED
REPORT OF THE GOVERNORS (continued)

tested assessment for bursaries including assessment by an independent specialist company. Those pupils who attend our School and who receive financial support contribute to the school community in a variety of ways, and so the benefit is not purely to those pupils but to the entire school community.

Belmont is mindful of its first class sporting and recreational facilities which are used by a variety of local organisations and individuals, some who pay a nominal fee and others who use the facilities free of charge during the evening and at weekends. This year, we hosted free of charge Science and Art opportunities for pupils from our local primary schools, and every week we host a community Early Years Music group for which parents pay a small sum to the provider whilst we offer our facilities free of charge. An exchange programme was also run between the School's Early Years department and a local nursery school which saw reciprocal visits of the children to each setting.

Charitable giving is an important part of our pupils' education and the Belmont community works tirelessly to raise money for a variety of charities. During the year over £3,800 raised for causes including the Juvenile Diabetes Research Foundation, Children in Need and Sport Relief.

Belmont staff are encouraged to use their skills for the benefit of our local community. One member of staff is a governor at a state funded Early Years provision and is allowed time away from her duties at Belmont in order to offer assistance there. Another member of staff serves a local independent school as a governor.

During school holidays we lend our minibuses to local charities free of charge for holiday clubs. We also host local senior citizens annually for tea and they join the school community for our Harvest celebrations.

ACHIEVEMENTS AND PERFORMANCE

At Belmont, we aim to measure performance not only in academic terms but also in terms of the personal and extra-curricular development of pupils. We are delighted to report that, whilst we have a broad academic intake of pupils we have been academically ambitious for every child and this has resulted in an impressive set of examination results in both internal and external examinations including Common Entrance and Scholarship. This year a higher percentage of pupils were awarded scholarships to their senior school, both for academic performance and also for other areas including art, music, drama, design technology, and sport.

We have placed considerable emphasis on achieving our aims and maintaining our ethos which is based upon "Achievement through Happiness" and we have fulfilled our aims in terms of the quality of our pupils' personal development, their pastoral care and the maintenance of an environment where the welfare, health and safety of pupils is of primary concern. Our staff team has received ongoing training throughout the year, and there has been an emphasis at all times upon delivering first class education under excellent leadership, management and governance. We use external tools provided by the Independent Schools' Inspectorate and other bodies to monitor, evaluate and review our policies and procedures and to measure our performance against academic data: we also use other benchmarking tools provided by the Independent Schools' Council to benchmark our school against local and national data.

Results at Common Entrance and Scholarship level have been impressive and when compared with the cognitive profile for each child, this is testimony to our strong academic tracking and target setting for pupils. In addition, the breadth of opportunities for pupils outside the classroom has been impressive and pupils at Belmont have engaged in a wider range of trips and tours both as part of the curriculum and in terms of other voluntary activities. This year we have continued to improve our facilities and classrooms, both internally and externally with significant improvements to the Early Years and to the Theatre block.

Much of Belmont's success lies in the quality of the teaching staff and the excellent resource management as a school. Staff are well-qualified and receive training on a termly, if not more frequent basis, covering safeguarding, pedagogy, health and safety, and crisis management. The management and the staff team are well supported by an excellent governing body who oversee that development plans have come to fruition in a timely way, and that there is clear strategic oversight to ensure the future security, stability and success of this excellent school.

FINANCIAL REVIEW

Results for the year

The group and charity's net income for the financial year was £43,635 (2017: £26,388).

Fundraising

In line with the new reporting requirements included in the Charities Act 2016 the Governors are pleased to confirm that

BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED
REPORT OF THE GOVERNORS (continued)

any fundraising undertaken is done in compliance with best fundraising practice. All fundraising activities follow traditional methods such as sponsored activities and events and nominal cash donations collected as part of seasonal events. The majority of funds collected in this way are passed to third party charities. During 2018 we did not employ any professional fundraisers. There were no complaints or criticisms during the year about our fundraising activities.

Reserves level and policy and Financial Viability

The Governors have established a general reserve policy to afford some protection to the School and its charitable programme and to provide time to adjust to changing financial circumstances.

General Reserves are not restricted or designated for use on a particular programme or for some other defined or designated purpose; they represent the working capital of the school, comprising cash balances and debtors less creditors, plus a contingency fund. The level of General Reserves should be sufficient to cover planned and unforeseen variations in operational expenditure on a rolling twelve month basis. This is to be reviewed during every budget cycle with consideration of operational risks and external factors.

The working capital cash balance is reviewed periodically and as part of the budgeting cycle. The working capital cash balance reflects the amount required to ensure that the net surplus or deficit generated from the annual budget and the peaks and troughs of cash flow requirements during the course of the year can be met.

In addition a contingency fund has been established to cover planned and unforeseen variations in operational expenditure. The purposes of the contingency fund shall be to provide a degree of protection against shortfalls in future income, enabling unexpected expenditure to be financed and to enable future financial commitments to be met. If the contingency fund is below its minimum target level the objective will be to reach minimum levels, as soon as practicable subject to competing interests.

The level of reserves has been set at £300,000, being £150,000 for working capital and £150,000 for contingencies, at the end of the financial year the level of reserves were at £318,143 for the group.

Any operating surplus will be used to maintain the existing infrastructure and fund minor new initiatives. The Governors are satisfied that the School has adequate reserves to support their plans whilst still carrying adequate reserves to cope with a reasonable level of unforeseen events.

PRINCIPAL RISKS AND UNCERTAINTIES

The Governors have an established procedure to review key risks on an ongoing basis.

The economic environment has not been helpful to independent schools over the past four or five years and many have closed as a result, with those outside the South East bearing the brunt. We have been secure at Belmont throughout this period but we have also been financially prudent. Even during this tricky economic climate we have continued to invest further in the school and sustain the assets we have. Belmont has maintained its position during period, with some fluctuation in pupil numbers. We never lose sight of the fact that within our resources, we must provide the best possible education and learning environment for our pupils.

The risk management process identifies risks, assesses their impact and likelihood, and where necessary, recommends controls to mitigate and monitor those risks assessed as high. The generic controls used by the School to minimise risk include

- Detailed terms of reference together with formal agendas for each committee and Board meeting;
- Strategic development planning;
- Comprehensive budgeting and management accounting;
- Established organisational structures and line of reporting;
- Formal written policies and approval levels;
- Vetting procedures as required by law for the protection of the vulnerable.

FUTURE PLANS

The School reviews the School Development Plan annually to continue to ensure the delivery of a first class education and future plans include:

- Increasing links with state schools;
- Increasing numbers in the under 5's Early Years setting;
- To maintain the school buildings and equipment to a high standard;
- To widen opportunities for personal achievement for pupils by investing in equipment, developing the environment and

BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED
REPORT OF THE GOVERNORS (continued)

external education programs to supplement the academic, art, drama and sporting provision;

- To provide professional development opportunities for staff to fulfil our aim for the highest standards of teaching and learning;
- To review the affordability of the School fees and the capability of the School to widen access to the education and opportunities offered by the School.

In addition to this the Governing body are looking at the future of the Independent school sector to ensure that Belmont remains resilient and relevant to the future political, social and economic environment. In response to this and subject to DfE approval, it is the desire of the School to expand the age range at Belmont from 2 to 16 years, introducing Year 9 from September 2020 and, over a 3-year period, to build up to Year 11 with the first cohort of pupils taking their GCSEs in 2023. This expansion has the unanimous support of the Board of Governors and work is now underway to seek the required approval to do this and manage the associated change.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The members of the Governing Body (who are also directors of Belmont School (Feldemore) Educational Trust Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Governing Body to prepare financial statements for each financial year. Under company law the Governing Body members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year. In preparing these financial statements, the Governing Body members are required to:

- Select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The members of the Governing Body are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charitable group and hence for taking reasonable steps for the prevention of fraud and other irregularities.

Relevant Audit Information

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware, there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditors is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

Small company

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Governors on 26 November 2018 and signed on its behalf by:



Mr N Butcher
Chair

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED

Opinion

We have audited the financial statements of Belmont School (Feldmore) Educational Trust Limited (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 July 2018 which comprise the Consolidated Statement of Financial Activities, the Consolidated and parent charity Balance Sheets, the Consolidated 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 group's and of the charitable company's affairs as at 31 July 2018 and the group's incoming resources and application of resources, including the group 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 group and charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the governors' use of the going concern basis of accounting in the preparation of the group financial statements is not appropriate; or
- the governors have not disclosed in the group financial statements any identified material uncertainties that may cast significant doubt about the group and parent charity'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 group financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the group financial statements and our auditor's report thereon. The governors are responsible for the other information. Our opinion on the group 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 group financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group 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 group 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 our audit:

- the information given in the governors' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the group financial statements are prepared is consistent with the group financial statements; and
- the directors' report included within the governors' report have been prepared in accordance with applicable legal requirements

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED**
(continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charity and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included with the governors' 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 parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity 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; or
- the governor's were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the Governor's report and from the requirement to prepare a strategic report.

Responsibilities of governors

As explained more fully in the governors' responsibilities statement set out on page 6, the governors' (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the group 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 group financial statements, the governors are responsible for assessing the group and parent charity'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 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Miriam Hickson FCA CTA
Senior Statutory Auditor
For and on behalf of
Jacob Cavenagh & Skeet
Statutory Auditor
Chartered Accountants

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

5/12/18

BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
FOR THE YEAR ENDED 31 JULY 2018

| | | 2018 | 2018 | 2018 | 2017 | 2017 | 2017 |
|------------------------------------|--------------|---------------------|-------------------|------------------|---------------------|-------------------|------------------|
| | | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total |
| | | Funds | Funds | Funds | Funds | Funds | Funds |
| | Notes | | £ | £ | £ | £ | |
| Income from: | | | | | | | |
| <i>Donations and legacies</i> | | | | | | | |
| Donations and legacies | | - | 27,788 | 27,788 | - | 11,676 | 11,676 |
| <i>Charitable activities</i> | | | | | | | |
| School fees receivable | 2 | 2,465,462 | - | 2,465,462 | 2,420,380 | - | 2,420,380 |
| Ancillary trading income | 3 | 64,810 | - | 64,810 | 68,336 | - | 68,336 |
| <i>Other trading activities</i> | | | | | | | |
| Hire of school facilities | | 26,861 | - | 26,861 | 25,911 | - | 25,911 |
| <i>Investments</i> | | | | | | | |
| Bank interest | | 2,197 | - | 2,197 | 3,563 | - | 3,563 |
| Total income | | 2,559,330 | 27,788 | 2,587,118 | 2,518,190 | 11,676 | 2,529,866 |
| Expenditure on: | | | | | | | |
| Charitable activities | 4 | 2,542,157 | 1,326 | 2,543,483 | 2,491,802 | 11,676 | 2,503,478 |
| Total expenditure | | 2,542,157 | 1,326 | 2,543,483 | 2,491,802 | 11,676 | 2,503,478 |
| Net income/(expenditure) | | 17,173 | 26,462 | 43,635 | 26,388 | - | 26,388 |
| Transfers between funds | | | | | | | |
| | | 26,462 | (26,462) | - | - | - | - |
| Net movement in funds | | 43,635 | - | 43,635 | 26,388 | - | 26,388 |
| Total funds brought forward | | 2,918,119 | - | 2,918,119 | 2,891,731 | - | 2,891,731 |
| Total funds carried forward | | 2,961,754 | - | 2,961,754 | 2,918,119 | - | 2,918,119 |

BELMONT SCHOOL (FELDEMORE)-EDUCATIONAL-TRUST LIMITED
CONSOLIDATED AND COMPANY BALANCE SHEETS
AT 31 JULY 2018

| | | Group | | Company | |
|---|------|------------------|------------------|------------------|------------------|
| | Note | 2018 | 2017 | 2018 | 2017 |
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 6 | 2,643,610 | 2,668,729 | 2,643,610 | 2,668,729 |
| Investments | 7 | - | - | 1 | 1 |
| Total fixed assets | | <u>2,643,610</u> | <u>2,668,729</u> | <u>2,643,611</u> | <u>2,668,730</u> |
| Current assets | | | | | |
| Debtors | 8 | 772,800 | 812,778 | 774,063 | 814,041 |
| Current asset investments | | 171,810 | 170,950 | 171,810 | 170,950 |
| Cash at bank and in hand | | <u>386,386</u> | <u>382,642</u> | <u>386,386</u> | <u>382,642</u> |
| | | 1,330,996 | 1,366,370 | 1,332,259 | 1,367,633 |
| Creditors: Amounts falling due within one year | 9 | <u>1,012,852</u> | <u>1,116,980</u> | <u>1,012,852</u> | <u>1,116,980</u> |
| Net current assets | | <u>318,144</u> | <u>249,390</u> | <u>319,407</u> | <u>250,653</u> |
| Total assets less current liabilities | | <u>2,961,754</u> | <u>2,918,119</u> | <u>2,963,018</u> | <u>2,919,383</u> |
| Funds | | | | | |
| Unrestricted Funds | | | | | |
| General Reserves | | 318,143 | 249,389 | 319,407 | 250,653 |
| Designated funds | | <u>2,643,611</u> | <u>2,668,730</u> | <u>2,643,611</u> | <u>2,668,730</u> |
| | 10 | <u>2,961,754</u> | <u>2,918,119</u> | <u>2,963,018</u> | <u>2,919,383</u> |

The notes on pages 12 to 17 form part of these financial statements

The financial statements were approved by the Board on 26 November 2018 and signed on their behalf by:



Mr N Butcher



Mr A Baker

Company Registration No.00866751

BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2018

| | 2018 | 2018 | 2017 | 2017 |
|--|------------------|-----------------------|------------------|-----------------------|
| | £ | £ | £ | £ |
| Net income/(expenditure) | | 43,635 | | 26,388 |
| Adjustment for: | | | | |
| Depreciation charges | 135,638 | | 118,325 | |
| Interest receivable | (2,197) | | (3,563) | |
| (Increase)/decrease in debtors | 39,978 | | (33,893) | |
| Increase/(decrease) in creditors | <u>(104,128)</u> | | <u>21,585</u> | |
| | | <u>69,291</u> | | <u>102,454</u> |
| Net cash provided by (used in) operating activities | | 112,926 | | 128,842 |
| Cash flows from investing activities | | | | |
| Interest receivable | 2,197 | | 3,563 | |
| Purchase of tangible fixed assets | <u>(110,519)</u> | | <u>(228,422)</u> | |
| Net cash used in investing activities | | (108,322) | | (224,859) |
| Cash flows from financing activities | | | | |
| Net transfers (to)/from deposits | | <u>(860)</u> | | <u>(850)</u> |
| Change in cash during the year | | 3,744 | | (96,867) |
| Cash at bank and in hand brought forward | | 382,642 | | 479,509 |
| Cash at bank and in hand carried forward | | <u>386,386</u> | | <u>382,642</u> |

The notes on pages 12 to 17 form part of these financial statements

BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2018

1 ACCOUNTING POLICIES

Belmont School (Feldemore) Educational Trust Limited is a private company limited by guarantee incorporated in England and Wales.

Accounting convention

The financial statements have been prepared under the Companies Act 2006, the Charities Act 2011 and in accordance with Charities Statement of Recommended Practice ("SORP(FRS102)") and Financial Reporting Standard 102 (effective 1 January 2015). The financial statements are drawn up on the historical cost basis of accounting. The charity is a Public Benefit Entity as defined by FRS 102. The presentation currency is £ sterling.

Having reviewed the level of funds available to the Charity together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 6.

The financial statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets comprising the school and its wholly owned subsidiary Feldemore Enterprises Limited. No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006. The net income of the Charity is equal to that of the Group.

Fees and similar earned income

School fees receivable and ancillary trading income consist of charges billed for the school period ending 31 July 2018, less any allowances and bursaries granted by the School. Fees invoiced or received for education to be provided in future years are carried forward as deferred income.

Investment income

Investment income from bank balances and fixed period deposits is accounted for on an accruals basis.

Donations

Donations and legacies 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 and legacies for the School's general purpose is accounted for as unrestricted and is credited to the General Reserve. Where the donor or appeal has imposed restrictions, donations and legacies are credited to the relevant restricted fund.

Expenditure

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.

Contributions to pension funds

Contributions to pension funds are charged to expenditure for the year in which they are incurred.

Operating lease commitments

Rentals paid under operating leases are charged to expenditure on a straight line basis over the lease term.

BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2018

1 ACCOUNTING POLICIES (continued)

Fixed assets

Expenditure on the acquisition, construction or enhancement of land and buildings together with vehicles, furniture, machinery, ICT infrastructure and other equipment costing more than £1,000 is capitalised and carried in the balance sheet at historical cost. Other expenditure on equipment incurred in the normal day-to-day running of the School and its subsidiary is charged to the Statement of Financial Activities as incurred.

Freehold land is not depreciated. Depreciation is provided to write off the cost of all other relevant tangible fixed assets less estimated residual value, in equal annual instalments over their expected useful lives as follows:

| | |
|--|----------------------|
| Buildings, extensions and enhancements | - 0% - 2.5% |
| Leasehold property | - 2.5% straight line |
| Motor vehicles | - 25% straight line |
| Fixtures, fittings and equipment | - 15% straight line |
| Computer equipment | - 20% straight line |

The Charity's policy is to maintain its freehold property to a high standard through continual programme of maintenance. In some cases the Governors consider that the residual value of property is such that it renders any depreciation immaterial and consequently no annual depreciation charge is shown in the accounts.

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. Any such loss would be recognised immediately as expenditure for the year unless the relevant asset is carried at a revalued amount, in which case it is treated as a revaluation decrease.

Investments

Investments are stated at cost.

Debtors

Debtors are measured at the recoverable amounts.

Current asset investments

Current asset investments are deposits with a maturity date of more than three months from the date of opening the deposit or with over three months notice to close the account.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid current and deposit accounts where the balances are available at up to three months notice or less.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event and are recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments which are recognised at transaction value and subsequently measured at their settlement value.

Pension costs

The Charity makes pension contributions for teaching staff through the scheme operated by the Teachers' Pension Agency. Contributions are made to defined contribution schemes for other staff. Costs are charged to expenditure in the period in which they are incurred.

BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2018

2 CHARITABLE ACTIVITIES - FEES RECEIVABLE

| | 2018 | 2017 |
|--------------------------------|------------------|------------------|
| | £ | £ |
| School fees | 2,711,730 | 2,619,903 |
| Less: bursaries and allowances | (246,268) | (199,523) |
| | <u>2,465,462</u> | <u>2,420,380</u> |

3 OTHER INCOME

| | 2018 | 2017 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Registration fees | 6,119 | 4,163 |
| Extras | 54,417 | 60,298 |
| Commissions and other income | 4,274 | 3,875 |
| | <u>64,810</u> | <u>68,336</u> |

4 ANALYSIS OF EXPENDITURE

| | 2018 | 2018 | 2018 | 2017 | 2017 | 2017 |
|------------------------------|--------------------|--------------------|------------------|--------------------|--------------------|------------------|
| | Staff costs | Other costs | Total | Staff costs | Other costs | Total |
| | £ | £ | £ | £ | £ | £ |
| Charitable activities | | | | | | |
| Teaching costs | 1,316,173 | 167,339 | 1,483,512 | 1,278,628 | 157,606 | 1,436,234 |
| Welfare costs | 154,098 | 140,370 | 294,468 | 149,454 | 142,798 | 292,252 |
| Premises costs | 127,084 | 277,065 | 404,149 | 130,030 | 289,763 | 419,793 |
| Support costs | 140,984 | 81,438 | 222,422 | 146,885 | 75,939 | 222,824 |
| Funded expenditure | - | 1,326 | 1,326 | - | 11,676 | 11,676 |
| Depreciation | - | 135,638 | 135,638 | - | 118,325 | 118,325 |
| Finance costs | - | 1,968 | 1,968 | - | 2,374 | 2,374 |
| | <u>1,738,339</u> | <u>805,144</u> | <u>2,543,483</u> | <u>1,704,997</u> | <u>798,481</u> | <u>2,503,478</u> |

Included in Support costs are Governance Costs of £6,408 (2017: £5,490) relating to the audit remuneration.

In addition to the above audit remuneration the auditor received fees for taxation and pension audit compliance services of £630 (2017: £1,120).

No expenses were reclaimed by governors (2017: no claim). The Charity also paid £80 for membership of the Chairman of Governors Forum (2017: £60).

5 STAFF COSTS

| | 2018 | 2017 |
|--|------------------|------------------|
| | £ | £ |
| The aggregate payroll costs for the year were: | | |
| Wages and salaries | 1,419,924 | 1,399,949 |
| Social security costs | 135,596 | 131,115 |
| Pension contributions | 157,656 | 160,338 |
| Employee benefits | 4,194 | 7,534 |
| Agency staff | 20,969 | 6,061 |
| | <u>1,738,339</u> | <u>1,704,997</u> |

BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2018

5 STAFF COSTS (continued)

| | 2018 | 2017 |
|---|-----------------|-----------------|
| The aggregate employee benefits of key management personnel | <u>£136,757</u> | <u>£148,611</u> |
| Number of higher paid employees in bands of: | 2018 | 2017 |
| £70,000 to £80,000 | 1 | 1 |
| £90,000 to £100,000 | <u>-</u> | <u>-</u> |
| | <u>1</u> | <u>1</u> |

The contributions paid in respect of the above employee in respect of a Defined Contribution scheme was £13,575 (2017: £13,364).

The average number of employees during the year calculated on a full time equivalent basis was:

| | 2018 | 2017 |
|----------------------|-------------|-------------|
| Teaching | 26 | 24 |
| Classroom assistants | 5 | 5 |
| Domestic | 14 | 14 |
| Administration | <u>5</u> | <u>4</u> |
| | <u>50</u> | <u>47</u> |

The Governors received no remuneration.

There were no termination payments to employees in the financial year (2017: nil).

6 TANGIBLE FIXED ASSETS

| | <i>Assets in the course of construction</i> | <i>Freehold land & buildings</i> | <i>Short leasehold land</i> | <i>Vehicles and equipment</i> | <i>Total</i> |
|----------------------------|---|--|-------------------------------------|---------------------------------------|------------------|
| | £ | £ | £ | £ | £ |
| Cost or deemed cost | | | | | |
| At 1st August 2017 | 22,961 | 2,596,666 | 5,000 | 841,026 | 3,465,653 |
| Additions | - | 17,378 | - | 93,141 | 110,519 |
| Disposals | - | - | - | (58,672) | (58,672) |
| Transfers | (22,961) | 22,961 | - | - | - |
| At 31st July 2018 | <u>-</u> | <u>2,637,005</u> | <u>5,000</u> | <u>875,495</u> | <u>3,517,500</u> |
| Depreciation | | | | | |
| At 1st August 2017 | - | 314,114 | 4,325 | 478,485 | 796,924 |
| Charge for the year | - | 25,876 | 125 | 109,637 | 135,638 |
| Disposals | - | - | - | (58,672) | (58,672) |
| At 31st July 2018 | <u>-</u> | <u>339,990</u> | <u>4,450</u> | <u>529,450</u> | <u>873,890</u> |
| Net book value | | | | | |
| At 31st July 2018 | <u>-</u> | <u>2,297,015</u> | <u>550</u> | <u>346,045</u> | <u>2,643,610</u> |
| At 31st July 2017 | <u>22,961</u> | <u>2,282,552</u> | <u>675</u> | <u>362,541</u> | <u>2,668,729</u> |

7 INVESTMENTS

The investment of £1 represents the cost of the share capital of Feldemore Enterprises Limited (Company no. 08003038), a wholly owned subsidiary of Belmont School (Feldemore) Educational Trust Limited, which was incorporated on 23rd March 2012. The net liabilities at 31 July 2018 were £1,263 (2017: £1,263).

BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2018

8 DEBTORS

| | Group | | Charity | |
|--------------------------------|----------------|----------------|----------------|----------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Fees receivable | 697,801 | 763,856 | 697,801 | 763,856 |
| Amounts due from subsidiary | - | - | 1,263 | 1,263 |
| Prepayments and accrued income | 74,999 | 48,922 | 74,999 | 48,922 |
| | <u>772,800</u> | <u>812,778</u> | <u>774,063</u> | <u>814,041</u> |

9 CREDITORS: Amounts falling due within one year

| | Group | | Charity | |
|---------------------------------------|------------------|------------------|------------------|------------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Fees in advance | 764,420 | 848,973 | 764,420 | 848,973 |
| Trade creditors | 144,855 | 146,784 | 144,855 | 146,784 |
| Other taxes and social security costs | 36,765 | 39,062 | 36,765 | 39,062 |
| Other creditors | 25,881 | 25,167 | 25,881 | 25,167 |
| Accruals and deferred income | 40,931 | 56,994 | 40,931 | 56,994 |
| | <u>1,012,852</u> | <u>1,116,980</u> | <u>1,012,852</u> | <u>1,116,980</u> |

10 SUMMARY OF MOVEMENTS ON MAJOR FUNDS

| | At 1/8/17 | Income | Expenditure | Transfers | At 31/7/18 |
|---------------------------|------------------|------------------|--------------------|------------------|-------------------|
| | £ | £ | £ | £ | £ |
| Restricted funds | | | | | |
| Friends of Belmont | - | 27,788 | (1,326) | (26,462) | - |
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| - Fixed asset reserve | 2,668,730 | - | - | (25,119) | 2,643,611 |
| | 2,668,730 | 27,788 | (1,326) | (51,581) | 2,643,611 |
| General reserve | 249,389 | 2,559,330 | (2,542,157) | 51,581 | 318,143 |
| | <u>2,918,119</u> | <u>2,587,118</u> | <u>(2,543,483)</u> | <u>-</u> | <u>2,961,754</u> |

The transfer out of Restricted Funds represents the build costs of the Pirate Ship play facility funded by Friends of Belmont Donations.

| | At 1/8/16 | Income | Expenditure | Transfers | At 31/7/17 |
|---------------------------|------------------|------------------|--------------------|------------------|-------------------|
| | £ | £ | £ | £ | £ |
| Restricted funds | | | | | |
| Friends of Belmont | - | 11,676 | (11,676) | - | - |
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| - Fixed asset reserve | 2,558,633 | - | - | 110,097 | 2,668,730 |
| | 2,558,633 | - | - | 110,097 | 2,668,730 |
| General reserve | 333,098 | 2,518,190 | (2,491,802) | (110,097) | 249,389 |
| | <u>2,891,731</u> | <u>2,529,866</u> | <u>(2,503,478)</u> | <u>-</u> | <u>2,918,119</u> |

11 SHARE CAPITAL

The company has no share capital being a company limited by guarantee.

BELMONT SCHOOL (FELDEMORE) EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2018

12 GOVERNORS' INDEMNITY INSURANCE

As part of its overall insurance policy, the company has purchased Governors' liability insurance providing cover of up

13 RELATED PARTY TRANSACTIONS

C Candlish, A Goss, T Timperlake and H Priday were parents of pupils attending the School during the year for whom fees were payable to the school. C Candlish received staff discount on the school fees for her children who are pupils at the school. This discount is awarded at the same rate as other staff who have children who are pupils at the school. The discount received was £29,895 (2017: £2,129). H Priday, received sibling discounts on the school fees for her third and fourth child, who are pupils at the school. These discounts are awarded on the same basis as those for other parents with more than two children at the school and amounted to £4,506 (2017: £3,405).

14 OPERATING LEASE COMMITMENTS

Lease payments recognised as an expense in the year were £52,077 (2017: £42,217)

At the year end the company had outstanding commitments for future minimum lease payments under non-

| | Group & Charity | |
|----------------------------|----------------------------|---------------|
| | 2018 | 2017 |
| | £ | £ |
| Within one year | 46,895 | 47,156 |
| Between two and five years | 140,188 | 36,683 |
| In over five years | 65 | - |
| | <u>187,148</u> | <u>83,839</u> |

15 CAPITAL COMMITMENTS

| | 2018 | 2017 |
|---|---------------|---------------|
| | £ | £ |
| Amounts contracted for but not provided for | | |
| Building | - | 17,378 |
| Furniture & equipment | 26,363 | 28,309 |
| | <u>26,363</u> | <u>45,688</u> |

16 STAFF PENSIONS

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £151,618 (2017: £149,551) and at the year-end £19,393 (2017: £19,988) 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.

The school also contributes to defined contribution schemes and contributions paid in the year were £5,769 (2017: £10,787).