

REGISTRAR OF COMPANIES

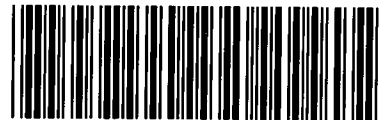
Southwark Diocesan Education Services Limited

Annual Report and Financial Statements

31 December 2017

Company Registration Number
02913554 (England and Wales)

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Legal and administrative information

Directors	The Rt Revd Bishop J Clark Mr M J Edwards The Ven S P Gates (resigned 1 April 2017) The Ven J E Steen (appointed 1 April 2017) The Revd A J Williams (appointed 1 April 2017)
Secretary	Mr C Powell
Registered office	48 Union Street London SE1 1TD
Company Registration Number	02913554 (England and Wales)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Legal Advisor	Winckworth Sherwood LLP Minerva House 5 Montague Close London SE1 9BB
Bankers	National Westminster Bank plc 57 Victoria Street London SW1H 0HN

The Directors present their report together with the financial statements of Southwark Diocesan Education Services Limited for the year ended 31 December 2017.

Principal activity

The principal activities of the company are the provision of services for schools in the Southwark Diocese and administrative services for its parent undertaking, the Southwark Diocesan Board of Education (Incorporated).

Results and dividends

The company pays any excess of income over expenditure to its parent undertaking, Southwark Diocesan Board of Education (Incorporated). The directors do not recommend the payment of a dividend.

Directors and their interests

The directors throughout the period are as shown on page 1.

No director holds a beneficial interest in the shares of the company.

Charitable contribution

The company has entered into an agreement with its parent undertaking, Southwark Diocesan Board of Education (Incorporated), to pay an annual sum equal to the company's taxable profit before Gift Aid in each accounting period under the Gift Aid rules.

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102 Section 1A, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.' Under company law the directors 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 company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ make judgements and accounting estimates that are reasonable and prudent;

Statement of directors responsibilities (continued)

- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- ◆ so far as they are aware, there is no relevant audit information of which the company's auditor is unaware, and
- ◆ they have taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The above report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and with Financial Reporting Standard 102 Section 1A.

Signed on behalf of the board of directors:



Director **J CLARK**



M.J. EDWARDS

Approved by the board on: 5th July 2018

Independent auditor's report to the members of Southwark Diocesan Education Services Limited

Opinion

We have audited the financial statements of Southwark Diocesan Education Services Limited (the 'company') for the year ended 31 December 2017 which comprise the statement of income and retained earnings, statement of financial position, principal accounting policies and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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

In our opinion, the financial statements:

- ♦ give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- ♦ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ♦ the financial statements are not in agreement with the accounting records and returns; or
- ♦ certain disclosures of directors' remuneration specified by law are not made; or
- ♦ we have not received all the information and explanations we require for our audit; or
- ♦ the directors 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 Directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

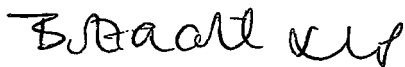
As explained more fully in the directors' responsibilities statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors 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 www.frc.org.uk/auditors responsibilities. This description forms part of our Auditor's report.



Katharine Patel (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date:



Statement of income and retained earnings Year to 31 December 2017

	Notes	Year to 31 December 2017 £	Year to 31 December 2016 2015 £
Turnover		635,696	608,195
Cost of sales		(34,075)	(42,506)
Gross profit		601,621	565,689
Administrative expenses		(186,919)	(150,020)
Profit on ordinary activities before taxation	1	414,702	415,669
Taxation	4	—	—
Gift Aid payable to parent undertaking		(414,702)	(415,669)
Profit retained for the financial period		—	—
Retained earnings at 1 January 2017		11,755	11,755
Retained earnings at 31 December 2017		11,755	11,755

All of the company's activities derived from continuing operations during the above two financial periods.

There were no recognised gains or losses other than the result for the year, so a separate statement of comparative income has not been prepared.

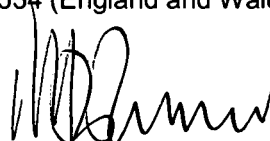
Statement of financial position 31 December 2017

	Notes	31 December 2017 £	31 December 2016 £
Fixed assets	5	1,430	3,156
Current assets			
Debtors	6	99,554	125,219
Cash at bank and in hand		54,567	41,765
		155,551	166,984
Creditors: amounts falling due within one year	7	(143,795)	(158,384)
Net current assets		11,756	8,600
Total net assets		11,756	11,756
Capital and reserves			
Called-up share capital	8	1	1
Retained earnings	9	11,755	11,755
		11,756	11,756

Signed on behalf of the board of directors of Southwark Diocesan Education Services Limited, Company Registration Number 02913554 (England and Wales) by:



Director **J. CLARK**



Director **M.J. EDWARDS**

Approved by the board on: 5th July 2018

Principal accounting policies Year to 31 December 2017

Southwark Diocesan Education Services Limited is a private limited company incorporated in England and Wales (Company Registration Number 02913554). The registered office is 48 Union Street, London, SE1 1TD. It is a wholly owned subsidiary of Southwark Diocesan Board of Education (Incorporated) (Company Registration Number 00086641 (England and Wales)) and registered charity (Charity Registration Number 313001 (England and Wales)).

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 Section 1A, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and with the Companies Act 2006.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The financial statements are presented in sterling and are rounded to the nearest pound.

Going concern

The directors have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The directors have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The directors of the company have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The directors are of the opinion that the company will have sufficient resources to meet its liabilities as they fall due.

Critical accounting estimates and areas of judgement

In preparing these financial statements, the directors have been required to make certain significant judgements and estimates. The items in these financial statements where these key estimates and judgements have been made include the estimation and recognition of a management charge from the company's parent entity.

There are no key assumptions or areas of uncertainty where there is a significant risk of a material adjustment to the carrying value of the assets and liabilities of the company being required during the financial year ending 31 December 2018.

Principal accounting policies Year to 31 December 2017

Statement of cash flows

The financial statements do not include a cash flow statement, because the company, as a small reporting entity is exempt from the requirements to prepare such a statement under FRS 102.

Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. It is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the company to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and excludes recoverable VAT. Expenditure comprises the direct costs associated with the delivery of the company's services as well as general administrative support costs.

Fixed assets and depreciation

Fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

- ♦ Fixtures and fittings – 4 years on a straight line basis.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Principal accounting policies Year to 31 December 2017

Payment under Gift Aid

Any taxable profit is transferred each year under Gift Aid to the company's parent charity. Provision is made within creditors for the amount payable in respect of each year.

Related party transactions

The company is a wholly-owned subsidiary of Southwark Diocesan Board of Education (Incorporated), and has taken advantage of the exemption included within FRS 102, and hence transactions with Southwark Diocesan Board of Education (Incorporated) are not separately disclosed.

Notes to the financial statements Year to 31 December 2017

1 Profit on ordinary activities before taxation

This is stated after charging:

	Year to 31 December 2017 £	Year to 31 December 2016 £
Depreciation of fixed assets	1,726	1,730
Auditor's remuneration		
. Audit services	4,588	4,250
. Other services	1,850	1,800

2 Staff costs

The company had no employees throughout the period (2016 – none.)

3 Directors' emoluments

None of the directors received any remuneration during the year (2016 – none).

The directors consider that they comprise the key management in charge of directing and controlling the company. They are responsible for running and operating the company on a day to day basis with the assistance of the staff team from Southwark Diocesan Board of Education (Incorporated), the services of which form part of a management charge from the parent charity. As noted above, the directors received no remuneration during the year (2016 - none).

4 Taxation

No taxation charge arises as a result of the donation of any taxable profit to Southwark Diocesan Board of Education (Incorporated) via the Gift Aid scheme. During the year to 31 December 2017 the amount payable under the Gift Aid scheme was £414,702 (2016 - £415,669).

Notes to the financial statements Year to 31 December 2017

5 Fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2017 and at 31 December 2017	40,980
Depreciation	
At 1 January 2017	37,824
Charge for the year	1,726
At 31 December 2017	39,550
Net book value	
At 31 December 2017	1,430
At 31 December 2016	3,156

6 Debtors

	2017 £	2016 £
Trade debtors	18,421	13,558
Amounts owed by parent undertaking	41,556	72,970
Prepayments	39,577	38,691
	99,554	125,219

7 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	12,628	35,882
Other creditors	126,025	111,584
Other taxation and social security	5,142	10,918
	143,795	158,384

8 Called-up share capital

	Allotted, called-up and fully paid	
	2017 £	2016 £
Ordinary shares of £1 each	1	1

9 Parent undertaking

The company's parent undertaking is the Southwark Diocesan Board of Education (Incorporated), Charity Registration Number 00086641, Company Registration Number 313001. Southwark Diocesan Board of Education (Incorporated) prepares group financial statements which include the results of the company. Group financial statements may be obtained from the registered office.

10 Related party transactions

During the year the company received income of £21,726 (2016 - £19,650), including VAT, from Bacon's Educational Foundation in respect of the provision of a service level agreement, and additional consultancy and advisory work. At 31 December 2017, £nil (2016 - £nil) remained to be paid. Bacon's Educational Foundation is a related party as all three directors of the company are also trustees of Bacon's Educational Foundation.

During the year the company received income of £9,074 (2016: £nil) including VAT from the SDBE Multi-Academy Trust in respect of the provision of a service level agreement. As at 31 December 2017, £5,754 remained to be received.