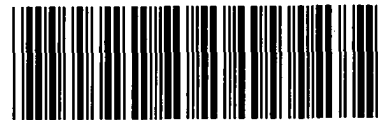


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**REPORT OF THE GOVERNORS, STRATEGIC REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018
FOR
CLAYESMORE SCHOOL**

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CLAYESMORE SCHOOL

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for the year ended 31 August 2018**

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CLAYESMORE SCHOOL

COMPANY INFORMATION

GOVERNORS

- * Mr J I Andrews LLB, Chairman
- * Mr P Dallyn FRICS FAAV, Vice Chairman (retired 31 December 2018)
- *†^ Mr D M Green MA (Cantab) FRSA, Vice Chairman (retired 31 August 2018)
- *†^ Mrs R A P Stiven MA, Vice Chair
- *Ω Mr A G Beaton (retired 31 August 2018)
- †^ Mrs F Deeming BA (Hons) PGCE
- † Mr D C Haywood MA (Cantab)
Mrs M Higgs BSc MR Pharms (appointed 27 November 2018)
- *^ Mrs J Howard BA (appointed 12 December 2017)
- Ω Mr T Ingram MA MBA FCIB
- *^ Mr R Shaw BA, Dip Urb Des, MRTPI (appointed 12 December 2017)
- Ω Maj Gen J D Stokoe CB CBE
- * Mr M Sussman BSc (Hons) MBA CEng MIET (appointed 5 November 2018)
- ^ Mr S R Symonds BA ED (Hons)
- †^ Mrs S Wilson BA, MA Ed, PGCE (appointed 12 December 2017)

- * **Member of Finance and General Purposes Committee**
- † **Member of Senior School Education Committee**
- ^ **Member of Prep School Education Committee**
- Ω **Member of Development Committee**

KEY MANAGEMENT PERSONNEL

HEAD HEAD OF PREP SECRETARY AND CLERK TO COUNCIL/DIRECTOR OF FINANCE AND OPERATIONS

Mrs J S Thomson BA QTS
Mr W Dunlop BA PGCE
Mr M J M Dyer (resigned 10 August 2017)
Mr D Williams (interim from 30 August 2017 to 16 November 2017)
Mrs A Hughes BSC ACA (appointed 27 November 2017)

REGISTERED OFFICE

Clayesmore School
Iwerne Minster
Blandford Forum
DT11 8LL

REGISTERED NUMBER

359779

CHARITY REGISTRATION NUMBER

306214

AUDITORS

Fawcetts LLP
Chartered Accountants and Statutory Auditors
Windover House
St Ann Street
Salisbury
SP1 2DR

BANKERS

Lloyds Bank plc
Beech House
28/30 Wimborne Road
Poole
BH15 2BL

The above information relates to the date of approval of these financial statements

**CLAYESMORE SCHOOL
REPORT OF THE GOVERNORS
for the year ended 31 August 2018**

Clayesmore School governors present their annual report, which includes their strategic report, for the year ended 31 August 2018 under the Charities Act 2011, together with the audited financial statements for the year, and confirm that the latter comply with the requirements of the Act, the Trust Deed and the Charities SORP.

REFERENCE AND ADMINISTRATIVE INFORMATION

Clayesmore School is registered with the Charity Commissioners for England and Wales (registration number 306214). It is incorporated and registered in England and Wales under the Companies Act as a company limited by guarantee and not having a share capital (company number 359779), its current Memorandum and Articles of Association being dated 12 June 2010.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Council

The structure of the Charity consists of a Governing Council, the key details of which, including committee memberships, are explained on Page 1. Other committees and sub-committees exist or are formed as necessary to deal with Health and Safety, Remuneration, Safeguarding etc.

Recruitment and Training of Governors

New governors are appointed to the Council on the recommendation of the existing governors and/or the Executive Management Team (EMT) and following a recruitment process. As and when vacancies on the Council become available, the main criterion in the search for suitable candidates is the need to maintain the best possible balance of relevant skills, expertise and experience on the School's Governing Council. Training for governors includes briefings and discussions on topical subjects and takes place at Council meetings or on seminar days organised for governors. External training courses, for example through the Association of Governing Bodies of Independent Schools (AGBIS), the Independent Association of Prep Schools (IAPs) or other parties, including on line training, are made available to governors under the direction of the Chairman.

Organisational Management

Clayesmore School governors, as the trustees of the Charity, are legally responsible for the overall management and control of Clayesmore School, and meet at least three times a year as a full Council. Council provides overall direction, with more detailed review and monitoring then carried out by the Finance and General Purposes (F&GP) committee, which also meets at least three times a year. The Chairman of the Governing Council is also Chairman of the F&GP Committee. The other key committees are the Senior School Education Committee, the Prep School Education Committee and the Development Committee. The two Education Committees deal with academic, pastoral and teaching staff issues in Senior and Prep Schools, respectively, and meet termly, while the Development Committee deals with fundraising and development projects across the whole School.

The day to day running of the School is delegated to the Head, supported by her EMT, the Head of Prep and the Director of Finance and Operations. The EMT attends all of the key governors' meetings and the Director of Finance and Operations is also Clerk to the Governing Council. Additional committees, sub committees and working groups are established for specific purposes as required, including the Health and Safety Committee, the Safeguarding Monitoring Group, the Clayesmore Society Committee, and various Friends and Parents Associations, and include governors and staff as members, as appropriate.

Risk Management

The Governing Council is responsible for the management of risks faced by the School. A nominated governor and the Director of Finance and Operations, along with other members of the school's management, review the risk register on a regular basis. Risks are identified, assessed, and EMT establishes regular risk control throughout the year. The F&GP committee and the Governing Council undertake a formal review of the Charity's risk management processes on a termly basis. Risks fall into four main categories: strategic, operational, financial and compliance, and each category is reviewed at F&GP and Council.

CLAYESMORE SCHOOL REPORT OF THE GOVERNORS for the year ended 31 August 2018

Risk Management (continued)

The key controls used by the Charity include:

- Formal agendas, minutes and reports for all Committee and Council activity to focus discussion at the strategic level
- Detailed terms of reference for all Committees, ensuring clear roles and responsibilities
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structures and lines of reporting, with regular reviews and appraisals
- Formal written policies and procedures, together with regular staff training
- Authorisation and approval policies
- Vetting procedures as required by law for the protection of the vulnerable
- Detailed checks of essential compliance issues reported at F&GP.

Through the risk management processes established for the School, the governors are satisfied that the major risks identified have been adequately mitigated where necessary and are addressed through the School's Strategic Development Plans. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Pay Policy for Senior Staff

All governors give of their time freely. Expenses were paid in the year only as detailed in the financial statements. No governors received bursary benefit. The governors consider the Council of the School and the EMT to comprise the key management personnel of the School in charge of and directing and controlling the running of the Charity on a day-to-day basis. The pay of senior staff is reviewed regularly by Council and benchmarked as required.

OBJECTS, AIMS, OBJECTIVES

Objects and Aims

The Charity's Objects, as set out in its Articles of Association, are the advancement of education, including the provision of a school or schools for children of both sexes. This is achieved through the provision of a day and boarding school in Iwerne Minster for children from the age of two to eighteen.

The School's principal aim is to support and challenge every pupil to fulfil their potential and contribute to the world with confidence, ambition and compassion. As such, Clayesmore is:

- a school committed to the principles of educating the 'whole person'
- academically inclusive
- all through from age 2-18
- a school which is predominantly British but in which all children from all nationalities have opportunities to develop across a range of dimensions including the physical, spiritual, moral, aesthetic and social
- a kind school rooted in Christian traditions
- a strong community which encourages lifelong networks.

Objectives

Clayesmore School is committed to becoming a sustainable centre for educational excellence. We want to be widely recognised as an innovative school which actively promotes the personal development of pupils in an inclusive and stimulating environment. Clayesmore pupils will have a strong sense of ethical, moral, environmental and social responsibility and will go on to become people who will make a positive impact on the lives of others.

The School therefore has a double mission: to provide an excellent traditional education as well as to pursue a deeper transformational agenda through the cultivation of personal development. The realisation of this challenge requires a distinct and shared methodology based on strong, respectful relationships among all members of the community.

In setting objectives and planning the School's activities the Governors and EMT have given careful consideration to the Charity Commission's general guidance on public benefit. Development planning continues at all levels, including financial and business plans, as well as academic, pastoral and pupil development.

CLAYESMORE SCHOOL
REPORT OF THE GOVERNORS
for the year ended 31 August 2018

Strategies to achieve our objectives

- To continue to provide excellent education and pastoral care in the broadest sense, with clear Academic, Pastoral and Pupil Development Plans.
- To continue to cater for pupils within a wide ability range, offering learning support to young people where needed but also motivating and stretching the more able.
- To maximise the all-through nature of the School with strong links between Prep and Senior schools and a shared ethos.
- To continue to enable the curriculum to evolve to meet the educational, spiritual, moral, technological and cultural needs of the pupils, to help them to prepare more effectively for the world of work, and to achieve personal and economic well-being.
- To continue to invest in facilities, resources and staffing to ensure we create the best possible environment and facilities for teaching, learning and working.
- To ensure access to pupils from all backgrounds and means, by provision of means tested bursary places across the School, with links to other educational Trusts to provide additional funding where needed.
- To maintain a hardship fund to help pupils meet the cost of school trips, examination entrance fees and similar expenses not covered by a bursary award.
- To continue and further develop our links with local schools, local residents, clubs, charities and organisations.
- To ensure strong and resilient leadership and management, with a focus on professional skills development and succession planning.

POLICIES

Admission

Clayesmore School welcomes pupils from all backgrounds. If required, entrance interviews and assessments are undertaken to satisfy parents and the School that potential pupils will benefit from the education and environment provided. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes for admission.

Bursary Awards and Fee Assistance

The education offered is not restricted to those who can afford the fees. The School's Bursary and Scholarship Awards policies ensure that suitable children can accept offers of places at the School and ensures the continuation of our wider access objective. The School makes scholarship awards based on academic, artistic, musical and sporting talent and, where additional financial assistance is required, the School considers applications from parents for a means tested bursary either before joining the School or at any stage of education.

The School does not have endowment funds and has limited donations for Bursary and Scholarship awards. In funding the majority of awards from income, the School has to be mindful to ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards. However, the School works with other Trusts to provide additional funding for pupils if needed, particularly on exam years. Further details about fee assistance are available on the School's website.

Equal Opportunities

Clayesmore School is an equal opportunity organisation and is committed to a working environment that is free from any form of discrimination. The School will make reasonable adjustments to meet the needs of staff, pupils or other visitors who are or become disabled.

Safeguarding and Promoting Welfare

The School is committed to safeguarding and promoting the welfare of its pupils and expects that all staff and volunteers share this commitment. Appropriate policies, procedures, working practices and training are in place to underpin this commitment.

The School provides parents with regular information about their children's social and academic progress through parent evenings, in addition to the end of term and year reports. We maintain regular contact with parents throughout the year through informal contacts and through our newsletters.

CLAYESMORE SCHOOL
REPORT OF THE GOVERNORS
for the year ended 31 August 2018

STRATEGIC REPORT

REVIEW OF ACHIEVEMENTS AND ACTIVITIES OF THE YEAR

Senior School

The School continued to prosper during the year with over 460 pupils. The principal activity remains the education and pastoral care of our pupils. Clayesmore is a school with a wide ability range, which prides itself in supporting and challenging every pupil to fulfil their potential and contribute to the world with confidence, ambition and compassion.

At A-level, the overall pass rate, across 211 A levels taken, was 99%, with 60% achieving A*-B and 33% achieving A* or A grades (or equivalent). The introduction of BTEC courses instead of some chosen practical A-levels has continued to be a considerable success, with 100% pass rates for BTEC.

At GCSE, the overall pass rate was 84%, with 29% achieving A* or A grade (or equivalent). In the context of our all-ability intake, this is a quite outstanding performance.

Jo-Thomson, Head, comments: *"We accept students of all abilities and get great results for them all. Our emphasis on developing new digital learning strategies alongside traditional good teaching in an encouraging atmosphere works well for everyone."*

The opportunities available outside the classroom continue to be broad and varied, with an enhanced co-curricular provision, including opportunities for service, ensuring that pupils are busy, challenged and fulfilled. Reflection on individual learning outside the classroom is also actively encouraged. Our staff unite in the view that every student has something positive to give and we are committed to a growth mindset that demonstrates belief in every individual. The culture is one of excitement, joy and optimism and that ethos in turn brings astonishing results.

We know that our pastoral care is exceptional and we are renowned for our pupil-centered, nurturing, family-style approach. The School is proud of its forward-looking, innovative curriculum, which allows all pupils to achieve beyond their expectations.

Preparatory School

The size of the School remained relatively constant with 222 pupils in the year.

Educational progress continues to be very pleasing. All 54 Year 8 pupils passed Common Entrance to their first choice senior school, between them winning 21 scholarships.

The School continues to provide a high level of support for pupils with specific learning difficulties, most notably dyslexia and dyspraxia, as well as those with other needs such as Asperger's Syndrome.

The School continues to provide significant sporting opportunities. The boys' 1st XI retained the Dorset U13 Cricket Championship (the Edward Kent Shield) and the girls' team were county runners up. Four children qualified for the IAPS national swimming finals at the London Aquatics Centre and the Year 6 team qualified for the ESSA national relay finals in Sheffield.

Every child in Years 3, 4 and 5 was involved in the School's production of the "The Amazing Adventures of Superstan", while our 80 older pupils took part in a production of "Bugsy Malone". All Pre-Prep and Nursery children took part in a Christmas production, a spring concert and a summer performance.

Just over 70% of pupils learn a musical instrument and every one of them performed in front of an audience at some point in the year. At the top level, our U14 ensemble won the Founder's Trophy in the Pro Corda National Chamber Music Festival for Schools.

The art department led a highly successful Japanese week in the summer term, with support from the Japan Foundation and the Japanese Embassy. Activities including calligraphy, taiko drumming, lantern making, Japanese language and a tea ceremony led to a vastly improved level of cultural understanding.

CLAYESMORE SCHOOL
REPORT OF THE GOVERNORS
for the year ended 31 August 2018

Charitable fundraising is an important feature of school life, as shown below, with pupils and staff taking part in numerous fundraising activities. The School was commended for social responsibility when Year 6's "Time's Up for SUP" campaign was nationally recognized in the Total Better Energy Schools Awards.

Charitable Activities

At Clayesmore, we are committed to meeting our responsibilities to contribute to the Public Benefit in a variety of ways to meet our charitable objectives, in addition to the provision of financial fee assistance, as well as continuing to provide a wider community benefit.

Clayesmore works with local schools in a variety of ways, including:

- The Forum School – weekly cookery lessons in our HE department, alongside Clayesmore pupils.
- Durweston Primary School – French lessons.
- Numerous events enabling allowing pupils from local state schools to use its sports facilities, including cricket, cross country, athletics and rugby events for local Prep and State schools (including Downlands Primary, Abbey School Shaftesbury, Broad Chalke Primary, Pimperne School, St Mary's Blandford).
- Primary Schools Choral and Singing Days.
- Opening our swimming pool to public children for "Learn to Swim" sessions; non-Clayesmore pupils are also able to join Clayesmore Swim Club for more elite swim training.
- Local primary schools and local charities, including Mothers' Union, use School minibuses at times when they are not in use by Clayesmore.
- The Prep School offers a free Toddler Group for local parents and the use of some of our facilities to the local Brownie pack.
- Some local children come to Clayesmore to take their music exams in the music department; EAL candidates from other local schools also sit their Cambridge Assessment English exams at the School.
- A number of staff are governors at other schools (state and independent), and the Head of a local state school is on Clayesmore's Council, as a member of both the Senior and Prep School Education Committees. This enables greater sharing of knowledge, skills, expertise and experience across sectors.
- Pupils from local state schools are invited to Clayesmore lectures.
- A rugby training event (for teachers) was hosted at the school at the end of the summer holidays and was open to teachers from other local schools.
- Senior School Languages Symposium for high level Y10 linguists – invited pupils from three local maintained schools.

The Clayesmore Sports Centre remains the most obvious and visible contribution to both public and wider community benefit, and it has continued to be used by local maintained schools, organizations and individuals of all ages. Such activity includes use of the sports hall and the provision of fitness classes, the swimming pool with teaching lessons, as well as regular use of the pool by canoe and swimming clubs. The astro pitch is also in regular use by external schools and organisations and continues to be in demand.

The School also allows local charities (e.g. Dorset branch of CPRE) and parish council to hold meetings and events at the School, outside of term time.

The School also continues to support the local village and parish council in a variety of ways including:

- maintenance of the village cricket field
- financial contribution to the 20mph speed limit project
- concerts/choral events in local parish churches
- CCF-support at Remembrance Day Services and parades in local villages
- Clayesmore Pipe Band playing at various events around Somerset and Dorset e.g. Forde Abbey firework night.

All Y12s are now embarked on a community service programme on Wednesday afternoons. Options are chosen by students and include care home visits, charity event planning and links with the Forum school in Shillingstone. This actively encourages pupils to participate in community service at a variety of levels. Similarly, a number of charity projects are arranged within school, encouraging pupils in a culture of giving. A school charity is chosen and supported through Chapel collections and events. Every child and member of staff in the Prep School took part in a sponsored

CLAYESMORE SCHOOL
REPORT OF THE GOVERNORS
for the year ended 31 August 2018

"Jazzercise" session in February, raising £2,483.37 for Canine Partners. At the suggestion of a pupil, many families supported the FSCI Christmas Box Appeal and a group of pupils went to the Trussell Trust centre in Salisbury to assist with checking and loading the boxes. The School now makes an annual voluntary donation to the IAPS Charitable Trust.

Both staff and pupils are also engaged in recycling initiatives across the school through the recently instigated CHEERS group. In addition, the school's "green credentials" significantly improved with the installation of the biomass heating system and PV panels.

In addition to providing local employment for over 400 people (including a number of apprenticeships for young people and support for NQ teachers to reach qualified teacher status), the School also supports the local economy where possible by sourcing goods and services from local suppliers (e.g. woodchip from a local farm; dairy and meat products from local dairies and butchers etc.), not to mention the use of local services such as the village shop and pub by staff, parents, pupils and visitors.

The School also opens its facilities to holiday lets over the school holidays, thus enabling a number of other groups (mainly young people) to benefit from our facilities for language and sports camps. We also run holiday activity clubs to provide facilities for local children to enjoy and for local parents to benefit from the provision of childcare in the school holidays.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The School achieved an operating surplus of £872,354 against a continued background of rising operating costs and ongoing upgrades and improvements to buildings and facilities.

As a charity, the parents of pupils have the assurance that the School applies almost all income to educational purposes. As an educational charity, the School currently enjoys tax exemption on activities and an 80% reduction on business rates on property. The School applies the financial benefits received from these tax exemptions for educational purposes and they help it indirectly to maintain its bursary provision and wider charitable objectives.

As an educational charity, the School is exempt for VAT purposes and so unable to reclaim VAT input tax on costs. The School pays tax as an employer through the National Insurance contributions it makes. In addition to the very substantial benefits brought to its pupils and to the local community through the education it offers, the bursary programme and the School's work with local schools creates a significant social asset without cost to the Exchequer.

Reserves Policy

The School's policy is to invest any surpluses generated from the running of the School in developing the buildings, equipment and resources of the School.

Investment Policy

The School's investment policy is decided by the Governing Council in accordance with its Memorandum and Articles of Association.

FUTURE PLANS

The key priorities and objectives of the School are set out in the School's Development Plans. To achieve these there will be a focus on:

- professional development and wellbeing of staff to aid recruitment and retention and to ensure high standards of pastoral care and curriculum delivery
- financial sustainability through clear strategies for admissions, marketing, bursaries, fees, commercial activity and fundraising
- educational excellence across academic, pastoral and extra-curricular areas
- development of strong and resilient leadership and management
- maintenance and development of the estate to create the best possible environment and facilities for teaching, learning and working, and
- raising the profile of the School both nationally and internationally.

CLAYESMORE SCHOOL
REPORT OF THE GOVERNORS
for the year ended 31 August 2018

Within all of this, Governors are determined to ensure that Clayesmore's ethos remains unchanged: to continue to provide an academically inclusive, all-through education with a flexible, diverse and innovative curriculum that supports and challenges every pupil to fulfil their potential and contribute to the world with confidence, ambition and compassion.

EMPLOYEE INFORMATION

The School follows all legislative requirements relating to recruitment and employment and operates specific policies for the following areas:

- Safeguarding including Prevent Duties
- Disciplinary and Grievance
- Capability
- Accessibility
- Health and Safety
- Whistleblowing
- Discrimination and Equality.

A professional development programme is in place for academic staff and for most support staff and the School supports the personal and professional development of all staff.

RELATED AND CONNECTED PARTY TRANSACTIONS

The School had no related or connected party transactions during the financial year.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the governors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each governor has taken all the steps that he or she ought to have taken as a governor in order to make himself or herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The governors (who are also directors of the company and trustees of the charity) are responsible for preparing the Report of the Governors (which includes the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the governors are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 (FRS 102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The governors are responsible for keeping adequate accounting records, which 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.

**CLAYESMORE SCHOOL
REPORT OF THE GOVERNORS
for the year ended 31 August 2018**

ON BEHALF OF THE COUNCIL OF GOVERNORS

The governors (in their capacity as directors of the company and trustees of the charity) approve the Report of the Governors and the Strategic Report for the year ended 31 August 2018.

Approved and authorised for issue by the Governing Council of Clayesmore School during February 2019 and signed on its behalf by:


.....
Mr J I Andrews – Chairman

Date: 14 FEBRUARY 2019

CLAYESMORE SCHOOL

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CLAYESMORE SCHOOL

Opinion

We have audited the financial statements of Clayesmore School (the 'charitable company') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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 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 financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Report of the Governors (including Strategic Report), other than the financial statements and our Report of the Auditors thereon. The Governors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Governors, which includes the Report of the Directors and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors included within the Report of the Governors have been prepared in accordance with applicable legal requirements

Continued on page 11

CLAYESMORE SCHOOL

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CLAYESMORE SCHOOL (continued)

Continued from page 10

Matters on which we are required to report by exception

In 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 Strategic Report or the Report of the Directors included within the Report of the Governors.

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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the Statement of Governors' Responsibilities set out on page nine, the Governors (who are also directors of the charitable company for the purposes of company law and trustees of the charity for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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


Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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


Simon Ellingham BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Fawcetts LLP
Chartered Accountants and Statutory Auditors
Windover House
St Ann Street
Salisbury
SP1 2DR

Dated: 12/19

CLAYESMORE SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)
for the year ended 31 August 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
INCOME AND ENDOWMENTS FROM:					
Charitable activities					
Fees receivable	2	14,338,924	-	14,338,924	13,946,562
Other income	3	336,593	-	336,593	303,253
Donations and legacies		81,507	44,762	126,269	46,975
Other trading activities:					
Trading income		216,399	-	216,399	205,800
Holiday lettings		146,697	-	146,697	205,867
Clayesmore Society		-	42,705	42,705	56,751
Total income		<u>15,120,120</u>	<u>87,467</u>	<u>15,207,587</u>	<u>14,765,208</u>
RESOURCES EXPENDED					
Charitable activities:					
School operating costs		13,497,321	32,160	13,529,481	13,610,880
Other costs:					
Donations and legacies expenses		11,056	-	11,056	3,070
Trading expenses		554,672	-	554,672	596,711
Finance and other costs		193,322	-	193,322	310,855
Clayesmore Society		-	46,702	46,702	54,030
		<u>759,050</u>	<u>46,702</u>	<u>805,752</u>	<u>964,666</u>
Total resources expended	7	<u>14,256,371</u>	<u>78,862</u>	<u>14,335,233</u>	<u>14,575,546</u>
NET INCOME FOR THE YEAR/ NET MOVEMENT IN FUNDS		<u>863,749</u>	<u>8,605</u>	<u>872,354</u>	<u>189,662</u>
Fund balances brought forward at 1 September 2017		<u>7,047,603</u>	<u>391,724</u>	<u>7,439,327</u>	<u>7,249,665</u>
FUND BALANCES CARRIED FORWARD AT 31 AUGUST 2018		<u>7,911,352</u>	<u>400,329</u>	<u>8,311,681</u>	<u>7,439,327</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.


The notes form part of these financial statements

CLAYESMORE SCHOOL
Company No. 359779

BALANCE SHEET
As at 31 August 2018

		2018		2017	
	Note	£	£	£	£
FIXED ASSETS:					
Tangible assets	8		15,986,982		16,137,888
CURRENT ASSETS:					
Stocks	9	48,092		82,964	
Debtors	10	2,975,708		4,293,360	
Cash at bank and in hand		<u>1,937,659</u>		<u>655,151</u>	
		4,961,459		5,031,475	
CREDITORS: Amounts falling due within one year	11	<u>6,714,381</u>		<u>7,296,376</u>	
NET CURRENT LIABILITIES:			<u>(1,752,922)</u>		<u>(2,264,901)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			14,234,060		13,872,987
CREDITORS: Amounts falling due after more than one year	12		<u>5,922,379</u>		<u>6,433,660</u>
			<u>8,311,681</u>		<u>7,439,327</u>
FUNDS:					
Unrestricted funds -General	15		7,827,589		7,047,603
-Designated	16		83,763		
Restricted funds	17		<u>400,329</u>		<u>391,724</u>
			<u>8,311,681</u>		<u>7,439,327</u>

Approved and authorised for issue by the Governing Council of Clayesmore School and signed on its behalf by:


Mr J I Andrews - Chairman

Date: 4 February 2019

The notes form part of these financial statements

CLAYESMORE SCHOOL

**CASH FLOW STATEMENT
for the year ended 31 August 2018**

	Notes	2018 £	2017 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash provided by operating activities	22	2,042,829	13,944
Cash flows from investing activities:			
Purchase of tangible fixed asset		(290,976)	(544,711)
Sale of tangible fixed assets		<u>3,750</u>	<u>-</u>
Net cash used in investing activities		<u>(287,226)</u>	<u>(544,711)</u>
Cash flows from financing activities:			
Repayments of borrowings		(418,452)	(410,670)
Finance lease repayments		-	(2,509)
Cash inflows from new borrowings		<u>-</u>	<u>-</u>
Net cash (used in)/provided by financing activities		<u>(418,452)</u>	<u>(413,179)</u>
Change in cash and cash equivalents in the reporting period		1,337,151	(943,946)
Cash and cash equivalents at 1 September 2017		<u>600,508</u>	<u>1,544,454</u>
Cash and cash equivalents at 31 August 2018	23	<u><u>1,937,659</u></u>	<u><u>600,508</u></u>

The notes form part of these financial statements

CLAYESMORE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018

1. ACCOUNTING POLICIES

The principal accounting policies adopted and consistently applied, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Accounting convention

The financial statements are prepared in accordance with Accounting and Reporting by Charities: the Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102) and the Companies Act 2006. They are drawn up on the historical cost accounting basis and are prepared in Sterling (£) which is the functional currency of the charitable company. There are no material uncertainties about the school's ability to continue as a going concern. The school meets the definition of a public benefit entity under FRS 102.

Fees and similar income

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

Donations, legacies and other voluntary incoming resources

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

Resources Expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

Tangible fixed assets

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated to write off the cost of tangible fixed assets, less their estimated residual values, over the expected useful lives of the assets concerned. The principal annual rates used for this purpose are:

Land is not depreciated. Buildings are depreciated at rates between 1% and 10% per annum on cost.

The all weather pitch is depreciated at 10% per annum on cost, fixtures, fittings and equipment at rates between 20% and 33% and motor vehicles at 20%.

Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Debtors

Debtors are measured at their recoverable amount.

The notes form part of these financial statements

CLAYESMORE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018

1. ACCOUNTING POLICIES (continued)

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter. The interest element of these obligations is charged to the income and expenditure account over the relevant period. The capital element of the future payments is treated as a liability. Rentals paid under operating leases are charged to the income and expenditure account on a straight line basis over the period of the lease.

Pensions

The School contributes to the Teachers' Pension scheme. This is a multi-employer pension scheme. It is not possible to identify the school's share of the underlying assets and liabilities of the scheme on a consistent and reliable basis and therefore, as required by FRS 102, the school accounts for the scheme as if it were a defined contribution scheme. Contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The School contributes to a Group Personal Pension Scheme for non-teaching staff. Contributions are charged in the period in which the salaries to which they relate are payable.

Funds

The School's funds consist of unrestricted and restricted amounts. The School may use unrestricted amounts at its discretion. Restricted funds can only be used for a particular purpose as specified by the donor. Designated funds are unrestricted funds that the Governors have reserved for a particular purpose.

Hedging arrangements

Interest rate swaps are held to manage the interest rate exposures of borrowings and are included in the financial statements at fair value. Movements in fair value are recognised in the statement of financial activities.

The notes form part of these financial statements

CLAYESMORE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2018**

2. INCOMING RESOURCES

The income and net incoming resources are attributable to the one principal activity of the company.

Fees receivable consist of:

	2018 £	2017 £
Gross fees	19,642,425	19,054,339
Less: Total scholarships, bursaries and allowances	<u>(5,303,501)</u>	<u>(5,107,777)</u>
	<u>14,338,924</u>	<u>13,946,562</u>

3. OTHER INCOME

	2018 £	2017 £
Sundry income	292,923	294,583
Fees in lieu of notice	<u>43,670</u>	<u>8,670</u>
	<u>336,593</u>	<u>303,253</u>

4. STAFF COSTS

	2018 £	2017 £
Wages and salaries	8,379,912	8,414,418
Social security costs	780,735	783,903
Other pension costs	<u>1,027,138</u>	<u>1,042,437</u>
	<u>10,187,785</u>	<u>10,240,758</u>

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

	2018	2017
Teaching	121	124
Others	<u>208</u>	<u>195</u>
	<u>329</u>	<u>319</u>

On a head count basis the average number of employees was: Teaching 153 (2017 159), Others 289 (2017 272).

The notes form part of these financial statements.

CLAYESMORE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018

4. STAFF COSTS Continued

	2018 No.	2017 No.
The number of employees whose emoluments exceeded £60,000 were:		
£60,001 - £70,000	2	2
£70,001 - £80,000	2	1
£80,001 - £90,000	1	2
£110,001 - £120,000	1	1
£140,001 - £150,000	-	-

During the year a total of £1,066 was paid to five governors (2017 - £1,564 paid to five governors) as reimbursed travel and accommodation expenses. With this exception, none of the governors nor any persons connected to them, received remuneration or benefits from the School. The governors are the trustees of the charity.

Key management personnel (as defined on page 1) received remuneration and employee benefits totalling £308,778 during the year (2017 £313,675).

5. EXPENDITURE

Expenditure includes:

	2018 £	2017 £
Depreciation - owned assets	441,172	500,680
(Profit)/Loss on disposal of fixed assets	(3,101)	-
Operating lease rentals - plant and machinery	194,844	207,246
Auditors' remuneration - audit fee	15,600	15,201
- other services	-	-

6. EXCEPTIONAL ITEM

There were no exceptional items during the year.

The notes form part of these financial statements

CLAYESMORE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2018**

7. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £	Other £	Depreciation £	2018 Total £	2017 Total £
Charitable activities:					
School operating costs:					
Teaching costs	6,828,902	502,878	19,021	7,350,801	7,508,111
Welfare	1,516,607	696,924	6,941	2,220,472	2,219,968
Premises	504,304	495,005	396,189	1,395,498	1,498,235
Management and administration	986,956	1,536,674	19,021	2,542,651	2,365,514
Governance costs	-	20,059	-	20,059	19,052
	<u>9,836,769</u>	<u>3,251,540</u>	<u>441,172</u>	<u>13,529,481</u>	<u>13,610,880</u>
Other costs:					
Donations and legacies	-	11,056	-	11,056	3,070
Trading costs	351,016	203,656	-	554,672	596,711
Finance and other costs	-	193,322	-	193,322	310,855
Clayesmore Society	-	46,702	-	46,702	54,030
	<u>351,016</u>	<u>454,736</u>	<u>-</u>	<u>805,752</u>	<u>964,666</u>
Total resources expended	<u>10,187,785</u>	<u>3,706,276</u>	<u>441,172</u>	<u>14,335,233</u>	<u>14,575,546</u>

8. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	All weather pitch £	Fixtures, fittings and equipment £	Motor vehicles £	Totals £
COST					
At 1 September 2017	16,904,484	415,910	4,880,816	100,886	22,302,096
Additions	91,556	-	199,420	-	290,976
Disposals	-	-	-	(11,500)	(11,500)
At 31 August 2018	<u>16,996,040</u>	<u>415,910</u>	<u>5,080,236</u>	<u>89,386</u>	<u>22,581,572</u>
DEPRECIATION					
At 1 September 2017	1,768,157	231,397	4,076,251	88,403	6,164,208
Charge for the year	221,526	41,591	171,114	6,941	441,172
Eliminated on disposal	-	-	-	(10,790)	(10,790)
At 31 August 2018	<u>1,989,683</u>	<u>272,988</u>	<u>4,247,365</u>	<u>84,554</u>	<u>6,594,590</u>
NET BOOK VALUE					
At 31 August 2018	<u>15,006,357</u>	<u>142,922</u>	<u>832,871</u>	<u>4,832</u>	<u>15,986,982</u>
At 31 August 2017	<u>15,136,327</u>	<u>184,513</u>	<u>804,565</u>	<u>12,483</u>	<u>16,137,888</u>

The notes form part of these financial statements

CLAYESMORE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2018**

8. TANGIBLE FIXED ASSETS Continued

Included in the net book value of fixtures, fittings and equipment held at 31 August 2018 was £nil (2017 - £nil) in respect of assets held under finance leases.

Included in freehold land and buildings is land valued at £1,257,500 (2017 - £1,257,500) which is not depreciated.

The School elected, in accordance with Section 35.10(d) of FRS102, to use the carrying value on 1 September 2014, the date of transition to FRS102, of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost.

9. STOCKS

	2018	2017
	£	£
Maintenance, domestic and catering stock	6,314	6,918
Goods for resale	<u>41,778</u>	<u>76,046</u>
	<u><u>48,092</u></u>	<u><u>82,964</u></u>

**10. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2018	2017
	£	£
Trade debtors	2,890,893	4,005,086
Other debtors	32,645	179,303
Prepayments	51,174	108,742
VAT	<u>996</u>	<u>229</u>
	<u><u>2,975,708</u></u>	<u><u>4,293,360</u></u>

**11. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2018	2017
	£	£
Loans and overdrafts (see note 13)	475,417	530,060
Trade creditors	-	480
Other creditors	190,780	957,259
Payroll taxes	214,460	195,645
Accruals and deferred income	5,359,128	5,195,873
Advance fees	<u>474,596</u>	<u>417,059</u>
	<u><u>6,714,381</u></u>	<u><u>7,296,376</u></u>

The notes form part of these financial statements

CLAYESMORE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2018**

**12. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2018 £	2017 £
Building loans (see note 13)	5,293,348	5,711,800
Advance fees	<u>629,031</u>	<u>721,860</u>
	<u>5,922,379</u>	<u>6,433,660</u>

13. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2018 £	2017 £
Amounts falling due within one year or on demand:		
Bank overdraft	-	54,643
Building loans	<u>475,417</u>	<u>475,417</u>
	<u>475,417</u>	<u>530,060</u>

Amounts falling due between one and two years:

Building loans	<u>475,417</u>	<u>475,417</u>
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Amounts falling due between two and five years:

Building loans	<u>1,426,250</u>	<u>1,426,250</u>
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Amounts falling due after five years:

Building loans	<u>3,391,681</u>	<u>3,810,133</u>
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The building loan with amounts falling due after more than five years is being repaid by instalments of £475,417 per year.

The overdraft and loans are secured by a fixed charge on the freehold property of the company.

The notes form part of these financial statements

CLAYESMORE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2018**

14. OBLIGATIONS UNDER LEASING AGREEMENTS

The total future minimum payments due on leases expiring:

	Operating leases	
	2018 £	2017 £
Expiring:		
Within one year	173,247	194,884
Between one and five years	263,201	407,120
Over five years	<u>11,479</u>	<u>11,059</u>

15. ALLOCATION OF THE CHARITY NET ASSETS

	Unrestricted funds £	Restricted funds £	Total funds £
Fund values at 31 August 2018 are represented by:			
Tangible fixed assets	15,625,414	361,568	15,986,982
Current assets	4,922,698	38,761	4,961,459
Liabilities	<u>(12,636,760)</u>	<u>-</u>	<u>(12,636,760)</u>
	<u>7,911,352</u>	<u>400,329</u>	<u>8,311,681</u>

Current assets allocated to unrestricted funds include designated amounts totalling £83,763 (see note 16).

16. DESIGNATED FUND

The designated fund created in the year consists of an unrestricted legacy received by the School which the Governors have designated for use on bursaries. There was no expenditure from the fund during the year.

17. RESTRICTED FUNDS

	At 19.17 £	Income £	Expenditure £	At 31.8.18 £
Development of the School / Capital Buildings	277,061	1,008	(2,752)	275,317
Cricket pavilion	27,500	-	-	27,500
Old Clayesmorian Support Fund	9,360	-	-	9,360
Scholarship fund	-	25,000	(25,000)	-
Teaching	1,826	1,086	-	2,912
Sports facilities	6,822	926	(300)	7,448
Long jump/High jump	6,583	-	(1000)	5,583
Other	17,396	4,052	(428)	21,020
Social Centre	-	25	-	25
Annual unrestricted fund	7,034	3,738	(80)	10,692
Annual Teaching and Learning	2,135	60	-	2,195
Annual Bursaries and Scholarships	-	4,258	-	4,258
Pupil Projects	2,100	-	-	2,100
Musical Instruments	-	4,609	(2,600)	2,009
Clayesmore Society	<u>33,907</u>	<u>42,705</u>	<u>(46,702)</u>	<u>29,910</u>
	<u>391,724</u>	<u>87,467</u>	<u>(78,862)</u>	<u>400,329</u>

The notes form part of these financial statements

CLAYESMORE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018

17. RESTRICTED FUNDS Continued

Except for The Clayesmore Society which is explained below, the restricted funds consist of donation income and subsequent expenditure that have been restricted to those particular purposes at the wishes of the donor.

The Clayesmore Society exists to promote through social and cultural events and activities:-

- the aims and objectives of Clayesmore
- the preservation of friendship and communication amongst all members
- support for the work of the School

Income is derived from subscriptions charged to pupils at the School over a period of six terms which provides lifelong membership to the Society. Expenditure represents the costs of events staged to promote the school and achieve the aims of the Society.

18. PENSION COMMITMENTS

The teaching staff have the option to be members of a defined benefit pension scheme operated by the Teachers' Pension Agency. For other employees the company contributes to a Group Personal Pension Scheme operated by Scottish Widows.

The charge for the year in respect of all pension commitments was £1,030,602 (2017 - £1,042,437) of which £261,373 (2017 - £225,968) related to the Group Personal Pension Scheme. At the year-end there were outstanding contributions of £22,967 (2017 - £nil) in respect of contributions due for the month of August paid over to the pension scheme administrators in September.

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) for its teaching staff. The pension charge for the year includes contributions payable to the Teachers' Pension Scheme of £769,229 (2017 £816,469).

The Teachers' Pension Scheme is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pension Scheme Regulations 2014. 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 following scheme valuations undertaken by the Government Actuary Department. The latest valuation report in respect of the Teachers' Pension Scheme was prepared at 31 March 2012 and the valuation report, which was published in June 2014, confirmed that the employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%.

The next valuation of the scheme as at 31 March 2016 is currently underway and is due to be released in the near future, whereupon the employer contribution rate is expected to rise to an estimated 23.6% which will be payable from 1 September 2019.

CLAYESMORE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2018**

19. STATUS

The company, which is limited by guarantee and has no share capital, is registered in England.

20. CAPITAL COMMITMENTS

	2018 £	2017 £
Contracted but not provided for for in the accounts	<u>-</u>	<u>143,214</u>

21. CONTINGENT LIABILITIES

The company has a legal liability to bear the cost of the Wolverton Chapel repairs. However, the Chapel continues to be maintained in a good state of repair and the directors are of the opinion that no further provision need be made in these financial statements.

22. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net income for the year as per the Statement of Financial Activities	872,354	189,662
Profit on disposal of fixed assets	(3,101)	-
Depreciation charges	441,172	500,680
Decrease in stocks	34,872	11,255
Decrease/(Increase) in debtors	1,317,652	(335,045)
(Decrease)/Increase in creditors	<u>(620,120)</u>	<u>(380,496)</u>
Net cash inflow from operating activities	<u>2,042,829</u>	<u>13,944</u>

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	1,937,659	655,151
Overdrafts	<u>-</u>	<u>(54,643)</u>
	<u>1,937,659</u>	<u>600,508</u>

The notes form part of these financial statements

CLAYESMORE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2018**

24. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2017 £
INCOME AND ENDOWMENTS FROM:			
Charitable activities:			
Fees receivable	13,946,562	-	13,946,562
Other income	303,253	-	303,253
Donations and legacies	-	46,975	46,975
Other trading activities:			
Trading income	205,800	-	205,800
Holiday lettings	205,867	-	205,867
Clayesmore Society	-	56,751	56,751
Total income	<u>14,661,482</u>	<u>103,726</u>	<u>14,765,208</u>
RESOURCES EXPENDED			
Charitable activities:			
School operating costs	13,573,045	37,835	13,610,880
Other costs:			
Donations & Legacies	3,070	-	3,070
Trading expenses	596,711	-	596,711
Finance and other costs	310,855	-	310,855
Clayesmore Society	-	54,030	54,030
	<u>910,636</u>	<u>54,030</u>	<u>964,666</u>
Total resources expended	<u>14,483,681</u>	<u>91,865</u>	<u>14,575,546</u>
NET INCOME FOR THE YEAR/ NET MOVEMENT IN FUNDS	<u>177,801</u>	<u>11,861</u>	<u>189,662</u>
 Fund balances brought forward at 1 September 2016	 <u>6,869,802</u>	 <u>379,863</u>	 <u>7,249,665</u>
FUND BALANCES CARRIED FORWARD AT 31 AUGUST 2017	<u><u>7,047,603</u></u>	<u><u>391,724</u></u>	<u><u>7,439,327</u></u>

The notes form part of these financial statements