

BEDSTONE EDUCATIONAL TRUST LTD

Registered company number: 723317

Registered charity number: 528405

**Report of the Trustees and Financial Statements
for the year ended 5 September 2018**

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BEDSTONE EDUCATIONAL TRUST LTD

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BEDSTONE EDUCATIONAL TRUST LTD

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Gp Capt J P S Fynes Chairman
Lt Coloner T Lowry FCIS, MInstAM
J B P Jones Esq
D Owens Esq
Mrs Y Thomas, BSc
B Meldrum Esq
J M Smith Esq
Dr M J Lawton
Mrs S Phillips
S Stringer Esq

Registered Company number

723317 (England and Wales)

Registered Charity number

528405

Registered office

Tremynfa
Carreghofa
Llanymynech
SY22 6LA

Accountants

Mazars LLP
45 Church Street,
Birmingham,
B3 2RT

Solicitors

Veale Wasbrough Vizards
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

Brecher Solicitors
4th Floor
64 North Row
Mayfair, London
W1K 7DA

Bankers

Santander
Bootle
Merseyside
L30 4GB

Key Personnel

Headmaster	- Mr D Gajadharsingh BSc (Hons), PGCE, CPhys, MInstP, NPQH
Bursar	- Mr A R Gore AFA
Deputy Headmaster	- Mr J G Lynch
Director of Studies	- Mr A A Whittall
Head of Junior School	- Mr J A Forster

BEDSTONE EDUCATIONAL TRUST LTD

REPORT OF THE TRUSTEES

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 5 September 2018. The trustees have adopted the provisions of Accounting and Reporting by 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).

STRATEGIC REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Bedstone Educational Trust Limited is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 7 May 1962 and amended by special resolutions dated 2 April 1981 and 20 March 2010.

Recruitment and appointment of new trustees

The Governing body required breadth and depth of experience to carry out its duties effectively and efficiently. New Governors' recruitment was based on a pre-determined set of skills and competences in the area of Education, Law, Finance, Business and Land and Buildings. The policy of the trustees was to maintain a balanced board, with broad experience, covering all the topics listed above.

Induction and training of new trustees

Trustees are encouraged to undergo training to brief them on their legal obligations under Charity and Company Law. On joining the Board they are briefed by the chairman of the board on the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity.

All new Trustees are issued with an induction manual, which seeks to assist in the understanding of the complex issues faced by a new Charity Trustee.

Trustees undertook regular visits to the college, to analyse aspects of the way the charity is managed on a day to day basis, to see what improvements could be made.

The Vice-Chairman was the Trustees' representative with AGBIS, The Association of Governing Bodies of Independent Schools, and was responsible for keeping up to date with best practice and cascading the knowledge down to fellow trustees.

Organisational structure

The board of trustees, currently 10 members, administers the charity. Historically the board has met three times a year and additionally as required to determine the general policy of the charity and the school and to review the school's overall management and control, for which the Governors were legally responsible. A subcommittee covering finance met one month prior to an extraordinary general meeting. The finance subcommittee monitored and reviewed the school budgets, annual accounts and financial reports, considered bursary requests and agreed action on bad debts and advised the board on financial matters generally. A trustee sat on the college health and safety committee. The Headmaster was appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations the Headmaster had delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, estate, employment and education related activity. The Board Chairman and Headmaster met or conversed at least weekly. Following the successful completion of the sale of Bedstone College it is anticipated that the trustees will meet annually and additionally as required to ensure the successful delivery of the charities aims and objectives.

Remuneration of Key Personnel

The board of Governors were all volunteers and no remuneration was paid. The board of Governors appointed the Headmaster and the Bursar, and set their annual salary at the annual general meeting, the trustees do not intend to employ any staff following the sale of the college.

Principle Risks and Uncertainties

Risks are discussed and monitored at the general meetings of the Trustees and form the risk management strategy plan.

BEDSTONE EDUCATIONAL TRUST LTD

REPORT OF THE TRUSTEES

Ethos, Strategy and Policies

The trustees are responsible for setting a strategy for achieving the objectives they have set. The focus of our strategy was on the development of the students, their continued high levels of academic and co-curricular achievement and to further widen access to the education the school provided. The trustees are in the process of reviewing how the charitable funds will be applied following the sale of the school to ensure the continued delivery of the aims and objectives.

Our Ethos

Prior to the closing of the college during the period to 5th September 2017 Bedstone College welcomed students from all backgrounds. To admit a prospective student we needed to be satisfied that our school would be able to educate and develop a prospective student to the best of their potential. We believe each student has the ability to excel in at least one sphere of college life and that it was the responsibility of the college to find and nurture that area of excellence. Entrance interviews were undertaken to satisfy ourselves and parents that potential students could cope with the pace of learning and benefit from the education we provided. An individual's economic status, gender, ethnicity, race, religion, or disability do not form part of our assessment process.

Bedstone College is an equal opportunity organisation and is committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We would make reasonable adjustments to meet the needs of staff or students who were or became disabled.

Bedstone College was committed to safeguarding and promoting the welfare of our students and expected all staff and volunteers to share this commitment. Parents were given regular information about their children's social and academic progress through parent evenings in addition to the traditional end of term year reports. We maintained regular contact with parents throughout the year through informal contacts. Students had a form tutor and house tutor responsible for pastoral care and academic development.

Access policy

It was important to us that access to the education we offered was not restricted to those who could afford our fees. We believed our students benefited from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experiences which helped our students develop an understanding of the perspective of other people that will be vital in their adult lives.

Review of Activities and Achievements

Bursaries and Scholarships

Historic Bursary Policy

The governors viewed our bursary awards as important in helping to ensure children from families who would otherwise not be able to afford the fees could access the education we offered. Our bursary awards were available to all and were made solely on the basis of parental means or to relieve hardship where a student's education and future prospects would otherwise be at risk for example in the case of redundancy. In assessing means we took a number of factors into consideration including family income, investments and savings and family circumstances for example dependent relatives and the number of siblings. However our school did not have an endowment fund and in funding our awards we had to be mindful that we must 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. The bursary awards range from 10% to 80% remission of fees. Information about fee assistance through bursaries was provided to all applying to the school.

Historic Scholarship Policy

The purpose of our scholarship awards was to recognise high academic potential or the ability to excel in our co-curricular activities. Our scholarships were awarded on the basis of the individual's academic potential or evidence of exceptional abilities which would contribute to our co-curricular activities.

Scholarships were awarded with a fixed remission of fees between 5% and 50%. Where further assistance was required. Scholarships may be supplemented by a means tested bursary. We advertised the ability of scholarship awards each spring to the local press.

The value of bursaries and scholarships awarded in the period totalled £Nil (2017- £792,141)

BEDSTONE EDUCATIONAL TRUST LTD

REPORT OF THE TRUSTEES

Assistance for our staff

As part of our emphasis on attracting and retaining high calibre staff, we offered a discount scheme where staff members choose to educate their children at our school, thus bringing private education within financial reach.

Community access and public benefit

In setting our aims and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and the PBE provisions of PRS402.

The college had close links with the local community and assisted local primary schools by transporting their children to the college for sporting fixtures. The college was used as a regular venue by friends of Bedstone College for its fund raising activities. We were very proud to be supporting our local state primary school through the provision of cooked school lunches every school lunch time.

Objectives and Activities

Objectives and aims

Following the sale of the school, the aim of the Trustees was to complete all outstanding transactions and liabilities, thus stabilising and fully understanding the actual residual financial position. The continuing and future aim being to utilise Trust funds to further the education of children, particularly those who, through limited financial circumstances, would benefit the most. During the year, the Trust has engaged with the Charities Commission to ensure that such aims are reflected correctly in the Trust's Objectives.

Significant Activities

Given the difficult financial position of the Trust over the last few years, the trust was delighted to complete the sale of Bedstone college on 5th September 2017 to the London and Oxford Group, ensuring that the transfer was as seamless as possible with all protections for staff and students in place.

Social or programme related investments

Investment activities are managed in line with requirements of the Trustees Act 2000 our investment policy is a low risk approach (held on deposit to earn interest) for the growth of our investments. Interest for the year amounted to 2018 - £7,759 (2017 - £6,972).

BEDSTONE EDUCATIONAL TRUST LTD

REPORT OF THE TRUSTEES

Financial review

The financial statements show net expenses for the year of £113,887 (2017 £239,193 - income). This period college fees decreased by £2,649,172.

As a charity the parents of our students had the assurance that all the income of the school must be applied for educational purposes. As an educational charity we enjoy tax exemption on our educational activities and on our investment income and gains provided these are applied for our charitable aims. As a charity we are also entitled to an 80% reduction on our business rates on the properties we occupy for our charitable purposes. The financial benefits we receive from these tax exemption are all applied for the educational purposes and indirectly help us to maintain our bursary policy.

However, as an educational charity, we are unable to reclaim VAT input tax on our costs as we are exempt for VAT purposes. We also pay tax as an employer through the national insurance contributions we make.

In addition to the very substantial benefits our school brings to our students, the local community and society through the education we offer, our bursary programme creates a social asset without cost to the exchequer.

Reserves Policy

The governors regularly review the finances, budgets and spend against budget. A monthly cash flow analysis was produced as part of the effective stewardship of the school. In common with other independent schools, the governors had invested substantial sums into upgrading school buildings and a continuing programme of refurbishment, development and investment to maintain excellent teaching facilities for our students. The total funds the charity held were £522,594, £518,678 of which were unrestricted. As part of the post-sale reviews the trustees will develop a reserves policy consistent with the charity's revised strategies.

Future Plans

Following the sale, it is the trustee's intention to continue to apply the reserves of the charity in line with its main aims and objectives, being the advancement of education. The trustees are currently exploring possible ways that this can be achieved.

TRUSTEES RESPONSIBILITY STATEMENT

The trustees (who are also the directors of the Bedstone Educational Trust LTD for the purposes of company law) are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the charity SORP;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the companies' act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

BEDSTONE EDUCATIONAL TRUST LTD

REPORT OF THE TRUSTEES

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Approved by the board on Mar 22, 2019
and signed on its behalf by


JPS Fynes (Mar 22, 2019)

Gp Capt J P S Fynes Chairman - Trustee

BEDSTONE EDUCATIONAL TRUST LTD

STATEMENT OF FINANCIAL ACTIVITIES
for the year ending 5 September 2018

	Notes	Unrestricted fund £	Restricted funds £	Caritas Fund £	2018 Total funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	-	-	-	-	3,916
Charitable activities						
Educational	5	-	-	-	-	2,665,724
Other trading activities	3	-	-	-	-	42,987
Investment income	4	7,759	-	-	7,759	7,872
Other income	6	-	-	-	-	2,813,789
		<u>7,759</u>	<u>-</u>	<u>-</u>	<u>7,759</u>	<u>5,534,288</u>
EXPENDITURE ON						
Raising funds	7	-	-	-	-	13,831
Charitable activities						
Educational	8	117,287	-	-	117,287	5,259,337
Other		4,359	-	-	4,359	21,927
		<u>145,586</u>	<u>-</u>	<u>-</u>	<u>121,646</u>	<u>5,295,095</u>
NET INCOME/ (EXPENDITURE)		(113,887)	-	-	(113,887)	239,193
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>636,481</u>	<u>-</u>	<u>-</u>	<u>636,481</u>	<u>397,288</u>
TOTAL FUNDS CARRIED FORWARD		<u>522,594</u>	<u>-</u>	<u>-</u>	<u>522,594</u>	<u>636,481</u>

CONTINUING OPERATIONS

Income arising from educational activities was discontinued at the 2017 year end.

BEDSTONE EDUCATIONAL TRUST LTD**BALANCE SHEET**

As 5 September 2018

Company No: 723317

	Notes	Unrestricted fund £	Restricted funds £	Caritas Fund £	2018 Total funds £	2017 Total funds £
FIXED ASSETS						
Tangible assets		-	-	-	-	-
CURRENT ASSETS						
Debtors	15	2,376	-	-	2,376	1,089,217
Investments	16	1	-	-	1	1
Cash at bank and in hand		524,367	-	-	524,367	372,449
		<u>526,744</u>	<u>-</u>	<u>-</u>	<u>526,744</u>	<u>1,461,667</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR						
	17	(4,150)	-	-	(4,150)	(825,186)
NET CURRENT ASSETS		<u>522,594</u>	<u>-</u>	<u>-</u>	<u>522,594</u>	<u>636,481</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		522,594	-	-	522,594	636,481
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR						
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS		<u>522,594</u>	<u>-</u>	<u>-</u>	<u>522,594</u>	<u>636,481</u>
FUNDS						
Unrestricted funds	18				518,678	632,565
Restricted funds					3,916	3,916
TOTAL FUNDS					<u>522,594</u>	<u>636,481</u>

For the year ended 5 September 2018, the Company was entitled to the exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476, and the Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts are prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board of Trustees on Mar 22, 2019
and signed on its behalf

JPS Fynes
JPS Fynes (Mar 22, 2019)

Gp Capt J P S Fynes Chairman – Trustee

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Bedstone Educational Trust Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Allocation and apportionment of support costs

Support costs have been allocated to activity costs categories on the following basis:

Administration and welfare – direct
Bank charges and interest – direct
Depreciation – direct

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land and buildings	-	10% on cost, 2% on cost and straight line over 15 years
Sports facilities	-	10% on cost and 10% on reducing balance
Motor vehicles	-	25% on reducing balance
Computer and network equipment	-	33% on cost

Stocks

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

Taxation

The charity is exempt from corporation tax on its charitable activities.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 5 September 2018

1 ACCOUNTING POLICIES (CONTINUED)**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2 DONATIONS AND LEGACIES

	2018 £	2017 £
Donations	-	3,916

3 OTHER TRADING ACTIVITIES

	2018 £	2017 £
Summer school and premises hire	-	24,149
Blazer sales	-	180
Solar panel income	-	11,919
Vending machine sales	-	6,739
	-	42,987

4 INVESTMENT INCOME

	2018 £	2017 £
Rents received	-	900
Deposit account interest	7,759	6,972
	7,759	7,872

BEDSTONE EDUCATIONAL TRUST LTD**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 5 September 2018****5 INCOME FROM CHARITABLE ACTIVITIES**

	2018	2017
	£	£
Gross college fees	-	3,457,865
Less remissions including bursaries, scholarships and discounts	-	(792,141)
	<u>-</u>	<u>2,665,724</u>

6 OTHER INCOME

	2018	2017
	£	£
Gain on sale of tangible fixed assets	-	101
Sundry school income	-	10,674
Wayleave	-	15
Insurance claim	-	2,999
Interest on late payments on account	-	-
Exceptional items – Gross proceeds from disposal of college	-	2,800,000
	<u>-</u>	<u>2,813,789</u>

7 RAISING FUNDS

	2018	2017
	£	£
Raising donations and legacies		
Vending machine purchases	-	4,377
Vending machine rental	-	844
	<u>-</u>	<u>5,221</u>
Opening stock	-	1,134
Closing stock	-	-
Depreciation	-	7,476
	<u>-</u>	<u>8,610</u>
Aggregate amounts	<u>-</u>	<u>13,831</u>

BEDSTONE EDUCATIONAL TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 5 September 2018

8 CHARITABLE ACTIVITIES COSTS

	Direct costs £	Grant funding of activities (see note 9) £	Support costs (see note 10) £	Total £
Educational	117,287	-	4,359	121,646

9 GRANTS PAYABLE

	2018 £	2017 £
Educational	3,000	2,146
The total grants paid to institutions during the period was as follows	-	-

10 SUPPORT COSTS

	Management £	Finance £	Governance Costs £	Total £
Other resources expended				
Educational	-	209	4,150	4,359
	-	209	4,150	4,359

11 NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2018 £	2017 £
Auditors' remuneration	-	11,200
Depreciation – owned assets	-	107,068
(Surplus)/deficit on disposal of fixed asset	-	(101)

BEDSTONE EDUCATIONAL TRUST LTD**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 5 September 2018****12 TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 5 September 2018 nor for the year ended 5 September 2017.

	2018 £	2017 £
Trustees' expenses		
Trustees' expenses	-	3,527

13 STAFF COSTS

	2018 £	2017 £
Wages and salaries	-	1,846,660
Social security costs	-	170,437
Other pension costs	-	170,328
	-	2,187,425

The average monthly number of employees during the year was as follows:

Teaching	-	37
Teaching support	-	6
Welfare	-	38
Premises	-	5
Support and administration	-	7
	-	93

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

£70,001 - £80,000	-	1
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This year the charity made pension contributions on behalf of this employee of £Nil (2017 £14,682)

Remuneration of key management staff	
Employers NI contributions on behalf of key management staff	
Pension contributions on behalf of key management staff	-

BEDSTONE EDUCATIONAL TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 5 September 2018

14 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Caritas Fund £	Total £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	-	-	3,916	3,916
Charitable activities				
Educational	2,665,724	-	-	2,665,724
Other trading activities	42,987	-	-	42,987
Investment income	7,872	-	-	7,872
Other income	2,813,789	-	-	2,813,789
Total	5,530,372	-	3,916	5,534,288
EXPENDITURE ON				
Raising funds	13,831	-	-	13,831
Charitable activities				
Educational	5,259,337	-	-	5,259,337
Other	21,927	-	-	21,927
Total	5,295,095	-	-	5,295,095
NET INCOME/(EXPENDITURE)	235,277	-	3,916	239,193
Transfer between funds	-	-	-	-
Net movement in funds	235,277	-	3,916	239,193
RECONCILIATION OF FUNDS				
Total funds brought forward	397,288	-	-	397,288
TOTAL FUNDS CARRIED FORWARD	632,565	-	3,916	636,481

BEDSTONE EDUCATIONAL TRUST LTD**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 5 September 2018****15 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Trade debtors	-	21,572
Other debtors	-	34,921
Balance of College disposal proceeds outstanding	-	1,000,000
Prepayments and accrued income	2,376	32,724
	<u>2,376</u>	<u>1,089,217</u>

16 CURRENT ASSET INVESTMENTS

	2018 £	2017 £
Share – Marches Consortium	<u>1</u>	<u>1</u>

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Bank loans and overdrafts (see note 22)	-	-
Prepaid fees	-	466,166
Trade creditors	-	81,419
Holding deposits	-	84,864
Accruals and deferred income	4,150	192,737
Intercompany account	-	-
	<u>4,150</u>	<u>825,186</u>

ADVANCE FEE PAYMENTS

Parents may enter into a contract to pay to the school tuition fees in advance by making an agreement with the headmaster. The money may be returned subject to specific conditions on the receipt of one term's notice. These figures also include recoverable extras due during the term. Advance fees are shown as due within one year in trade creditors as the funds have to be available if a pupil leaves the school. Assuming pupils remain at the school, advance fees will be applied as follows:-

	2018 £	2017 £
After 5 years	-	-
Within 2 – 5 years	-	-
Within 1 – 2 years	-	-
Within 1 year	-	466,166
	<u>-</u>	<u>466,166</u>

This represents the accrued liability under contracts.

BEDSTONE EDUCATIONAL TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 5 September 2018

18 MOVEMENT IN FUNDS

	At 6 September 2017 £	Net movement in funds £	At 5 September 2018 £
Unrestricted funds			
General fund	632,565	(113,887)	518,678
Restricted funds			
Caritas Fund	3,916	-	3,916
TOTAL FUNDS	<u>636,481</u>	<u>(113,887)</u>	<u>522,594</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources Expended £	Movement in funds £
Unrestricted funds			
General fund	7,759	(121,646)	(113,887)
Restricted funds			
Caritas Fund	-	-	-
TOTAL FUNDS	<u>7,759</u>	<u>(121,646)</u>	<u>(113,887)</u>

Comparatives for movement in funds

	At 6 September 2017 £	Net movement in funds £	Transfers between funds £	At 5 September 2018 £
Unrestricted funds				
General fund	397,288	235,277	-	632,565
Restricted funds				
Caritas Fund	-	3,916	-	3,916
TOTAL FUNDS	<u>397,288</u>	<u>239,193</u>	<u>-</u>	<u>636,481</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,530,372	5,295,095	235,277
Restricted funds			
Caritas Fund	3,916	-	3,916
TOTAL FUNDS	<u>5,534,288</u>	<u>5,295,095</u>	<u>239,193</u>

19 PENSION COMMITMENTS

THE TEACHERS PENSION SCHEME

The Teachers' Pension Scheme (TPS) is a statutory, unfunded, defined benefit scheme, governed by the Teachers' Pensions Regulations 2010, and the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

THE TEACHERS' PENSION BUDGETING AND VALUATION ACCOUNT

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pension Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

VALUATION OF THE TEACHERS' PENSION SCHEME

The latest actuarial review of the TPS was carried out as at 31 March 2012 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014.

The valuation report was published by the Department on 9 June 2014. The key results of the value are:

- employer contribution rates were set at 16.4% of pensionable pay; in line with current regulations, not including the additional 0.08% employers pay for the cost of Scheme administration;
- total scheme liabilities for service to the effective date of £191.5 billion, and notional assets of £176.6 billion, giving a notional past service deficit of £15.0 billion;
- an employer cost cap of 10.9% of pensionable pay;
- Actuarial assessments are undertaken in intervening years between formal valuations for financial reporting purposes, using updated membership data.

The new employer contribution rate and administration levy for the TPS were implemented in September 2015.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website at the following location:

<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuationreport.aspx>

The pension charge for the year includes contributions payable to the TPS of £Nil (2017 £156,840) to this scheme.

Pension Contributions – Non Teaching staff

The company operates a defined contribution scheme. The pension cost charged to net incoming resources amounted to £Nil (2017 £5,125).

The school operates the National Employment Savings Trust ("NEST") pension scheme. Contributions charged to net incoming resources in the year amounted to £Nil (2017 £8,363).

20 CAPITAL COMMITMENTS

The trustees are considering assisting the purchaser of the college with repairs of a campus building up to a total spend of £Nil (2017 - £100,000).

21 RELATED PARTY DISCLOSURES

During the period, a trustee was paid £Nil (2017 - £5,157) for the provision of consultancy services inclusive of expenses.

During the period two trustees had children at the school. Goods and services totalling £Nil (2017 - £3,834) were purchased from a business that a trustee had a participating interest in.

In the interests of continuity and the continuing provision of high standards of education a number of trustees have agreed to act in an advisory capacity for the purchaser to ensure a smooth transition for the pupils and staff.

22 GOING CONCERN

Following the successful sale of the college the Trustees consider they have adequate resources for future projects.

23 SHARE CAPITAL

The company has no share capital and is Limited by guarantee.

24 LIABILITY OF MEMBERS

Every member (currently 10) of the company undertakes to contribute to the assets of the company in the event of its being wound up during the time that he or she is a member or within one year afterwards for payment of its debts and liabilities of the company contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up the same and for adjustments of the rights of contributors amongst themselves, such as amounts not exceeding, in the case of any member, the sum of £1.

25 SIGNIFICANT EVENTS

During the 2017 financial year the Trustees sold the college as a going concern, by period end funds of £1.8 million had been received with an amount further outstanding of £1 million before deduction of costs.