

Registered number: 08168311  
Charity number: 1151323

**BEECH LODGE SCHOOL LIMITED**  
(A Company Limited by Guarantee)

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**BEECH LODGE SCHOOL LIMITED**  
**(A Company Limited by Guarantee)**

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**BEECH LODGE SCHOOL LIMITED**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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<b>Trustees</b>	D A Tucker E H Barklem (resigned 20 June 2016) D Szmigielska Shanly R K Best (appointed 6 September 2016)
<b>Company registered number</b>	08168311
<b>Charity registered number</b>	1151323
<b>Registered office</b>	Sorbon 24-26 Aylesbury End Beaconsfield Buckinghamshire HP9 1LW
<b>Principal operating office</b>	13 Home Farm Honey Lane Hurley Berkshire SL6 6TG
<b>Independent examiner</b>	Ms B Silva MHA MacIntyre Hudson Chartered Accountants Abbey Place 24-28 Easton Street High Wycombe Buckinghamshire HP11 1NT
<b>Bankers</b>	Barclays Bank plc 34 Market Square Aylesbury Buckinghamshire HP20 1TT
<b>Solicitors</b>	Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham Gloucestershire GL50 1YD



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**BEECH LODGE SCHOOL LIMITED**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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The Trustees (who are also directors of the charity for the purposes for the Companies Act) present their annual report together with the financial statements of Beech Lodge School Limited (the company) for the year ended 31 December 2016. The Trustees confirm that the Trustees' Report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of Charities SORP (FRS 102).

### **PRINCIPAL ACTIVITIES**

Beech Lodge School Limited is registered as an Independent School with the Department for Education.

### **REVIEW OF ACTIVITIES**

#### **Introduction**

I am very pleased again to report that the school continues to flourish and to exceed expectations. Our good reputation has now reached national proportions and we are recognised throughout the education community as a very special and unique school. We are inundated with enquiries from Local Education Authorities and from families however we are limited in our capacity so unable to take on more full time pupils until we move.

#### **A Bit of History**

Emma Barklem and I originally set up Beech Lodge School as, driven by our childrens' own school experiences we identified a huge need for a school in Berkshire for children who struggled in mainstream school but who did not require a special school place. We wanted a school for children who were slipping through the net and failing in mainstream education due to a variety of reasons such as having Specific Learning Difficulties, Social & Emotional Difficulties, Sensory Integration Difficulties etc. We wanted a school where these children could thrive - not just survive at school.

#### **School Building Programme**

Our Public Inquiry for planning permission to build our much larger school to accommodate up to 96 pupils took place in January 2016. It was a 3 day hearing which heard Proof of Evidence reports from our Planners, Educational Advisers, Landscapers, Beech Lodge Staff and me as well as the Royal Borough of Windsor & Maidenhead and their Legal Team who supported our application.

In August 2016 we finally received notification that we had secured planning permission from the Secretary of State for Communities and Local Government. The report was resoundingly in favour of our application confirming that very special circumstances had been evidenced. In report the Secretary of State agreed that "*a compelling need has been demonstrated*" and "*there would be life- long benefits to the wider society*". He also agreed that "*the educational need for the school on the appeal site is compelling and should be given substantial weight*".

We were, of course, delighted with the outcome. Construction commenced in September 2016 and we are on target to open the new school in October 2017.

Following the hearing we had a visit from the now Prime Minister Theresa May MP who is our local MP. She took an active interest in our school and is being kept abreast of our development.

#### **Staffing**

In 2016 we promoted Jack Rider to Assistant Head/Class teacher with salary adjustment accordingly.

We were very sad to see Becci Best leave us to study for a doctorate in Educational Psychology at UCL. Becci however remains with us in her role as a Director of the school and sits on our Advisory Board.

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**BEECH LODGE SCHOOL LIMITED**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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Leavers included Kate and Lloyd Moloney and Simon Trick.

New recruits included Bev Fisher – Learning Support Assistant, Joe Witcomb – Learning Support Assistant, Karen McIlfrack – Secondary Class Teacher, Katy Singeisen – part time Class Teacher, Simon Hutton – Learning Support Assistant.

It is envisaged that in 2017 Joe Witcomb and Simon Hutton will do their PGCE at Buckingham University to become qualified teachers employed by us.

**Pupil Admissions**

Our roll at the end of 2015 was 21 pupils. We had 4 pupils join us in 2016.

Of those 4 pupils, 2 were from RBWM, 1 from Bracknell LEA, 1 from Wokingham LEA.

Our roll by the end of 2016 was 25 pupils.

**The Fagus Project (Framework for Assessing Goals Using Scaling)**

Fagus – our unique educational resource to monitor emotional and social progress in pupils – was launched in June 2016. We held an event at the nearby Berkshire College of Agriculture to an invited audience of over 100 teachers and SENCo's from schools in the local area.

Fagus was set up as a separate company to Beech Lodge School and so will no longer feature in our report and accounts.

**CONSTITUTION**

The Charity is incorporated as a charitable company limited by guarantee and is a registered charity number 1151323. It is governed by a Memorandum and Articles of Association dated 3 August 2012 as amended by special resolution dated 19 December 2012.

**OBJECTS**

The principal object of the Charity is to advance the education of the pupils at Beech Lodge School by providing and assisting in the provision of specialised schooling and education services for children between 7 and 16 years of age.

There have been no changes in the objectives since the last annual report.

**METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

**ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The School has an Advisory Board which oversees the work of the school and helps secure the school's aims. The Advisory Board under the Chairmanship of Daniela Shanly comprises a team of people who all have a connection with the school. The Advisory Board meets regularly and keeps abreast of responsibilities. It is strongly involved in strategic planning so that resources, both human and material are best used to meet the needs of pupils.

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**BEECH LODGE SCHOOL LIMITED**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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D Shanly takes overall responsibility for the effective running of the school, working closely with the Headteacher.

**RELATED PARTY RELATIONSHIPS**

As disclosed in the notes to the accounts, Beech Lodge School is supported by the Shanly Foundation, a registered charity of which D Tucker is a trustee.

**RISK MANAGEMENT**

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The principal risk and uncertainty facing the Charity relates to the dependence on the major donor, who has confirmed continuing support for the next two or three years.

**Objectives and Activities**

**POLICIES AND OBJECTIVES**

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit. Beech Lodge is committed to providing quality care and education, creating a nurturing environment to foster resilience, develop a growth mindset and provide opportunities for achievement, enabling every child over time to reach their potential.

**MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR PUBLIC BENEFIT**

The school offers a bespoke, engaging and flexible curriculum tailored to meet pupil needs, interest and academic ability. Pupils access a range of subjects, qualifications and extra-curricular activities which enable them to fulfil their potential and prepare for the next stage of their lives. Pupils are taught in small classes with a high adult ratio and specialist teaching.

**GOING CONCERN**

After making appropriate enquiries, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

**FINANCIAL REVIEW**

Incoming resources were £594,499 (2015: £493,405) and resources expended were £597,940 (2015: £409,339) giving a deficit of £3,441 (2015: surplus of £84,066) for the year.

**PAY POLICY FOR SENIOR STAFF**

The Founders and Bursar set the pay of the Headteacher, and the Founders and Headteacher set the pay of the other staff.

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**BEECH LODGE SCHOOL LIMITED**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**RESERVES POLICY**

Reserves are held to meet future commitments, and will be reinvested into the facilities of the school and education of the children. At 31 December 2016 total reserves were £91,727 (2015: £95,168), effectively representing the commitments due under the property lease.

**FUTURE DEVELOPMENTS**

To build our new school!

Now that we have secured planning permission our main focus will be on building our new flagship school. The new site will house not only the school itself but also a therapeutic centre, have facilities for teacher training, outreach work, holiday clubs and a research hub where the Fagus company will be situated.

The larger and more extensive facilities will bring all of our pupils under one roof. The new school will give our pupils more wonderful opportunities to succeed and flourish. They will have considerable outside space to play, explore and learn as well as the purpose built classrooms and internal space that they so desperately need and deserve.

Once we have built our flagship school with our much larger capacity, we will be looking to open more Beech Lodge Schools across the country as there is a very compelling and real need for small therapeutic schools with our vision, ethos and aims at the core.

In conclusion, as we continue to develop and grow we can stand back and look at what we have achieved for our pupils and their families and be very proud of their and our successes. With limited facilities (a converted barn and a portakabin) we have created a school that is gaining national recognition, is being hailed as a model for an alternative therapeutic education and the possibilities for us at the moment for us seem limitless.

**TRUSTEES' RESPONSIBILITIES STATEMENT**

The Trustees (who are also directors of Beech Lodge School Limited for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

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**BEECH LODGE SCHOOL LIMITED**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 13.09.2017 and signed on their behalf by:

  
.....  
**D Szmigielska Shanly**  
Trustee



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**BEECH LODGE SCHOOL LIMITED**  
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**INDEPENDENT EXAMINER'S REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BEECH LODGE SCHOOL LIMITED**

I report on the financial statements of the Charity for the year ended 31 December 2016 which comprise the Statement of Financial Activities, Balance Sheet and Cash Flow Statement, with the related notes.

This report is made solely to the Charity's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on the after 1 January 2015.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER**

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed. The Charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the Charity is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Act; and
- state whether particular matters have come to my attention.

**BASIS OF INDEPENDENT EXAMINER'S REPORT**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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**BEECH LODGE SCHOOL LIMITED**  
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**INDEPENDENT EXAMINER'S REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

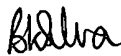
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**INDEPENDENT EXAMINER'S STATEMENT**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare financial statements which accord with the accounting records, Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) and in other respects comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102).
- have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:



Dated: 18 September 2017

B K SILVA      ACA

MHA MacIntyre Hudson  
Abbey Place  
24 - 28 Easton Street  
High Wycombe  
Buckinghamshire  
HP11 1NT

**BEECH LODGE SCHOOL LIMITED**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>INCOME FROM:</b>				
Donations	2	149,406	149,406	218,000
Charitable activities	3	445,093	445,093	275,405
<b>TOTAL INCOME</b>		<b>594,499</b>	<b>594,499</b>	<b>493,405</b>
<b>EXPENDITURE ON:</b>				
Charitable activities		597,940	597,940	409,339
<b>TOTAL EXPENDITURE</b>	4	<b>597,940</b>	<b>597,940</b>	<b>409,339</b>
<b>NET (EXPENDITURE)/ INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>(3,441)</b>	<b>(3,441)</b>	<b>84,066</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>(3,441)</b>	<b>(3,441)</b>	<b>84,066</b>
<b>RECONCILIATION OF FUNDS:</b>				
Total funds brought forward		95,168	95,168	11,102
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>91,727</b>	<b>91,727</b>	<b>95,168</b>

The notes on pages 12 to 23 form part of these financial statements.

**BEECH LODGE SCHOOL LIMITED**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08168311**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2016**

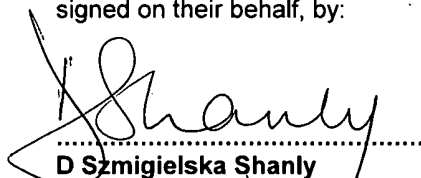
	Note	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Tangible assets	9		20,184		31,628
Investments	10		2		2
			<u>20,186</u>		<u>31,630</u>
<b>CURRENT ASSETS</b>					
Debtors	11	92,933		96,565	
Cash at bank and in hand		29,860		24,136	
		<u>122,793</u>		<u>120,701</u>	
<b>CREDITORS:</b> amounts falling due within one year	12	(51,252)		(57,163)	
<b>NET CURRENT ASSETS</b>			<u>71,541</u>		<u>63,538</u>
<b>NET ASSETS</b>			<u>91,727</u>		<u>95,168</u>
<b>CHARITY FUNDS</b>					
Unrestricted funds	13		91,727		95,168
<b>TOTAL FUNDS</b>			<u>91,727</u>		<u>95,168</u>

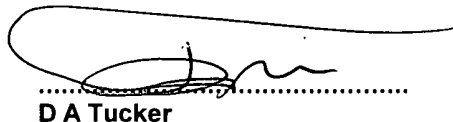
The Trustees consider that the Charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Charity to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the Trustees on 13.02.17 and signed on their behalf, by:

  
D Szmigielska Shanly

  
D A Tucker

The notes on pages 12 to 23 form part of these financial statements.

**BEECH LODGE SCHOOL LIMITED**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	15	<u>6,565</u>	<u>28,351</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		<u>(841)</u>	<u>(29,016)</u>
<b>Net cash used in investing activities</b>		<u>(841)</u>	<u>(29,016)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>5,724</b>	<b>(665)</b>
Cash and cash equivalents brought forward		<u>24,136</u>	<u>24,801</u>
<b>Cash and cash equivalents carried forward</b>	16	<u><u>29,860</u></u>	<u><u>24,136</u></u>

The notes on pages 12 to 23 form part of these financial statements.

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**BEECH LODGE SCHOOL LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)) and the Companies Act 2006.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Beech Lodge School Limited 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.

**1.2 Reconciliation with previous Generally Accepted Accounting Practice**

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by the Charities SORP (FRS 102) the restatement of comparative items was required.

No restatements were required.

**1.3 Company status**

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

**1.4 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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**BEECH LODGE SCHOOL LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.5 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**1.6 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity.

Charitable activities and governance costs are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

**1.7 Tangible fixed assets and depreciation**

All assets costing more than £50 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

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**BEECH LODGE SCHOOL LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**1. ACCOUNTING POLICIES (continued)**

**Tangible fixed assets and depreciation (continued)**

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	-	20% - 33% straight line
Computer equipment	-	25% straight line

**1.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities incorporating Income and Expenditure Account.

**1.9 Operating leases**

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

**1.10 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

**1.11 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.12 Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.



**BEECH LODGE SCHOOL LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**1. ACCOUNTING POLICIES (continued)**

**1.13 Pensions**

Retirement benefits to employees of the School are provided by the Teachers' Pension Scheme ('TPS'). This is a defined benefit scheme, contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Charity.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Charity in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 17, the TPS is a multi employer scheme and the Charity is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

**2. INCOME FROM DONATIONS**

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	149,406	149,406	218,000
	<u>149,406</u>	<u>149,406</u>	<u>218,000</u>
<i>Total 2015</i>	<u>218,000</u>	<u>218,000</u>	

**3. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Fees receivable	445,093	445,093	275,405
	<u>445,093</u>	<u>445,093</u>	<u>275,405</u>
<i>Total 2015</i>	<u>275,405</u>	<u>275,405</u>	

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**4. ANALYSIS OF RESOURCES EXPENDED**

	Staff costs 2016 £	Depreciation 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Charitable activities	376,921	12,285	208,734	597,940	409,339
<i>Total 2015</i>	<u>241,750</u>	<u>6,241</u>	<u>161,348</u>	<u>409,339</u>	

**5. DIRECT COSTS**

	Educational activities £	Total 2016 £	Total 2015 £
Staff development	14,617	14,617	11,004
Educational consultancy	48,861	48,861	41,408
Educational supplies	41,815	41,815	37,940
Technology costs	4,097	4,097	5,666
Wages and salaries	376,921	376,921	241,750
Depreciation	12,285	12,285	6,241
	<u>498,596</u>	<u>498,596</u>	<u>344,009</u>
<i>Total 2015</i>	<u>344,009</u>	<u>344,009</u>	

**6. SUPPORT COSTS**

	Educational activities £	Total 2016 £	Total 2015 £
Maintenance of premises and equipment	4,503	4,503	9,518
Rent and rates	54,600	54,600	25,224
Administrative supplies	7,634	7,634	6,599
Legal and professional	4,730	4,730	7,166
Insurance	11,635	11,635	8,852
Other support costs	13,542	13,542	5,271
Governance costs	2,700	2,700	2,700
	<u>99,344</u>	<u>99,344</u>	<u>65,330</u>
<i>Total 2015</i>	<u>65,330</u>	<u>65,330</u>	

In 2016 and 2015, the total expenditure for support costs was from unrestricted funds.

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**7. NET INCOMING RESOURCES/(RESOURCES EXPENDED)**

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	12,285	6,241
Pension costs	19,238	10,853
Accountants remuneration - independent examination	2,700	2,700
Accountants remuneration - other services	3,474	1,500

During the year, no Trustees received any remuneration (2015 - £NIL).

During the year, no Trustees received any benefits in kind (2015 - £NIL).

1 Trustee (2015: 1) received reimbursement of expenses amounting to £939 (2015 - £115).

**8. STAFF COSTS**

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	330,330	213,254
Social security costs	27,353	17,643
Other pension costs	19,238	10,853
	<u>376,921</u>	<u>241,750</u>

The average number of persons employed by the Charity during the year was as follows:

	2016 No.	2015 No.
Educational	15	8

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charitable company is the Headteacher. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services was £64,064 (2015: £59,385).

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**9. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>			
At 1 January 2016	11,895	33,416	45,311
Additions	841	-	841
At 31 December 2016	<u>12,736</u>	<u>33,416</u>	<u>46,152</u>
<b>Depreciation</b>			
At 1 January 2016	1,007	12,676	13,683
Charge for the year	3,931	8,354	12,285
At 31 December 2016	<u>4,938</u>	<u>21,030</u>	<u>25,968</u>
<b>Net book value</b>			
At 31 December 2016	<u>7,798</u>	<u>12,386</u>	<u>20,184</u>
At 31 December 2015	<u>10,888</u>	<u>20,740</u>	<u>31,628</u>

**10. INVESTMENTS**

	Shares in group undertakings £
<b>Cost</b>	
At 1 January 2016 and 31 December 2016	<u>2</u>

**Subsidiary undertakings**

The following were subsidiary undertakings of the company:

Name	Holding	2016 £	2015 £
Beech Lodge School Services Limited	100%	<u>2</u>	<u>2</u>

Name	Business	Registered office
Beech Lodge School Services Limited	Educational services	Sorbon, Aylesbury End, Beaconsfield, Buckinghamshire, HP9 1LW

Beech Lodge School Services Limited made a loss of £35,444 in the period to 31 December 2016. The reserves held at 31 December 2016 by Beech Lodge School Services Limited was £(35,442).

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**11. DEBTORS**

	2016 £	2015 £
Other debtors	<u>92,933</u>	<u>96,565</u>

**12. CREDITORS: Amounts falling due within one year**

	2016 £	2015 £
Amounts owed to group undertakings	5,479	-
Other taxation and social security	9,371	6,493
Pension	-	2,115
Other creditors	2,501	11,809
Accruals and deferred income	33,901	36,746
	<u>51,252</u>	<u>57,163</u>

**Deferred income**

	£
Deferred income at 1 January 2016	11,072
Resources deferred during the year	24,637
Amounts released from previous years	(11,072)
Deferred income at 31 December 2016	<u>24,637</u>

Deferred income relates to fees received in advance.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**13. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 January 2016 £	Income £	Expenditure £	Balance at 31 December 2016 £
<b>Unrestricted funds</b>				
Reserves	95,168	594,499	(597,940)	91,727

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 January 2015 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2015 £
<b>Unrestricted funds</b>					
General funds	11,102	493,405	(409,339)	-	95,168
	11,102	493,405	(409,339)	-	95,168
Total of funds	11,102	493,405	(409,339)	-	95,168

**14. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2016 £	Total funds 2016 £
Tangible fixed assets	20,184	20,184
Fixed asset investments	2	2
Current assets	122,793	122,793
Creditors due within one year	(51,252)	(51,252)
	91,727	91,727

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**14. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<i>Unrestricted funds 2015 £</i>	<i>Total funds 2015 £</i>
Tangible fixed assets	31,628	31,628
Fixed asset investments	2	2
Current assets	120,701	120,701
Creditors due within one year	(57,163)	(57,163)
	<u>95,168</u>	<u>95,168</u>

**15. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2016 £</b>	<b>2015 £</b>
Net (expenditure)/income for the year (as per Statement of Financial Activities)	<b>(3,441)</b>	84,066
<b>Adjustment for:</b>		
Depreciation charges	12,285	6,241
Decrease/(increase) in debtors	3,632	(95,838)
(Decrease)/increase in creditors	(5,911)	33,882
<b>Net cash provided by operating activities</b>	<u><b>6,565</b></u>	<u><b>28,351</b></u>

**16. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2016 £</b>	<b>2015 £</b>
Cash in hand	<u><b>29,860</b></u>	<u><b>24,136</b></u>
<b>Total</b>	<u><b>29,860</b></u>	<u><b>24,136</b></u>

**17. PENSION COMMITMENTS**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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. Retirement and other pension benefits are paid by public funds provided by Parliament.

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**17. PENSION COMMITMENTS (continued)**

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation 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 for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

**18. OPERATING LEASE COMMITMENTS**

At 31 December 2016 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
<b>Amounts payable:</b>		
Within 1 year	37,671	37,670
Between 1 and 5 years	25,113	62,783
<b>Total</b>	<b>62,784</b>	<b>100,453</b>



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**19. RELATED PARTY TRANSACTIONS**

During the year, donations totalling £140,000 were received from the Shanly Foundation, a registered charity of which D Tucker is a trustee (2015 - £218,000). Payments totalling £20,744 (2015: £NIL) were made to the Shanly Foundation.

During the year, the charitable company received monies on behalf of Beech Lodge School Services Limited, the subsidiary company, amounting to £58,970. The charitable company had paid costs on behalf of Beech Lodge School Services Limited amounting to £47,614. Beech Lodge School Services Limited had also purchased services amounting to £5,877 from the charitable company. At 31 December 2016, the charitable company owed £5,479 (2015: £Nil) to Beech Lodge School Services Limited.

There were no other related party transactions other than those disclosed above or in note 7.

**20. FIRST TIME ADOPTION OF FRS 102**

It is the first year that the Charity has presented its financial statements under Charities SORP (FRS 102). The last financial statements prepared under previous UK GAAP were for the year ended 31 December 2015 and the date of transition to Charities SORP (FRS 102) was therefore 1 January 2015. As a consequence of adopting Charities SORP (FRS 102), a number of accounting policies have changed to comply with those standards.

The policies applied under the Charity's previous accounting framework are not materially different to Charities SORP (FRS 102) and have not impacted on funds or net income/expenditure.