

# **Egerton-Rothesay School Limited**

Registered number: 02226604

## **Directors' report and financial statements**

**For the year ended 31 August 2017**



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# EGERTON-ROTHESAY SCHOOL LIMITED

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## COMPANY INFORMATION

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<b>Directors</b>	S J East D R Vesey
<b>Company secretary</b>	C L Martin
<b>Registered number</b>	02226604
<b>Registered office</b>	Durrants Lane Berkhamsted Herts HP4 3UJ
<b>Independent auditor</b>	Mazars LLP Chartered Accountants & Statutory Auditor The Pinnacle 160 Midsummer Boulevard Milton Keynes MK9 1FF
<b>Bankers</b>	Lloyds Banking Group Buchan House Parkway Court Oxford Business Park Oxford OX4 2JY

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# **EGERTON-ROTHESAY SCHOOL LIMITED**

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# EGERTON-ROTHESAY SCHOOL LIMITED

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## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2017**

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The Directors present their report and the financial statements for the year ended 31 August 2017.

### **Directors**

The Directors who served during the year were:

S J East  
D R Vesey  
J R Bowcock (resigned 31 August 2017)

### **Directors' responsibilities statement**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- 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 Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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## **EGERTON-ROTHESAY SCHOOL LIMITED**

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### **DIRECTORS' REPORT (CONTINUED)** **FOR THE YEAR ENDED 31 AUGUST 2017**

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#### **Principal activity and review of the year**

The principal activity of the Company continued to be that of running an independent school which provides a supportive educational environment to meet the specific educational special needs of its pupils.

During the year, the Company continued the implementation of the development plan defined which builds on the success of the school in developing a specialist approach for children who - for whatever reason - need a more supportive educational environment including specific educational special needs.

This requires an enhanced focus to provide a more complete specialist school with children in groups 'banded' by need, each having various levels of class size and adult support, across the school. This has involved a considerable level of change and staff re-organisation, recruitment and training - all of which has taken time but continues to progress well.

With this increased focus we continue to draw children from a wide area - made possible by our 10-route bus service - and to also act as specialist education provider to 17 Local Authorities who pay full fees for 76, part fees for 19 and no fees for 26 'statemented' children to attend the Egerton Rothesay School.

As we move through a time of economic difficulty the school is trying to ensure that its market is clearly defined and hopefully, as a specialist provider, it will be more than able to hold its market share. Work to improve its website and mailings to drive website viewing are a continuous part of our marketing and we now hold 5 Open Days per year for potential parents which are well attended.

The number of pupils for the year started at 159 and ended at 165.

The school has continued to develop its links to the local Christian community as part of its own ministry. We intend to build further network links with both ministers and youth activities in the area both for the benefit of our own children and to enable them to make a contribution for others.

During the year a rebate of business rates was received which covered a number of years. This follows a decision by the local authority that the school was entitled to an exemption from business rates given the Special Educational Needs of its pupils. This enabled the Company to make a larger Gift Aid payment to its parent charity.

#### **Charitable contributions**

During the year the school has made a Gift Aid donation of £350,000 (2016 - £150,000) to the parent Company Egerton Rothesay and other charitable donations of £1,924 (2016 - £175).

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## EGERTON-ROTHESAY SCHOOL LIMITED

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### **DIRECTORS' REPORT (CONTINUED)** **FOR THE YEAR ENDED 31 AUGUST 2017**

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#### **Disclosure of information to auditor**

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

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

#### **Post balance sheet events**

There have been no significant events affecting the Company since the year end.

#### **Auditor**

The auditor, Mazars LLP, is deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 1 September 2005.

This report was approved by the board and signed on its behalf.



S J East  
Director

Date: 25 January 2018

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# **EGERTON-ROTHESAY SCHOOL LIMITED**

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## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF EGERTON-ROTHESAY SCHOOL LIMITED**

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### **Opinion**

We have audited the financial statements of Egerton-Rothesay School Limited (the 'Company') for the year ended 31 August 2017, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, 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 Company's affairs as at 31 August 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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## **EGERTON-ROTHESAY SCHOOL LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF EGERTON-ROTHESAY SCHOOL LIMITED (CONTINUED)**

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#### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

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

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.



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## EGERTON-ROTHESAY SCHOOL LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF EGERTON-ROTHESAY SCHOOL LIMITED (CONTINUED)

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#### Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement on page 1, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### Auditors' responsibilities for the audit of the financial statements

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



Stephen Brown (Senior Statutory Auditor)

for and on behalf of

#### Mazars LLP

Chartered Accountants  
Statutory Auditor

The Pinnacle  
160 Midsummer Boulevard  
Milton Keynes  
MK9 1FF

Date: 1 February 2018

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## EGERTON-ROTHESAY SCHOOL LIMITED

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### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 AUGUST 2017

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	Note	2017 £	2016 £
Turnover		4,241,090	4,115,257
Cost of sales		(3,411,804)	(3,168,430)
<b>Gross profit</b>		<b>829,286</b>	<b>946,827</b>
Administrative expenses		(544,613)	(656,905)
Other operating income	<b>3</b>	294,569	-
<b>Operating profit</b>		<b>579,242</b>	<b>289,922</b>
Interest receivable and similar income		8,105	13,712
Interest payable and expenses	<b>7</b>	(29,172)	(33,451)
<b>Profit before tax</b>		<b>558,175</b>	<b>270,183</b>
Tax on profit		(55,311)	(67,644)
<b>Profit for the financial year and total comprehensive income</b>		<b>502,864</b>	<b>202,539</b>

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2017 (2016 - £NIL).

The notes on pages 10 to 20 form part of these financial statements.

**EGERTON-ROTHESAY SCHOOL LIMITED**  
**REGISTERED NUMBER: 02226604**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	8	1,988,977	1,570,830
		<u>1,988,977</u>	<u>1,570,830</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	9	268,885	227,827
Cash and cash equivalents	10	1,016,968	672,735
		<u>1,285,853</u>	<u>900,562</u>
Creditors: amounts falling due within one year	11	(1,415,776)	(780,517)
<b>Net current (liabilities)/assets</b>		<u>(129,923)</u>	<u>120,045</u>
<b>Total assets less current liabilities</b>		<u>1,859,054</u>	<u>1,690,875</u>
Creditors: amounts falling due after more than one year	12	(933,045)	(923,732)
<b>Provisions for liabilities</b>			
Deferred tax		(15,490)	(9,488)
		<u>(15,490)</u>	<u>(9,488)</u>
<b>Net assets</b>		<u><u>910,519</u></u>	<u><u>757,655</u></u>
<b>Capital and reserves</b>			
Called up share capital		10,000	10,000
Share premium account		5,269	5,269
Profit and loss account		895,250	742,386
		<u><u>910,519</u></u>	<u><u>757,655</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



S J East  
 Director

Date: 25 January 2018

The notes on pages 10 to 20 form part of these financial statements.

# EGERTON-ROTHESAY SCHOOL LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2017

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
<b>At 1 September 2015</b>	10,000	5,269	689,847	705,116
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	202,539	202,539
<b>Total comprehensive income for the year</b>	-	-	202,539	202,539
Distributions	-	-	(150,000)	(150,000)
<b>Total transactions with owners</b>	-	-	(150,000)	(150,000)
<b>At 1 September 2016</b>	10,000	5,269	742,386	757,655
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	502,864	502,864
<b>Total comprehensive income for the year</b>	-	-	502,864	502,864
Distributions	-	-	(350,000)	(350,000)
<b>Total transactions with owners</b>	-	-	(350,000)	(350,000)
<b>At 31 August 2017</b>	10,000	5,269	895,250	910,519

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# EGERTON-ROTHESAY SCHOOL LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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### 1. General information

Egerton-Rothsay School Limited ("the Company") is a private company limited by shares, registered and incorporated in England and Wales. The address of its registered office is Durrants Lane, Berkhamsted, Herts, HP4 3UJ. The Company's registered number is 02226604.

The principal activity of the Company continued to be that of running an independent school which provides a supportive educational environment to meet the specific educational special needs of its pupils.

These financial statements have been presented in Pounds Sterling (£) as this is the Company's functional currency, being the primary economic environment in which the Company operates. The monetary amounts included in these financial statements are rounded to the nearest £.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

FRS 102 Section 1A allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including the notification of and no objection to, the use of exemptions by the Company's shareholders. In preparing the financial statements, the Company has taken advantage of the following exemptions:

- from disclosing key management personnel compensation, as required by paragraph 7 of Section 33 Related Party Disclosures;
- from presenting a reconciliation of the number of shares outstanding at the beginning and end of the year, as required by paragraph 12 of Section 4 Statement of Financial Position; and
- from presenting a statement of cash flows, as required by Section 7 Statement of Cash Flows.

These financial statements for the year ended 31 August 2017 are the first financial statements of Egerton-Rothsay School Limited prepared in accordance with Section 1A of FRS 102. The date of transition to FRS 102 was 1 September 2015.

Information of the impact of the first-time adoption of FRS 102 is given in note 18.

The following principal accounting policies have been applied:

#### 2.2 Going concern

The financial statements have been prepared on a going concern basis as the Directors have not identified any material uncertainties or events that may cast significant doubt about the ability of the company to continue as a going concern. Further, forecasts and business plans have been prepared which provide comfort that the Company will continue to trade in the foreseeable future.

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# EGERTON-ROTHESAY SCHOOL LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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### 2. Accounting policies (continued)

#### 2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### **School fees and similar income**

Revenue from school fees and similar income is recognised in the term in which the services are provided and when:

- the amount of revenue can be measured reliably; and
- it is probable that the Company will receive the consideration due.

Revenue is deferred where received in advance of the service.

#### 2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Office equipment	- 3 to 8 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

#### 2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### 2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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# EGERTON-ROTHESAY SCHOOL LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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### 2. Accounting policies (continued)

#### 2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### 2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### 2.9 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

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# EGERTON-ROTHESAY SCHOOL LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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### 2. Accounting policies (continued)

#### 2.10 Distributions

Distributions to the parent charity are recognised when they become legally payable. Interim distributions are recognised when paid. Final distributions are recognised where there is a committed amount at the year end.

#### 2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

#### 2.12 Pensions

The Company operates defined contribution plans for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

#### 2.13 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

#### 2.14 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.



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# EGERTON-ROTHESAY SCHOOL LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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### 2. Accounting policies (continued)

#### 2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

### 3. Other operating income

	2017 £	2016 £
Rebate of business rates	275,417	-
Grant from parent charity	19,152	-
	<u>294,569</u>	<u>-</u>

During the year a rebate of business rates was received which covered a number of years. This follows a decision by the local authority that the school was entitled to an exemption from business rates given the Special Educational Needs of its pupils.

During the year, a grant was received from the parent charity which is restricted to the purchase of technology for the school. The corresponding purchase has been capitalised and is included in tangible fixed asset additions.

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## EGERTON-ROTHESAY SCHOOL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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#### 4. Auditor's remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £7,250 (2016 - £6,750).

Fees payable to the Company's auditor in respect of non-audit services total £2,815 (2016 - £2,765).

#### 5. Employees

The average monthly number of employees, including Directors, during the year was 127 (2016 - 123).

#### 6. Directors' remuneration

	2017 £	2016 £
Directors' emoluments including employer's NI	16,312	16,379
Company contributions to defined contribution pension schemes	1,941	2,562
	<u>18,253</u>	<u>18,941</u>

#### 7. Interest payable

	2017 £	2016 £
Bank loans and overdrafts	19,185	22,887
Other loans	9,987	10,564
	<u>29,172</u>	<u>33,451</u>

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## EGERTON-ROTHESAY SCHOOL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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#### 8. Tangible fixed assets

	Freehold property £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 1 September 2016	1,918,225	601,236	2,519,461
Additions	465,099	30,072	495,171
At 31 August 2017	<u>2,383,324</u>	<u>631,308</u>	<u>3,014,632</u>
<b>Depreciation</b>			
At 1 September 2016	431,972	516,659	948,631
Charge for the year on owned assets	47,812	29,212	77,024
At 31 August 2017	<u>479,784</u>	<u>545,871</u>	<u>1,025,655</u>
<b>Net book value</b>			
At 31 August 2017	<u>1,903,540</u>	<u>85,437</u>	<u>1,988,977</u>
At 31 August 2016	<u>1,486,253</u>	<u>84,577</u>	<u>1,570,830</u>

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## EGERTON-ROTHESAY SCHOOL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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#### 9. Debtors

	2017 £	2016 £
Trade debtors	199,488	199,534
Prepayments and accrued income	58,994	17,846
Other debtors	10,403	10,447
	<u>268,885</u>	<u>227,827</u>

#### 10. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	<u>1,016,968</u>	<u>672,735</u>

#### 11. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans	59,093	53,938
Other loans	15,614	15,013
Payments received on account	645,373	292,249
Trade creditors	99,193	122,631
Corporation tax	49,309	58,154
Taxation and social security	56,872	45,244
Accruals	14,495	52,991
Other creditors	475,827	140,297
	<u>1,415,776</u>	<u>780,517</u>

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## EGERTON-ROTHESAY SCHOOL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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#### 12. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Bank loans	624,343	689,075
Other loans	219,043	234,657
Deferred income	89,659	-
	<u>933,045</u>	<u>923,732</u>

#### Amounts falling due after more than 5 years

£380,232 (2016 - £443,314) of the bank loan and £140,975 (2016 - £156,589) of the other loan is due after more than five years from the balance sheet date.

£17,220 of the deferred income balance will be recognised in more than five years from the balance sheet date.

#### Secured loans

Banking facilities are secured by the first legal charge over the site at Durrants Lane, Berkhamsted, Herts, HP4 3UJ.

In 2016 a secured loan facility was taken out for £300,000 in order to acquire the Woods Building which was previously rented. The year end balance is shown above as the 'other loan' and is secured by way of a second legal charge over the Durrants Lane site.

#### 13. Capital commitments

At 31 August 2017 the Company had capital commitments as follows:

	2017 £	2016 £
Contracted for but not provided in these financial statements	<u>-</u>	<u>460,000</u>

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## EGERTON-ROTHESAY SCHOOL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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#### 14. Pension commitments

Contributions are made to The Teachers' Superannuation Scheme (TSS) and the NEST pension scheme, both of which are a defined benefit multi-employer pension scheme. The Company is unable to identify its share of the underlying assets and liabilities of the scheme and accordingly the Company has accounted for the scheme as if it were a defined contribution scheme. The pension cost charge represents contributions payable by the Company to the funds and amounted to £265,399 (2016 - £249,921) in relation to TSS and £18,350 (2016 - £17,282) in relation to NEST.

In addition, contributions are made to personal pension schemes. The pension cost charge represents contributions payable by the Company into the schemes and amounted to £625 (2016 - £625).

Contributions totalling £24,593 (2016 - £22,673) were payable in respect of pensions at the year end and are included in other creditors.

#### 15. Commitments under operating leases

At 31 August 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	33,903	44,880
Between 2 and 5 years	47,684	40,620
	<u>81,587</u>	<u>85,500</u>

#### 16. Related party transactions

The Company is a wholly owned subsidiary and has taken advantage of the exemption permitted by FRS 102 Section 33 "Related Party Disclosures" not to provide disclosures of transactions entered into with other wholly owned members of the Group.

The loan taken out to purchase the previous rented Woods building is provided by Pact Holdings Limited as Trustee of God Save Britain Crusade (registered charity number 262703). Mr S J East is a director of Pact Holdings Limited. Refer to the other creditor in note 11 and 12.

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## **EGERTON-ROTHESAY SCHOOL LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017**

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#### **17. Controlling party**

The immediate and ultimate parent entity is Egerton Rothesay, a charitable company limited by guarantee. The registered office is Egerton Rothesay School, Durrants Lane, Berkhamsted, Hertfordshire, HP4 3UJ.

Egerton Rothesay prepares group financial statements and copies can be obtained from Companies House.

#### **18. First time adoption of FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.