

Registered number: 00454793
Charity number: 1092221

THE ROYAL WOLVERHAMPTON SCHOOL
(A company limited by guarantee)

UNAUDITED

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

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(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018**

Governors

Mr P Hill, FCMA, CGMA, CPFA, Chairman
Mr A K M H Rashid, JP, MA, M Phil
Mr M Masters (Old Royal)

Company registered number

00454793

Charity registered number

1092221

Registered office

The Royal Wolverhampton School
Penn Road
Wolverhampton
West Midlands
WV3 0EG

Accountants

Crowe U.K. LLP
Chartered Accountants
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The Governors present their annual report together with the financial statements of The Royal Wolverhampton School for the 1 September 2017 to 31 August 2018. The Governors confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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) as amended by Update Bulletin 1 (effective 1 January 2015).

Reference and Administration Information

The Royal Wolverhampton School (RWS) is constituted as a charitable company. The company itself is registered under Charity Number 1092221, and as a company limited by guarantee (under Company Number 454793) and is regulated by its Memorandum and Articles of Association dated 15 March 2002, subsequently amended in June 2004, January 2005, August 2011 and August 2016.

Closure of the independent school and the opening of an independent Free School

On 1st September 2016 RWS in effect converted to an independent Free School under a new company (registered no: 09250153) known as The Royal School, Wolverhampton (RSW). At 23.59.59 on 31st August RWS closed its school and at 00.00.01 on 1st September the Free School company opened its school.

A scheme was agreed on 16 June 2016 with the Charity Commission to permit this process. As part of this transaction, RWS sold its assets to RSW but the Leavers Exhibition Fund remained in RWS.

Since these events RWS is also known as The Royal Wolverhampton School Foundation (referred to in this report as 'The Foundation' or 'RWSF').

Structure, Governance and Management

The Directors of the charitable company are its Governors for the purpose of charity law and throughout this report are collectively referred to as the Governors. The Governors are also members of the company for the purpose of company law.

The Governors who served during the year are named on page 1.

The Governors are elected at a full Board of Governors meeting. There are currently three members of the Board, as permitted by a change in the Articles on August 2016.

Recruitment and Training of Governors

The Governors are mindful that the Board should contain members drawn from a broad range of backgrounds including science, healthcare, business, politics, professions and public life. Prospective Board members are encouraged to visit the School, meet the staff and pupils and have a brief introduction to the way in which the School works and the expectations placed on Governors. They are interviewed by the Chairman of The Foundation prior to any decision by the other members of the Board. Election to the Board can only take place by unanimous approval at a Full board meeting.

Governors are appointed for a term of 5 years and for a maximum uninterrupted period of 15 years.

On appointment Governors are given the opportunity to participate in an induction course either individually or as part of a group event. Existing Governors are encouraged to attend training courses on an ad hoc or demand basis. Governors also receive presentations in advance of Board meetings about aspects of the School's or The Foundation's activities or topics of importance that may impact on the Foundation's decisions. Board members

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have been given specific training in such areas such as child protection, safer staff recruitment and Health and Safety and it recognises the need to maintain awareness of developments in the education and charitable sectors.

Public Benefit

In setting policy and planning activities, Governors have given careful consideration to the Charity Commission's general guidance on public benefit, in particular to its supplementary public benefit guidance on advancing education and on fee charging, and of the requirements of the Charities Act 2011.

Funds acquired through donations, legacies and bequests are used to further the Foundations aims.

Objects and Activities

Charitable Objects

The RWS's objects, as set out in the Memorandum of Association, are the advancement of education of persons of school age. Given that the Leaver's Exhibition Fund, required to continue under the scheme agreed with the Charity Commission, is specifically aimed at supporting former RWS and RSW pupils who have recently left school, the Governors consider the objects to include them.

Aims

The Foundation only has assets transferred on the setting up of the Free School, which comprise The Leaving Exhibition Fund, plus any future donations, legacies and bequests received. Certain donations, legacies and bequests may have conditions attached to them limiting the purposes to which they may be used.

Its aims are therefore to manage these funds and make such disbursements as decided by the Directors of The Foundation. It is expected that such disbursements will be mainly for the benefit of pupils at the Royal School Wolverhampton during their education at the School.

STRATEGIC REPORT

Achievements and Performance

During the year income of £8,787 was received.

Fundraising performance

Donations in the year totalled £8,787 (unrestricted funds).

Financial Review

The Foundations total reserves of £121,735 at the year end included £78,564 endowment capital and £43,171 unrestricted funds.

Reserves policy

The Foundation does not possess large endowment reserves to generate income to assist in the financing of the charity.

The Governors are of the view that it is appropriate to retain sufficient funds to protect the The Foundation against uninsurable risks and future uncertainties.

Future Plans

The Company will in future operate in accordance with the aims of The Foundation as set out above.

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Governors' Responsibilities Statement

The Governors are responsible for preparing the Governors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

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

This report, incorporating the Strategic report, was approved by the Governors, in their capacity as company directors, on 22/5/19 and signed on their behalf by:



Mr P Hill, FCMA, CGMA, Chairman
Governor

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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

INDEPENDENT EXAMINER'S REPORT TO THE GOVERNORS OF THE ROYAL WOLVERHAMPTON SCHOOL (the 'company')

I report to the charity Governors on my examination of the accounts of the company for the year ended 31 August 2018.

This report is made solely to the company's Governors, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Governors 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 company and the company's Governors as a body, for my work or for this report.

RESPONSIBILITIES AND BASIS OF REPORT

As the Governors of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Helen Drew

FCA



Dated:

28-5-19

CROWE U.K. LLP
Chartered Accountants
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	Unrestricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	2	8,787	-	8,787	93,876
TOTAL INCOME AND ENDOWMENTS		<u>8,787</u>	<u>-</u>	<u>8,787</u>	<u>93,876</u>
EXPENDITURE ON:					
Charitable activities:					
Other charitable activities		17,084	-	17,084	3,448
TOTAL EXPENDITURE	3	<u>17,084</u>	<u>-</u>	<u>17,084</u>	<u>3,448</u>
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS					
Transfer of assets and liabilities to The Royal School, Wolverhampton	8	(8,297)	-	(8,297)	90,428
		<u>-</u>	<u>-</u>	<u>-</u>	<u>(519,477)</u>
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES		<u>(8,297)</u>	<u>-</u>	<u>(8,297)</u>	<u>(429,049)</u>
NET MOVEMENT IN FUNDS		<u>(8,297)</u>	<u>-</u>	<u>(8,297)</u>	<u>(429,049)</u>
RECONCILIATION OF FUNDS:					
Total funds brought forward	8	51,468	78,564	130,032	559,081
TOTAL FUNDS CARRIED FORWARD		<u><u>43,171</u></u>	<u><u>78,564</u></u>	<u><u>121,735</u></u>	<u><u>130,032</u></u>

The notes on pages 8 to 14 form part of these financial statements.

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REGISTERED NUMBER: 00454793

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
CURRENT ASSETS					
Debtors	5	-		10,747	
Cash at bank and in hand		124,135		122,285	
		<u>124,135</u>		<u>133,032</u>	
CREDITORS: amounts falling due within one year	6	(2,400)		(3,000)	
NET CURRENT ASSETS			121,735		130,032
NET ASSETS			121,735		130,032
CHARITY FUNDS					
Endowment funds	8		78,564		78,564
Unrestricted funds	8		43,171		51,468
TOTAL FUNDS			121,735		130,032

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Governors consider that the company 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 company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Governors 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 were approved and authorised for issue by the Governors on 22/5/19 and signed on their behalf, by:



Mr P Hill, FCMA, CGMA, Chairman

The notes on pages 8 to 14 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES

1.1 Charity information

The Royal Wolverhampton School is a company limited by guarantee (registered number 00454793), which is incorporated and registered in England and Wales. It's charity registration number is 1092221. The registered office and principal place of business is Penn Road, Wolverhampton, West Midlands, WV3 0EG.

It's principal activity is to support the provision of education at The Royal School, Wolverhampton.

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

1.2 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)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Royal Wolverhampton School 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.

1.3 Going concern

On 1 September 2016 the majority of the activities, assets and liabilities of The Royal Wolverhampton School transferred as a going concern to the Free School known as The Royal School, Wolverhampton (registered number 09250153). The existing charity now operates on a smaller scale, providing support to the new school. After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

1.4 Fund accounting

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donations received for the general purpose of the Foundation are credited to unrestricted funds. where the donor or appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not. Gifts in kind are valued at estimated open market value at the date of the gift, in the case of assets for retention or consumption, or at the value to the Foundation in the case of donated services or facilities.

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.

All expenditure is inclusive of irrecoverable VAT.

1.7 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

1.8 Debtors

Short term debtors are measured at transaction price, less any impairment.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	8,787	-	8,787	88,876
Legacies	-	-	-	5,000
Total donations and legacies	8,787	-	8,787	93,876
<i>Total 2017</i>	<i>15,312</i>	<i>78,564</i>	<i>93,876</i>	

3. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Other costs 2018 £	Total 2018 £	Total 2017 £
Support costs and governance	17,084	17,084	3,448
<i>Total 2017</i>	<i>3,448</i>	<i>3,448</i>	

In 2017, the total charitable activities expenditure of £3,448 was from unrestricted funds.

Governance included in support costs

Support costs include independent examiners fees of £2,400 (2017 - £3,000).

4. NET INCOME/(EXPENDITURE)

During the year, no Governors received any remuneration (2017 - £NIL).

During the year, no Governors received any benefits in kind (2017 - £NIL).

During the year, no Governors received any reimbursement of expenses (2017 - £NIL).

5. DEBTORS

	2018 £	2017 £
Other debtors	-	10,747

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

6. CREDITORS: Amounts falling due within one year

	2018	2017
	£	£
Accruals	<u>2,400</u>	<u>3,000</u>

7. FINANCIAL INSTRUMENTS

	2018	2017
	£	£
Financial assets measured at fair value through income and expenditure	124,135	122,285
Financial assets measured at amortised cost	-	10,747
Financial liabilities measured at amortised cost	(2,400)	(3,000)

Financial assets measured at fair value through income and expenditure comprise cash at bank.

Financial assets measured at amortised cost comprise other debtors.

Financial liabilities measured at amortised cost comprise accruals.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

8. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 September 2017 £	Income £	Expenditure £	Balance at 31 August 2018 £
Unrestricted funds				
Orphan Foundation General Funds	51,468	8,787	(17,084)	43,171
Endowment funds				
The Leaving Exhibition Fund	78,564	-	-	78,564
Total of funds	130,032	8,787	(17,084)	121,735

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2017 £
Unrestricted funds					
Orphan Foundation General Funds	480,517	15,312	(3,448)	(440,913)	51,468
Endowment funds					
The Leaving Exhibition Fund	78,564	78,564	-	(78,564)	78,564
Total of funds	559,081	93,876	(3,448)	(519,477)	130,032

The Leaving Exhibition Fund represents the permanent endowment capital of a fund to be applied for the advancement of education by the award of grants (which may be known as Leaving Exhibitions) to beneficiaries to enable them to attend any place of higher or further education or an equivalent course of study (including an apprenticeship).

For the purposes of the Scheme "Beneficiaries" means persons under the age of 25 years who have been registered pupils at the School for at least two years and "School" means the Royal Wolverhampton School and upon its closure the Royal School, Wolverhampton.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 September 2017 £	Income £	Expenditure £	Balance at 31 August 2018 £
Unrestricted funds	51,468	8,787	(17,084)	43,171
Endowment funds	78,564	-	-	78,564
	<u>130,032</u>	<u>8,787</u>	<u>(17,084)</u>	<u>121,735</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2017 £
Unrestricted funds	480,517	15,312	(3,448)	(440,913)	51,468
Endowment funds	78,564	78,564	-	(78,564)	78,564
	<u>559,081</u>	<u>93,876</u>	<u>(3,448)</u>	<u>(519,477)</u>	<u>130,032</u>

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £
Current assets	45,571	78,564	124,135
Creditors due within one year	(2,400)	-	(2,400)
	<u>43,171</u>	<u>78,564</u>	<u>121,735</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds 2017 £</i>	<i>Endowment funds 2017 £</i>	<i>Total funds 2017 £</i>
Current assets	54,468	78,564	133,032
Creditors due within one year	(3,000)	-	(3,000)
	<u>51,468</u>	<u>78,564</u>	<u>130,032</u>

10. RELATED PARTY TRANSACTIONS

There were no other related party transactions other than those disclosed in note 4.