

THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

For the Year Ended 31 August 2018

THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED

COMPANY INFORMATION

Directors

P Hill
M Heywood
N Lloyd
M Masters

Registered number

04059224

Registered office

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

Independent auditor

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

THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 5
Statement of income and retained earnings	6
Balance sheet	7
Notes to the financial statements	8 - 11

THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED

DIRECTORS' REPORT For the Year Ended 31 August 2018

The Directors present their report and the financial statements for the year ended 31 August 2018.

Directors

The Directors who served during the year were:

P Hill
M Heywood
N Lloyd
M Masters

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;
- 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.

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.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED

DIRECTORS' REPORT (CONTINUED)
For the Year Ended 31 August 2018

Small companies note

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

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

P Hill
Director

Date:

THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED

Opinion

We have audited the financial statements of The Royal Wolverhampton School Enterprises Limited (the 'Company') for the year ended 31 August 2018, which comprise the Statement of income and retained earnings, the Balance sheet 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 2018 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.

THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED (CONTINUED)

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.

THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED (CONTINUED)

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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

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

Use of our report

This report is made solely to the Company's shareholders, 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 shareholders 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 shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Drew (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG
Date:

THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS
For the Year Ended 31 August 2018

	2018 £	2017 £
Turnover	554,220	476,687
Cost of sales	(307,205)	(250,316)
Gross profit	247,015	226,371
Administrative expenses	(235,435)	(230,530)
Profit/(loss) before tax	11,580	(4,159)
Tax on profit/(loss)	-	(42,104)
Profit/(loss) after tax	11,580	(46,263)
Retained earnings at the beginning of the year	(35,494)	10,769
Profit/(loss) for the year	11,580	(46,263)
Retained earnings at the end of the year	(23,914)	(35,494)

The notes on pages 8 to 11 form part of these financial statements.

THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED
Registered number: 04059224

BALANCE SHEET
As at 31 August 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	-	16,472
Current assets			
Stocks	5	1,444	793
Debtors: amounts falling due within one year	6	36,292	55,979
Cash at bank and in hand		62,160	275,329
		<u>99,896</u>	<u>332,101</u>
Creditors: amounts falling due within one year	7	<u>(123,708)</u>	<u>(383,965)</u>
Net current liabilities		(23,812)	(51,864)
Net liabilities		<u>(23,812)</u>	<u>(35,392)</u>
Capital and reserves			
Called up share capital		102	102
Profit and loss account		(23,914)	(35,494)
		<u>(23,812)</u>	<u>(35,392)</u>

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

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

P Hill
Director

The notes on pages 8 to 11 form part of these financial statements.

THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 August 2018

1. General information

The Company is a private limited company (registered number 04059224), which is incorporated and registered in England and Wales. The address of the registered office and principal place of business is The Royal School, Wolverhampton, Penn Road, Wolverhampton, West Midlands, WV3 0EG.

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

The members have agreed to the preparation of abridged accounts for this accounting period in accordance with Section 444(2A) of the Companies Act 2006.

2.2 Revenue

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

2.3 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 provided on the following basis:

Fixtures & fittings	- 15% straight line
Computer equipment	- 33% 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 Income statement.

2.4 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for impairment of obsolete and slow moving stocks. Any loss is recognised immediately in the Income Statement.

THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 August 2018

2. Accounting policies (continued)

2.5 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors.

Debtors

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

Creditors

Short term creditors are measured at the transaction price.

2.6 Pensions

Retirement benefits to employees are provided through two schemes. The pension costs are charged in the Statement of income and retained earnings as follows:

(a) The Company contributes to the Teachers' Pension defined benefits pension scheme. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore as required by FRS 102, the Company accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of income and retained earnings represents contributions payable to the scheme in respect of the accounting period.

(b) The Company operates a defined contribution plan for its non-teaching staff. Once the contributions have been paid the Company has no further payments obligations.

3. Employees

There are no contracts of employment held by The Royal Wolverhampton School Enterprises Limited. All employees are contracted to its parent undertaking and costs are recharged.

THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 August 2018

4. Tangible fixed assets

	Fixtures, fittings & equipment £	Computer equipment £	Total £
At 1 September 2017	19,801	1,791	21,592
Additions	1,229	-	1,229
Disposals	(21,030)	(1,791)	(22,821)
At 31 August 2018	-	-	-
At 1 September 2017	4,373	747	5,120
Charge for the year on owned assets	2,601	-	2,601
Disposals	(6,974)	(747)	(7,721)
At 31 August 2018	-	-	-
Net book value			
At 31 August 2018	-	-	-
At 31 August 2017	15,428	1,044	16,472

THE ROYAL WOLVERHAMPTON SCHOOL ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 August 2018

5. Stocks

	2018 £	2017 £
Goods held for resale	1,444	793

6. Debtors

	2018 £	2017 £
Trade debtors	34,737	52,688
Other debtors	250	1,822
Prepayments and accrued income	1,305	1,469
	<u>36,292</u>	<u>55,979</u>

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	8,212	3,810
Amounts owed to group undertakings	114,193	321,680
Corporation tax	-	42,104
Other creditors	398	-
Accruals and deferred income	905	16,371
	<u>123,708</u>	<u>383,965</u>

8. Controlling party

The Royal Wolverhampton Enterprises Limited considers The Royal School, Wolverhampton, (number 09250153) as its ultimate parent undertaking.