
ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the academy, its trustees and advisers	1 - 2
Trustees' report	3 - 11
Governance statement	12 - 15
Statement on regularity, propriety and compliance	16
Trustees' responsibilities statement	17
Independent auditors' report	18 - 19
Independent reporting accountant's assurance report on regularity	20 - 21
Statement of financial activities	22 - 23
Balance sheet	24
Cash flow statement	25
Notes to the financial statements	26 - 42

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Trustees

Penelope Beveridge (resigned 31 December 2014)
Jennifer Boyd, Head Teacher and Accounting Officer (resigned 31 August 2015)¹
Anthony Bussy (resigned 29 June 2015)
Laurence Clark¹
Iley Clements
Ann Dyton, Chair
Zoe Evans, Head Teacher and Accounting Officer (appointed 21 September 2015)¹
Martin Gillie, Responsible Officer¹
Colleen Grice, Parent Trustee
Susie James (resigned 29 June 2015)
Trevor Johnson¹
Elizabeth McCaughey
Victoria Morgan, Staff Trustee
Michael Roberts, Staff Trustee (appointed 21 September 2015)
Caroline Robins, Staff Trustee (resigned 31 August 2015)

Members

Penelope Beveridge (resigned 31 December 2014)
Jennifer Boyd (resigned 31 August 2015)
Anthony Bussy (resigned 29 June 2015)
Laurence Clark
Iley Clements
Ann Dyton
Zoe Evans (appointed 21 September 2015)
Martin Gillie
Susie James (resigned 29 June 2015)
Trevor Johnson
Elizabeth McCaughey

¹ Members of the Finance Committee

Company registered number

07667999

Principal and registered office

Aldermoor Road
Southampton
Hampshire
SO16 5NA

Company secretary

Pete Loughborough

Senior management team

Zoe Evans, Head Teacher
Vacant, Deputy Head Teacher

ROSEWOOD SCHOOL LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Administrative details (continued)

Independent auditors

Hopper Williams & Bell Limited
Statutory Auditor
Highland House
Mayflower Close
Chandlers Ford
Eastleigh
Hampshire
SO53 4AR

Bankers

National Westminster Bank Plc
43-49 London Road
Southampton
Hampshire
SO15 2DP

Aldermore Bank Plc
Block B
Western House
Lynchwood
Peterborough
Cambridgeshire
PE2 6FZ

Lloyds Bank Plc
77 Shirley High Street
Shirley
Southampton
Hampshire
SO15 3TX

Solicitors

Paris Smith
1 London Road
Southampton
Hampshire
SO15 2AE

ROSEWOOD SCHOOL LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The school aims to provide education to all students aged 2-16 with Profound and Multiple Learning Difficulties ("PMLD"), complex health needs and life limiting conditions and to students aged 16-19 with Severe Learning Difficulties ("SLD") and physical difficulties including PMLD.

Structure, governance and management

CONSTITUTION

Rosewood School Limited is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents.

The Trustees of Rosewood School Limited are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Rosewood Free School.

Details of the Trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

TRUSTEES' INDEMNITIES

In accordance with normal commercial practice the school has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on school business. More details are provided in the notes to the financial statements.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

Parent Trustees

Parent Trustees are elected by parents of registered pupils. Vacancies are widely advertised to the parent body by newsletters, letters and on the website.

Staff Trustees

The Trustees are responsible for making all the necessary arrangements for the election and removal of Staff Trustees. Vacancies are advertised through staff meetings and noticeboards.

Community Trustees

The Community Trustees may be appointed by the Trustees. When recruiting such Trustees a skills audit is undertaken and appropriate community bodies and companies approached.

Co-opted Trustees

The Trustees may appoint up to 3 Co-opted Trustees. When recruiting such Trustees a skills audit is undertaken and appropriate community bodies and companies approached.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

All new Trustees take part in the full school induction programme, they also receive Child Protection/Safeguarding training and Safe Recruitment training where appropriate. Initial Trustee induction training is provided by Southampton Special Headteachers' Conference. Subsequent training is organised as required.

ORGANISATIONAL STRUCTURE

The Trustees are responsible and accountable for the strategic planning and policy making that enables the day to day task of managing the school to be effectively delegated to the Headteacher. Specifically, this requires the committees of the board of trustees to undertake the responsibilities listed below within each academic year.

Powers have been delegated to the Headteacher in respect of internal organisation, management and control of the school, the implementation of all policies approved by the Trustees and for the direction of teaching and the curriculum.

Full Trustees

- Approval of a written scheme of delegation of financial powers and duties to the Finance Committee, the Headteacher and other staff in order to ensure that adequate financial controls are in place and operate in conjunction with the school's Finance Manual.
- Formally approve the annual school budget at least two months prior to the start of each financial year.
- Consider budgetary reports from the Finance Committee at every meeting.
- Receive the reports of the external auditor.
- Receive the reports of the Accounting Officer on the use of resources, systems of internal financial control and discharge of financial responsibilities.
- Approval of the School Development Plan.
- Monitoring of safeguarding procedures.

The board of trustees has established a sub-committee to which it delegates certain responsibilities:

Finance Committee

- Review the annual budget and recommend it to the board of trustees for approval;
- Review updated budget forecasts, at least every term;
- Regularly monitor actual expenditure and income against budget;
- Ensure that the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the DfE guidance issued to academies;
- Authorise orders and the award of contracts over £25,000;
- Authorise changes to the school personnel establishment;
- Review management accounts on a regular basis and ensure that variances from budget are explained satisfactorily and that the school will have adequate funds to meet its obligations in the year ahead; and
- Review the reports on the effectiveness of the financial procedures and controls. These reports must also be reported to the board of trustees.

RISK MANAGEMENT

The Trustees have reviewed the key risks to which the school is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustees are of the view that there is a formal ongoing process for identifying, evaluating and managing the school's significant risks that has been in place for the year ending 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trustees.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Rosewood Free School is a member of the "Southampton Inclusion Partnership" and the head teacher serves on the board; the school is also a partner of the Wildern Teaching Schools Alliance (ECT Alliance).

Rosewood Free School has a number of partner schools in the South of England and across the country who are using our bespoke curriculum and assessment tool "ImpACTS", working closely to provide professional development, quality benchmarking and shared expertise.

Rosewood Free School is a member of NASS (National Association of Independent and Non-maintained special schools).

Rosewood Free School has specialist school status for Sensory and Physical Learning.

Objectives and Activities

BELIEFS AND AIMS OF ROSEWOOD FREE SCHOOL

We believe that in order to provide an effective learning environment it is necessary to have a detailed and shared understanding of a learner's needs by all the professionals from education and therapy.

We will treat each learner with dignity and respect at all times. As an all age school we will be respectful of each learner's age and needs as they move through the school making their individual developmental journey. We aim to provide a consistently responsive environment within which every learner's ability to communicate is respected, responded to and developed.

We aim to provide throughout the day a range of meaningful opportunities that allow learners to develop intentionality and exercise control of their learning environment.

We value and respect the knowledge, experience and expertise of parents/carers and welcome every opportunity to work with them to support the learner's journey through school life and beyond. We aim to understand our learners within the context of their family.

OBJECTS AND AIMS

The key focus of the school is based on regular, thorough formative assessment that leads to individual learning programmes that meet the assessed needs of all learners.

OBJECTIVES, STRATEGIES AND ACTIVITIES

The school will strive to maintain the "outstanding" judgement awarded by Ofsted in all areas:

- Through implementation of ImpACTS for all students working below P4 and developing an extended ImpACTS for student in Post 16 working above P4.
- Through very strong professional development and training focused on raising standards of leadership and teaching and learning.
- Through further development of parent engagement through training, workshops and nurture groups.
- Through active research and engagement with national initiatives in the field of special education
- Through utilizing new technologies in order to give greater access and control to learners.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Strategies to support development include:

- On-going curriculum review and development.
- Personalised learning pathways for all students.
- Rigorous monitoring and evaluation processed to track individual progress with opportunities for planned targeted interventions where necessary.
- Regular multi-disciplinary meetings to support individuals.
- Regular and appropriate medical interventions planned across the school day.
- Regular and appropriate therapeutic interventions planned throughout the school day.
- Access to technologies to develop control skills.
- Regular parent teacher meetings to review progress and individual needs.

The school produces a comprehensive School Development Plan annually which provides detailed information on all priorities.

PUBLIC BENEFIT

The school's Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission. The school promotes education for the benefit of the local communities of Southampton and Hampshire.

Strategic report

ACHIEVEMENTS AND PERFORMANCE

The school was inspected by Ofsted in July 2014 and judged to be "Outstanding" in all areas.

Key Findings

- Learning and achievement are outstanding. Pupils of all ages throughout the school thrive as a result of the school's philosophy that good education is caring and that good care is educational.
- Expert care is seamlessly combined with expert teaching. As a result, pupils make excellent progress.
- Children attending part-time sessions in the Nursery and full-time in Reception make excellent progress. They settle into school well, are prepared for learning and to proceed to the next stage in their education.
- The Hub is an outstanding provision for post-16 students. All students, particularly the most able, make excellent progress by applying what they know and can do to real-life situations. Students improve their social skills and levels of independence.
- The teaching of all groups of pupils is highly expert. Assessments are completed in fine detail and learning planned individually for every pupil as a result.
- A positive atmosphere abounds in school. Pupils demonstrate their sense of happiness and security through smiles, gestures and engagement with activities. Pupils behave very well and attend whenever possible.
- The Headteacher and Deputy Headteacher provide inspirational leadership to other staff. They communicate high expectations with effective support to ensure that teaching continuously improves.
- The school's directors are knowledgeable and skilled in the role of governance. They bring a wealth of relevant experience. They hold school leaders to account and successfully ensure the school's financial viability.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

2014/15 Key Findings – Pupil Achievement

New Entrants in the Early Years department continue to make the most rapid progress from Baseline Assessment to first Annual Review. It is our professional opinion, supported by theory and research that key to the development of learners with PMLD at the earliest levels of pre-Intentional development is a highly responsive environment with trained and responsive staff who expect the learner to communicate and learn.

New Entrants at Post-16 with PMLD do not make the same rapid progress and quite often the P Levels are reduced, following a reassessment using ImPACTS, from the levels given in the feeder school. We need to look at the first data as a baseline and look at expected progress from this for Post-16 learners.

Previous learning cycles of progress demonstrated e.g. an above 10% improvement followed by two years consolidation, remains as a regular pattern for most of the school. However, following a period of moderation and challenge we can now demonstrate that learners up until year 3 appear to make more consistent 10% and above progress prior to then returning to a consolidation and acquisition cycle. This will continue to be monitored and wider evidence and research reviewed. Research on the development of Intentionality both in Communication, Cognitive skills and controlling the environment show that these skills impact all other areas of development. That stage is represented through Key Stage 1 as learners move from Pre Intentional to emerging Intentional learners. The majority of these learners are also at P2i and its sub-levels, evidence shows that the majority of learners with PMLD are assessed as P2ii and its sublevels. The developmental difference between these is greatest when analysed in details of learning that needs to occur and this also explains the longer cycles required for those pupils P2ii and beyond. The research from Great Ormond Street hospital looked at the developmental levels described in the P Levels and aligned them to developmental milestones linked to ages and stages. This work shows the steps of developmental and that they are uneven between P Levels.

We would still look at setting expectations for all learners from Year 4 through post-16 as part of a 3 year cycle. With a peak of above 10% and 2 years of consolidation.

The definitions of progress linked to ipsative (the practice of assessing present performance against the prior performance of the person being assessed) learning are:

<2% - a concerning rate that would indicate learner is not progressing a full multi-disciplinary review is required

<6% - consolidation of existing learning

7-10% - indicates the emergence of a new skill

>10% - new skills in more than one Key Skill area

> 20% - key developmental milestone/golden moment achieved; would be reviewed to ensure continued challenge and accuracy of target setting

>40% - usually achieved post a baseline score of a new learner.

Periods of above >10% appear less likely in Post-16 as the move is towards application of existing learning and the introduction of broader learning processes.

There is no difference in achievement between learners according to their gender, ethnicity or socio-economic background.

Main influence impacting learner's progress is medical intervention and deterioration in health and wellbeing.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Extra-Curricular Activities

The school has a strong and varied enrichment programme to support and develop individual students. These include opportunities to experience different environments and cultures through drama, multimedia and sensory stimulation. Opportunities for the children to experience live music and performance are regularly planned including an annual visit from touring theatre companies and the Welsh National Opera.

Pupils have regular planned access to the local community visiting shops, other schools, the library and any wheelchair accessible sporting activities.

The school has launched an "After School Provision", currently catering for older students and is looking to further extend after school provision.

KEY FINANCIAL PERFORMANCE INDICATORS

The board of trustees has reviewed the school's performance against key performance indicators:

Staff turnover - this is monitored at every change of personnel by the Finance Committee and at exit interviews. Turnover is low at 7% for teaching staff and permanent support staff.

Income streams – EFA (Education Funding Agency) grants and Local Authority funding, alongside any other dedicated sources of income are monitored termly by the board of trustees. The school prepares yearly budgets and rolling forecasts. The school aimed to achieve a surplus before actuarial gains and losses and has achieved this for the year to 31 August 2015.

Number of students – The Headteacher leads the school's marketing strategy. We have raised the Approved Pupil Number from 30 to 60. Currently there are 44 pupils on roll. The school expects to be at capacity in three years although this is dependent on the survival of students with life limiting conditions.

The school also has six additional Post 19-25 students on a DFE approved "Creative Package" piloting the director's plans to set up an additional provision for 19-25 year olds.

Achievement and Attainment – The Headteacher leads the school's rigorous monitoring and evaluation programme to ensure that standards remain outstanding. The school has a good reputation both locally, nationally and internationally. Maintaining outstanding outcomes is essential for the school's success in attracting students and external relationships.

GOING CONCERN

After making appropriate enquiries, the board of trustees has a reasonable expectation that the school has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Financial review

The school is in a satisfactory financial position.

The actuarial report on the Local Government Pension scheme (LGPS) identifies a funding deficit under FRS17 and the school's proportion of this funding deficit is shown on the balance sheet. Part of this deficit relates to service by staff for employment prior to joining the school, known as a past service deficit. The Trustees are aware that this is an ongoing liability and not a debt that is due and payable upon demand. A "past service" element will be included in monthly employer contributions following the next Fund Valuation in 2016. The "past service" element of contributions is part of a 25 year recovery plan which was put in place following the 2010 Fund Valuation. In the opinion of the Trustees the current level of funding by the school is sufficient to meet known future pension contributions. This funding level is reviewed on a triennial basis.

In order to meet increased reporting requirements by the EFA and improve the effectiveness of internal controls the school has increased administrative expenditure. The Trustees review forecast income and expenditure during the year and take any necessary action to ensure that funds available are sufficient to meet educational needs.

- All expenditure is clearly related to the key objectives of the school
- The school had no outside investments at the end of the financial year.

RESERVES POLICY

The Trustees will allocate a proportion of any surplus generated during the year to a contingency reserve. The purpose of the contingency reserve is to enable the school to meet any unexpected change in funding levels or unexpected costs that need to be incurred for educational purposes. The Trustees have agreed a target level of reserves of £75,000.

INVESTMENT POLICY

It is the school's policy to invest any funds not needed for the foreseeable future in interest bearing immediate access savings accounts.

PRINCIPAL RISKS AND UNCERTAINTIES

The school has a relatively low exposure to financial risks. There are effective systems in place for control of debtors. The school does not use any financial instruments and there is no material exposure to credit risk. Based on the School Development Plan, the Trustees have undertaken a comprehensive review of the risks to which the school is exposed. Systems and procedures are in place to mitigate these risks where possible.

The school has further developed its system of internal control this year, including financial, operational and risk management which is designed to protect the school's assets and reputation.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Key areas include:

Government Funding: The school has considerable reliance on continued Government and Local Authority funding through the education sector funding bodies. There can be no assurance that Government policy or practice will remain consistent and that funding will continue at these levels. Funding is linked most consistently to student numbers.

The risk is mitigated by:

- o Ensuring the school is rigorous in delivering high quality Attainment and Achievement – the school's outcomes are rated outstanding by OFSTED and strong monitoring and evaluation systems are in place to maintain these standards. These outcomes mitigate the risk of reduction of student numbers.
- o Maintaining strong recruitment strategies and a quality curriculum offer to attract and maintain student numbers, with the aim of an overall student body of approximately 60 students.

Reputational Risk – strong systems for Safeguarding, and Acceptable Use of information technology are in place to allay these risks.

Health and Safety – strong policies and procedures including risk assessment processes and appropriate training are in place to allay these risks.

Premises - appropriate insurances are in place to support the school against damage or theft to property.

Pupil Numbers – complex health needs of pupils with life limiting conditions often lead to pupil deaths - this is a risk to the school that cannot be mitigated.

Plans for future periods

Rosewood Free School has been judged "outstanding" by Ofsted for the third time. The school works very hard to raise standards in the education of children with PMLD and Sensory and Physical Difficulties. The unique assessment and curriculum (ImPACTS) devised by the school has been adopted by many schools both nationally and internationally. This is helping schools to really understand how children learn and with more schools using ImPACTS we are now able to use comparative data to analyse progress.

As one of the first Special Free Schools in the country, Rosewood has led the way in the development of Special Free schools. We work closely with Free School applicants helping them through the application process and development stage.

The school is improving provision for students aged 19-25 within Southampton and southern Hampshire by undertaking a pilot in conjunction with Southampton City College (SCC). Starting in September 2015, around six SCC students will be based at Rosewood Free School. The intention is for the school to submit an application to the DfE to become a "Free College" in September 2016.

The school is relentless in the pursuit of excellence in education. The priority is to maintain the "outstanding" judgment by continually seeking to improve teaching and learning across the school. This is achieved by active research, high level professional dialogue and the training and development of staff at all levels.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

DISCLOSURE OF INFORMATION TO AUDITORS

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

- so far as that the Trustee are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that the Trustee have taken all the steps that ought to have been taken as Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Hopper Williams and Bell Limited, are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

This report was approved by order of the board of trustees on 23 November 2015 and signed on the board's behalf by:


.....
Ann Dyton
Chair of Trustees

ROSEWOOD SCHOOL LIMITED
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that Rosewood School Limited has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees has delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Rosewood School Limited and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Penelope Beveridge	2	2
Jennifer Boyd, Head Teacher and Accounting Officer	6	6
Anthony Bussy	5	6
Laurence Clark	3	6
Iley Clements	3	6
Ann Dyton, Chair	5	6
Martin Gillie, Responsible Officer	6	6
Colleen Grice, Parent Trustee	5	6
Susie James	2	6
Trevor Johnson	4	6
Elizabeth McCaughey	6	6
Victoria Morgan, Staff Trustee	5	6
Caroline Robins, Staff Trustee	5	6

Governance reviews:

The Trustees (and the management of the school) had two significant changes to manage this year:

- The retirement of the Head teacher. Following a rigorous interview process the Deputy Head teacher was promoted to the headship from 1 September 2015. Due to the timing of the resignation the school will be operating without a Deputy until January 2016.
- Having managed the move of financial responsibilities to the school, the Bursar took a post in another institution. The Governors decided to extend the role and support the management of the administration of the school by the appointment of a Business Manager with effect from 1 September 2015.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

The Finance Committee is a sub-committee of the main board of trustees. Its purpose is to:

- Review the annual budget and recommend it to the board of trustees for approval;
- Review updated budget forecasts, at least every term;
- Regularly monitor actual expenditure and income against budget;
- Ensure that the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the DfE guidance issued to academies;
- Authorise orders and the award of contracts over £25,000;
- Authorise changes to the school personnel establishment;
- Review management accounts on a regular basis and ensure that variances from budget are explained satisfactorily and that the school will have adequate funds to meet its obligations in the year ahead; and
- Review the reports on the effectiveness of the financial procedures and controls. These reports must also be reported to the board of trustees.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Jennifer Boyd	6	6
Martin Gillie	6	6

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Head Teacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- At the most recent full Ofsted inspection in July 2014 the inspector gave the school an outstanding status in all areas. This status was achieved as a result of the leadership shown by the school in setting new standards for education of PMLD children and is a tribute to the way in which all of the staff without exception work towards achieving the highest standards possible within the funds made available. The staff are always seeking to improve on the educational achievements of the young people in the school whilst remaining within the resources available.
- Of particular note was the establishment of the extended 16-19 year old facility as planned within the submission to the EFA for investment funds and the fact that after two years it was given an outstanding judgement in its own right.
- Evidence of the success of the ImPACTS assessment and curriculum designed by the school can be seen not only in the carefully measured progression of each child, but in the extent to which it continues to be in demand by other schools both in the UK and abroad. The benefits of extending the system to other schools are multiple both in terms of the ability to generate accurate and comprehensive comparable data that demonstrates how valuable the system is in this specialist sector of education, but also in bringing in a wider network of supportive schools who can make suggestions for further refinement and improvement. Rosewood school constantly seeks to improve its performance and the more users of the system there are the better the feedback and development will be at minimal cost and a greater rate of improvement.

ROSEWOOD SCHOOL LIMITED
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GOVERNANCE STATEMENT (continued)

- The school's move to in-house control of all aspects of Finance and Human Resources has ensured value for money and standards of monitoring and reviewing have been improved.
- The appointment of a School Business Manager to replace the previously held Bursar role is ensuring the effective management and improvement of the administration of the school.
- As a developing and expanding school the staff structure is continuously under review. Staff are deployed effectively to meet the complex needs of each pupil. Rigorous training ensures that staff are skilled and highly effective in supporting the learning across the school. Both standards and expectations are high.
- Internal controls maximise the use of assets. Risks are regularly reviewed by the senior leadership team and by the governors.
- The school development plan clearly identifies the priorities for the budget allocation. This is planned by the senior leadership team and agreed by the Board of Governors. The finance committee meet regularly to monitor and scrutinise all accounts.
- The Governing Body have undergone a review of the structures and committees and a more rigorous structure of reporting from committees to the full governing body has been established.
- The Governors meetings are now more effectively minuted and challenge to the Senior Leadership and decisions made are more explicitly recorded.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Rosewood School Limited for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

ROSEWOOD SCHOOL LIMITED
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GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

The school's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- Identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has delegated this function to the Finance Committee. The structure and format of internal audits is currently being developed.

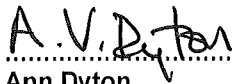
REVIEW OF EFFECTIVENESS

As Accounting Officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

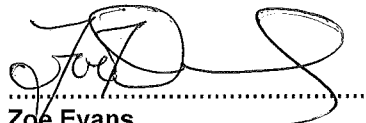
- The work of the Business Manager;
- The work of the internal audit functions undertaken by the Finance Committee;
- The work of the external auditor.

The Accounting Officer has been advised of the implications of the results of a review of the system of internal control undertaken by the Finance Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 23 November 2015 and signed on its behalf, by:



Ann Dyton
Chair of Trustees



Zoé Evans
Accounting Officer

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Rosewood School Limited I have considered my responsibility to notify the Academy board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Academy board of trustees are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and EFA.



.....
Zoe Evans
Accounting Officer

Date: 23 November 2015

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees (who act as governors of Rosewood School Limited and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 its incoming resources and application of resources, including its income and expenditure, 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 of 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 company will continue in business.

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 ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from EFA/DfE have been applied for the purposes intended.

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.

Approved by order of the members of the board of trustees on 23 November 2015 and signed on its behalf by:


.....
Ann Dyton
Chair of Trustees

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROSEWOOD SCHOOL LIMITED

We have audited the financial statements of Rosewood School Limited for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the Academy'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 Academy's members those matters we are required to state to them in an Auditors' 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 Academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, 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 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROSEWOOD SCHOOL LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Richard Hurst FCA (Senior statutory auditor)
for and on behalf of

Hopper Williams & Bell Limited

Statutory Auditor

Highland House

Mayflower Close

Chandlers Ford

Eastleigh

Hampshire

SO53 4AR

Date: 17 December 2015

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ROSEWOOD SCHOOL LIMITED AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 5 August 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Rosewood School Limited during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Rosewood School Limited and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Rosewood School Limited and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Rosewood School Limited and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF ROSEWOOD SCHOOL LIMITED'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Rosewood School Limited's funding agreement with the Secretary of State for Education dated 1 September 2012, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ROSEWOOD SCHOOL LIMITED AND THE EDUCATION FUNDING AGENCY (continued)

SUMMARY OF WORK UNDERTAKEN

We carried out the following:

- planning of assurance procedures including identifying key risks;
- substantive testing including analytical review;
- concluding on procedures carried out.

Substantive testing included the following procedures:

- confirming that activities conform to the Academy's framework of authorities;
- considering the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance;
- evaluating the general control environment of the Academy;
- testing a sample of transactions to consider whether the transaction is permissible within the Academy's framework of authorities;
- confirming whether any extra-contractual payments have been made and whether appropriate authority was obtained;
- reviewing documentation for evidence of borrowing and confirming if approval was obtained from the EFA;
- confirming whether EFA approval was obtained for any disposals of assets;
- reviewing the internal control procedures relating to credit cards;
- reviewing for any indication of purchases for personal use by staff or officers;
- reviewing the list of suppliers to consider whether supplies are from related parties;
- considering whether income generating activities are permissible within the Academy's charitable objects;
- reviewing whether lettings to related parties are made at favourable rates.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Richard Hurst FCA

Hopper Williams & Bell Limited

Statutory Auditor
Highland House
Mayflower Close
Chandlers Ford
Eastleigh
Hampshire
SO53 4AR

Date: 17 December 2015

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	6,401	1,891	-	8,292	44,275
Activities for generating funds	3	22,967	-	-	22,967	12,910
Investment income	4	428	-	-	428	1,500
Incoming resources from charitable activities	5	-	1,550,874	-	1,550,874	1,434,346
TOTAL INCOMING RESOURCES		29,796	1,552,765	-	1,582,561	1,493,031
RESOURCES EXPENDED						
Costs of generating funds:						
Fundraising expenses and other costs		9,526	-	-	9,526	12,330
Charitable activities	7	-	1,516,792	154,770	1,671,562	1,416,600
Governance costs	8	-	9,622	-	9,622	6,510
TOTAL RESOURCES EXPENDED	6	9,526	1,526,414	154,770	1,690,710	1,435,440
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		20,270	26,351	(154,770)	(108,149)	57,591

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	16	-	(51,259)	51,259	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		20,270	(24,908)	(103,511)	(108,149)	57,591
Actuarial gains and losses on defined benefit pension schemes		-	12,000	-	12,000	(90,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		20,270	(12,908)	(103,511)	(96,149)	(32,409)
<i>Total funds at 1 September 2014</i>		<i>34,387</i>	<i>35,498</i>	<i>4,826,955</i>	<i>4,896,840</i>	<i>4,929,249</i>
TOTAL FUNDS AT 31 AUGUST 2015		54,657	22,590	4,723,444	4,800,691	4,896,840

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 26 to 42 form part of these financial statements.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 07667999

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	13		4,723,444		4,826,955
CURRENT ASSETS					
Debtors	14	30,391		93,753	
Cash at bank and in hand		290,275		138,455	
		<u>320,666</u>		<u>232,208</u>	
CREDITORS: amounts falling due within one year	15	<u>(105,419)</u>		<u>(55,323)</u>	
NET CURRENT ASSETS			<u>215,247</u>		<u>176,885</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,938,691</u>		<u>5,003,840</u>
Defined benefit pension scheme liability	21		<u>(138,000)</u>		<u>(107,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>4,800,691</u></u>		<u><u>4,896,840</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	16	160,590		142,498	
Restricted fixed asset funds	16	4,723,444		4,826,955	
Restricted funds excluding pension liability		<u>4,884,034</u>		<u>4,969,453</u>	
Pension reserve		<u>(138,000)</u>		<u>(107,000)</u>	
Total restricted funds			<u>4,746,034</u>		<u>4,862,453</u>
Unrestricted funds	16		<u>54,657</u>		<u>34,387</u>
TOTAL FUNDS			<u><u>4,800,691</u></u>		<u><u>4,896,840</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 23 November 2015 and are signed on their behalf, by:

A. V. Dyton
.....
Ann Dyton
Chair of Trustees

The notes on pages 26 to 42 form part of these financial statements.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	18	202,651	(136,042)
Returns on investments and servicing of finance	19	428	1,500
Capital expenditure and financial investment	19	(51,259)	(71,906)
INCREASE/(DECREASE) IN CASH IN THE YEAR		<u>151,820</u>	<u>(206,448)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	2014 £
Increase/(Decrease) in cash in the year	<u>151,820</u>	<u>(206,448)</u>
MOVEMENT IN NET FUNDS IN THE YEAR	151,820	(206,448)
Net funds at 1 September 2014	<u>138,455</u>	<u>344,903</u>
NET FUNDS AT 31 AUGUST 2015	<u><u>290,275</u></u>	<u><u>138,455</u></u>

The notes on pages 26 to 42 form part of these financial statements.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

Investment income, gains and losses are allocated to the appropriate fund.

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred in the Academy's educational operations.

Governance costs include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

Tangible fixed assets are stated at cost less depreciation. 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:

Long-term leasehold property	-	7 to 50 years straight line
Motor vehicles	-	8 years straight line
Fixtures and fittings	-	5 years straight line
Office equipment	-	3 to 5 years straight line
Positional equipment	-	5 years straight line

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.8 Taxation

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.9 Pensions

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the Academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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 21, the TPS is a multi-employer scheme and the Academy 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.

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
Donations	6,401	1,891	8,292	44,275

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
School uniforms	386	-	386	535
Sales of services and goods	14,435	-	14,435	6,409
Catering income	5,380	-	5,380	5,677
Other income	2,766	-	2,766	289
	<u>22,967</u>	<u>-</u>	<u>22,967</u>	<u>12,910</u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
Bank interest	428	-	428	1,500

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	708,111	708,111	640,350
DfE/EFA start up grants	-	-	-	7,000
DfE/EFA capital grants	-	-	-	44,330
DfE/EFA other grants	-	17,195	17,195	25,691
	-	725,306	725,306	717,371
Other government grants				
Local authority grants	-	825,568	825,568	716,975
	-	825,568	825,568	716,975
	-	1,550,874	1,550,874	1,434,346

6. RESOURCES EXPENDED

	Staff costs 2015 £	Non Pay Premises 2015 £	Expenditure Other costs 2015 £	Total 2015 £	<i>Total 2014 £</i>
Fundraising expenses	-	-	9,526	9,526	12,330
Costs of generating funds	-	-	9,526	9,526	12,330
Direct costs	1,011,725	-	132,829	1,144,554	1,003,076
Support costs	241,906	135,993	149,109	527,008	413,524
Charitable activities	1,253,631	135,993	281,938	1,671,562	1,416,600
Governance	-	-	9,622	9,622	6,510
	1,253,631	135,993	301,086	1,690,710	1,435,440

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

7. CHARITABLE ACTIVITIES

	Total funds 2015 £	<i>Total funds 2014 £</i>
DIRECT COSTS		
Wages and salaries	856,522	740,156
National insurance	51,970	52,126
Pension cost	103,233	54,870
Depreciation	51,590	45,965
Educational supplies	61,043	83,310
Staff development	7,548	15,614
Recruitment & support	9,669	4,108
Other costs	2,979	6,927
	<u>1,144,554</u>	<u>1,003,076</u>
SUPPORT COSTS		
Wages and salaries	171,555	150,312
National insurance	5,850	1,577
Pension cost	64,501	4,996
Depreciation	103,180	94,621
Staff development	1,505	1,392
Recruitment & support	5,648	2,933
Maintenance of premises & equipment	104,758	82,610
Energy costs	18,161	16,888
Insurance	13,074	12,870
Bank interest & charges	1,565	963
Retirement benefit costs	(2,000)	-
Other costs	39,211	44,362
	<u>527,008</u>	<u>413,524</u>
	<u>1,671,562</u>	<u>1,416,600</u>

8. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
Legal costs	-	90	90	1,385
Auditors' remuneration	-	5,875	5,875	4,500
Auditors' remuneration - non audit costs	-	3,497	3,497	525
Other governance costs	-	160	160	100
	<u>-</u>	<u>9,622</u>	<u>9,622</u>	<u>6,510</u>

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

9. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015	2014
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	154,770	140,586
Auditors' remuneration	5,875	4,500
Auditors' remuneration - non-audit	3,497	525
Operating lease rentals:		
- other operating leases	1,140	623
	1,140	623

10. STAFF

a. Staff costs

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	1,028,077	892,335
Social security costs	57,820	53,703
Other pension costs (Note 21)	167,734	59,866
	1,253,631	1,005,904

b. Staff numbers

The average number of persons employed by the Academy during the year expressed as full time equivalents was as follows:

	2015	2014
	No.	No.
Teachers	10	11
Teaching support staff	32	26
Administration and support	5	5
Management	2	2
	49	44

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

10. STAFF (continued)

c. Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2015	2014
	No.	No.
In the band £60,001 - £70,000	0	1
In the band £70,001 - £80,000	1	0
	<u>1</u>	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2015 employer's pension contributions for this member of staff amounted to £10,211 (2014: £9,301).

11. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

	2015	2014
	£'000	£'000
Jennifer Boyd, Head Teacher and Accounting Officer		
Remuneration	70-75	65-70
Employer's pension contributions	10-15	5-10
Victoria Morgan, Staff Trustee		
Remuneration	15-20	15-20
Employer's pension contributions	0-5	0-5
Caroline Robins, Staff Trustee		
Remuneration	35-40	35-40
Employer's pension contributions	5-10	5-10

During the year, no Trustees received any reimbursement of expenses (2014 - £nil).

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £500,000 on any one claim and the cost for the year ended 31 August 2015 was £763 (2014 - £1,063). The cost of this insurance is included in the total insurance cost.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

13. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Positional equipment £	Total £
Cost						
At 1 September 2014	4,778,292	77,000	97,933	47,726	32,167	5,033,118
Additions	19,203	-	13,831	8,375	9,850	51,259
At 31 August 2015	<u>4,797,495</u>	<u>77,000</u>	<u>111,764</u>	<u>56,101</u>	<u>42,017</u>	<u>5,084,377</u>
Depreciation						
At 1 September 2014	129,431	6,064	43,204	14,355	13,109	206,163
Charge for the year	97,724	9,687	21,642	18,470	7,247	154,770
At 31 August 2015	<u>227,155</u>	<u>15,751</u>	<u>64,846</u>	<u>32,825</u>	<u>20,356</u>	<u>360,933</u>
Net book value						
At 31 August 2015	<u>4,570,340</u>	<u>61,249</u>	<u>46,918</u>	<u>23,276</u>	<u>21,661</u>	<u>4,723,444</u>
At 31 August 2014	<u>4,648,861</u>	<u>70,936</u>	<u>54,729</u>	<u>33,371</u>	<u>19,058</u>	<u>4,826,955</u>

14. DEBTORS

	2015 £	2014 £
Trade debtors	228	61,754
Other debtors	9,802	10,147
Prepayments and accrued income	20,361	21,852
	<u>30,391</u>	<u>93,753</u>

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

	2015 £	2014 £
Trade creditors	36,716	5,583
Other taxation and social security	15,559	15,909
Other creditors	33,380	14,260
Accruals and deferred income	19,764	19,571
	<u>105,419</u>	<u>55,323</u>

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

15. CREDITORS:
Amounts falling due within one year (continued)

	£
Deferred income	
Resources deferred during the year	<u><u>7,081</u></u>

Deferred income represents grant funding received in respect of the 2015/2016 financial year.

16. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General funds	<u>34,387</u>	<u>29,796</u>	<u>(9,526)</u>	<u>-</u>	<u>-</u>	<u>54,657</u>
Restricted funds						
General Annual Grant (GA)	142,498	708,111	(638,760)	(51,259)	-	160,590
Other DfE/EFA grants	-	17,195	(17,195)	-	-	-
Local authority grants	-	825,568	(825,568)	-	-	-
Other income	-	1,891	(1,891)	-	-	-
Pension reserve	(107,000)	-	(43,000)	-	12,000	(138,000)
	<u>35,498</u>	<u>1,552,765</u>	<u>(1,526,414)</u>	<u>(51,259)</u>	<u>12,000</u>	<u>22,590</u>
Restricted fixed asset funds						
Restricted Fixed Asset fund	<u>4,826,955</u>	<u>-</u>	<u>(154,770)</u>	<u>51,259</u>	<u>-</u>	<u>4,723,444</u>
Total restricted funds	<u>4,862,453</u>	<u>1,552,765</u>	<u>(1,681,184)</u>	<u>-</u>	<u>12,000</u>	<u>4,746,034</u>
Total of funds	<u><u>4,896,840</u></u>	<u><u>1,582,561</u></u>	<u><u>(1,690,710)</u></u>	<u><u>-</u></u>	<u><u>12,000</u></u>	<u><u>4,800,691</u></u>

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

16. STATEMENT OF FUNDS (continued)

The specific purposes for which the funds are to be applied are as follows:

General annual grant

This includes all funding received from the EFA to carry out the objectives of the academy. It includes the school budget share, minimum funding guarantee, education services grant, insurance, rates, and pre- and post-16 high needs funding streams.

Other DfE/EFA grants

This is funding received from the EFA for specific purposes, for example pupil premium funding.

Local authority grants

This is funding received from the local authority for specific purposes, for example Special Educational Needs funding.

Other educational activities

This includes all other educational income/expenditure.

Pension reserve

This represents the negative reserve in respect of the liability on the LGPS pension scheme which was transferred to the academy on conversion.

Fixed asset fund

The fund includes the value of the tangible fixed assets of the academy on conversion, and amounts transferred from GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

DfE/EFA capital grants

This is money received from the DfE/EFA specifically for expenditure on tangible fixed assets.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	34,387	29,796	(9,526)	-	-	54,657
Restricted funds	35,498	1,552,765	(1,526,414)	(51,259)	12,000	22,590
Restricted fixed asset funds	4,826,955	-	(154,770)	51,259	-	4,723,444
	<u>4,896,840</u>	<u>1,582,561</u>	<u>(1,690,710)</u>	<u>-</u>	<u>12,000</u>	<u>4,800,691</u>

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	4,723,444	4,723,444	4,826,955
Current assets	54,657	266,009	-	320,666	232,208
Creditors due within one year	-	(105,419)	-	(105,419)	(55,323)
Provisions for liabilities and charges	-	(138,000)	-	(138,000)	(107,000)
	<u>54,657</u>	<u>22,590</u>	<u>4,723,444</u>	<u>4,800,691</u>	<u>4,896,840</u>

18. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	(108,149)	57,591
Returns on investments and servicing of finance	(428)	(1,500)
Depreciation of tangible fixed assets	154,770	140,586
Capital grants from DfE	-	(69,330)
Decrease/(increase) in debtors	63,362	(21,451)
Increase/(decrease) in creditors	50,096	(258,938)
FRS 17 adjustments	43,000	17,000
Net cash inflow/(outflow) from operations	<u>202,651</u>	<u>(136,042)</u>

19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	428	1,500
	<u>428</u>	<u>1,500</u>

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2015	2014
	£	£
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(51,259)	(137,117)
Decrease in debtors	-	896,183
(Decrease) in creditors	-	(900,302)
Capital grants from DfE	-	44,330
Capital grants - other	-	25,000
Net cash outflow capital expenditure	(51,259)	(71,906)

20. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014	Cash flow	Other non-cash changes	31 August 2015
	£	£	£	£
Cash at bank and in hand:	138,455	151,820	-	290,275
Net funds	138,455	151,820	-	290,275

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

21. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hampshire County Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £15,946 were payable to the scheme at 31 August 2015 (2014 - £13,228) and are included within creditors.

Teachers' Pension Scheme

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.

Valuation of the Teachers' Pension Scheme

Not less than every four years 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 year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

21. PENSION COMMITMENTS (continued)

The pension costs paid to TPS in the period amounted to £69,401 (2014: £48,886).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £74,000, of which employer's contributions totalled £53,000 and employees' contributions totalled £21,000. The agreed contribution rates for future years are 13.1% for employers and between 5.5% and 7.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(557,000)	(416,000)
Fair value of scheme assets	419,000	309,000
	<u> </u>	<u> </u>
Net liability	<u>(138,000)</u>	<u>(107,000)</u>

The amounts recognised in the Statement of Financial Activities are as follows:

	2015 £	2014 £
Current service cost	(98,000)	(42,000)
Interest cost	(18,000)	(13,000)
Expected return on assets	20,000	13,000
	<u> </u>	<u> </u>
Total	<u>(96,000)</u>	<u>(42,000)</u>
	<u> </u>	<u> </u>
Actual return on scheme assets	<u>13,000</u>	<u>20,000</u>

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

21. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2015 £	2014 £
Opening defined benefit obligation	416,000	-
Contributions by scheme participants	21,000	11,000
Actuarial (Gains)/losses	(19,000)	222,000
Current service costs	98,000	42,000
Interest cost	18,000	13,000
Benefits paid	23,000	128,000
	<u>557,000</u>	<u>416,000</u>

Movements in the fair value of the Academy's share of scheme assets:

	2015 £	2014 £
Opening fair value of scheme assets	309,000	-
Actuarial gains and (losses)	(7,000)	132,000
Expected return on assets	20,000	13,000
Contributions by employer	53,000	25,000
Contributions by employees	21,000	11,000
Benefits paid	23,000	128,000
	<u>419,000</u>	<u>309,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities was £4,000 loss (2014 - £16,000 loss).

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2015	2014
Equities	57.50 %	60.10 %
Property	8.20 %	7.70 %
Government bonds	25.80 %	24.00 %
Corporate bonds	1.70 %	1.40 %
Cash	3.30 %	3.70 %
Other	3.50 %	3.10 %

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.70 %
Rate of increase in salaries	3.50 %	3.60 %
Rate of increase for pensions in payment / inflation	2.00 %	2.10 %

ROSEWOOD SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

21. PENSION COMMITMENTS (continued)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2015	2014
Retiring today		
Males	24.5	24.4
Females	26.3	26.2
Retiring in 20 years		
Males	26.6	26.5
Females	28.6	28.5

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2015 £	2014 £
Defined benefit obligation	(557,000)	(416,000)
Scheme assets	419,000	309,000
Deficit	(138,000)	(107,000)
Experience adjustments on scheme liabilities	19,000	(222,000)
Experience adjustments on scheme assets	(7,000)	132,000
	(126,000)	(167,000)

22. OPERATING LEASE COMMITMENTS

At 31 August 2015 the Academy had annual commitments under non-cancellable operating leases as follows:

	Land and buildings			Other
	2015 £	2014 £		
Expiry date:				
Within 1 year	-	-	604	-
Between 2 and 5 years	-	-	575	623
	-	-	1,179	623

23. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

There were no related party transactions during the year.