HADLOW RURAL
COMMUNITY SCHOOL
ROOTED IN INNOVATION

Hadlow Rural Community School Limited

Company Limited by Guarantee

FINANCIAL STATEMENTS

for the year ended

31 July 2013

Company Registration No. 7645462

Hadlow Rural Community School Limited
Company Limited by Guarantee
OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

P Hannan
L Brown

SECRETARY

M J Lumsdon-Taylor

REGISTERED OFFICE

Hadlow College
Tonbridge Road
Hadlow
Kent
TN11 0AL

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
Portland
25 High Street
Crawley
West Sussex
RH10 1BG

Hadlow Rural Community School Limited
Company Limited by Guarantee
DIRECTORS' REPORT

The directors submit their report and financial statements of Hadlow Rural Community School Limited for the year ended 31 July 2013.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of a rural community Free School. The school had not opened at the year end.

DIRECTORS

The directors who served the company during the year were as follows:

P Hannan
L Brown

POST BALANCE SHEET EVENTS

On 20 August 2013 the company entered into a trading agreement with the Secretary of State for Education and on this date achieved full academy status.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITOR

Baker Tilly UK Audit LLP was appointed auditor and has indicated its willingness to continue in office.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

P Hannan
Director

12 December 2013
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Hadlow Rural Community School Limited
Company Limited by Guarantee
DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 those financial statements, the directors are required to:

a. select suitable accounting policies and then apply them consistently;

b. make judgements and accounting estimates that are reasonable and prudent;

c. 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HADLOW RURAL COMMUNITY SCHOOL LIMITED

We have audited the financial statements on pages 5 to 9. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor
As more fully explained in the Directors' Responsibilities Statement set out on page 3, the directors 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements
A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx.

Opinion on the financial statements
In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 July 2013 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.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 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 exemption in preparing the directors' report.

Baker Tilly UK Audit LLP
DOMINIC BLYTHE (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Portland
25 High Street
Crawley
West Sussex RH10 1BG

19/12/13

Hadlow Rural Community School Limited
Company Limited by Guarantee
PROFIT AND LOSS ACCOUNT
for the year ended 31 July 2013

	Notes	2013 £
TURNOVER		290,000
Administrative expenses		270,353
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		19,647
Taxation	2	–
PROFIT FOR THE FINANCIAL YEAR	9	19,647

The profit for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

Company Registration No. 7645462

Hadlow Rural Community School Limited
Company Limited by Guarantee

BALANCE SHEET
31 July 2013

	Notes	2013 £
FIXED ASSETS		
Tangible assets	3	572,330
CURRENT ASSETS		
Debtors	4	318,669
Cash at bank and in hand		198,537
		517,206
CREDITORS		
Amounts falling due within one year	5	(178,600)
NET CURRENT ASSETS		338,606
TOTAL ASSETS LESS CURRENT LIABILITIES		910,936
Government grants	6	(891,289)
		19,647
RESERVES	8	
Profit and loss account	9	19,647
MEMBERS' FUNDS		19,647

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 5 to 9 were approved by the board of directors and authorised for issue on 12 December 2013 and are signed on their behalf by:

P Hannan
Director

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards.

GOING CONCERN

The financial statements have been prepared on a going concern basis as the directors are satisfied that the company will have adequate resources to meet its liabilities as they fall due for payment in the foreseeable future based on forecasts prepared for the next 12 months.

CASH FLOW STATEMENT

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

TURNOVER

Income from grants, contracts and other services rendered is included to the extent of conditions of the funding have been met or to the extent of the completion of the contract or service concerned.

FIXED ASSETS

All fixed assets are initially recorded at cost.

DEPRECIATION

Assets in the course of construction are not depreciated until they are brought into use.

DEFERRED GOVERNMENT GRANTS

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

1 OPERATING PROFIT

Operating profit is stated after crediting:

Fees of £2,500 for the audit of these financial statements have been borne by the parent, Hadlow College.

2 TAXATION ON ORDINARY ACTIVITIES

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 20120 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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.

3 TANGIBLE FIXED ASSETS

	Assets in the course of construction £
Cost	
Additions	572,330
At 31 July 2013	572,330
Depreciation	–
Net book value	
At 31 July 2013	572,330

4 DEBTORS

	2013 £
Amounts owed by group undertakings	318,669

5 CREDITORS: Amounts falling due within one year

	2013 £
Other creditors	178,600

6 GOVERNMENT GRANTS

	2013 £
Received and receivable:	
Receivable during year	891,289
At 31 July 2013	891,289
Amortisation:	
At 31 July 2013	-
Net balance at 31 July 2013	891,289

7 RELATED PARTY TRANSACTIONS

During this and the previous period the company was under the control of Hadlow College, a Further Education college registered in England and Wales. The largest and smallest group preparing consolidated accounts that include the results of the group are Hadlow College. These accounts can be obtained from Hadlow College, Hadlow, Tonbridge, Kent, TN11 0AL.

The company has taken advantage of the exemption contained within FRS 8 - Related Party Transactions from disclosing transactions with other 100% owned companies in the Hadlow College group.

8 COMPANY LIMITED BY GUARANTEE

Under object 8 of the Memorandum of Association, every member of the Academy Trust undertakes to contribute such amount as may be required (not exceeding £10) to the Academy Trust's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the Academy Trust's debts and liabilities before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

9 PROFIT AND LOSS ACCOUNT

	2013 £
Profit for the financial year	19,647
At the end of the year	19,647

10 POST BALANCE SHEET EVENTS

On 20 August 2013 the company entered into a funding agreement with the Secretary of State for Education and on this date achieved full academy status.

The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on page 4.

Hadlow Rural Community School Limited
Company Limited by Guarantee
DETAILED PROFIT AND LOSS ACCOUNT
for the year ended 31 July 2013

	2013 £
TURNOVER	290,000
OVERHEADS	
Administrative expenses	(270,353)
PROFIT ON ORDINARY ACTIVITIES	19,647

Hadlow Rural Community School Limited
Company Limited by Guarantee
NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT
for the year ended 31 July 2013

	2013 £
ADMINISTRATIVE EXPENSES	
Personnel costs	
Administrative staff salaries	86,380
General expenses	
Other costs / non staff costs	25,973
Management charges payable	158,000
	183,973
	270,353