

THE FARNBOROUGH HILL TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

Company Number: 2941378
Charity Number: 1039443

THE FARNBOROUGH HILL TRUST

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 JULY 2024

The Governors who served throughout the year (unless stated otherwise) were:

Mr G J McCormack *#
Miss H Griffiths #
Mr M Bernard #
Mrs A Berry #
Mr C Fowler-Tutt *+
Dr G Huxford #
Miss N Hills *
Mrs J L Micklethwaite #
Mr G Selby*
Mrs C Cox # Appointed 7th December 2023
Mr E Cunningham * Appointed 7th December 2023

- * Member of the Finance and General Purposes Committee
- # Member of the Education Committee
- + Farnborough Hill representative at the Association of Governing Bodies of Independent Schools

Members of the Trust:

Mr M Maher	Chair
Sr R O'Looney RCE	
Sr E McCormack RCE	
Sr C Nagle RCE	
Mrs S Buckle	
Mr T J Flesher	
Mr J B Hull	
Mrs C E Hamilton	
Mr GJ McCormack	

The Head:	Mrs M Young (from April 2024) Mrs Z Ireland (Acting from June 2023 to June 2024)
Address:	Farnborough Hill Farnborough Road Farnborough Hampshire GU14 8AT
Bankers:	NatWest Bank Plc Farnborough & Basingstoke Commercial Centre Ground Floor 200 Fowler Avenue IQ Farnborough Farnborough Hampshire GU14 7JP
Auditors:	HaysMac LLP 10 Queen Street Place London EC4R 1AG
Investment Advisers:	Coutts & Co 440 Strand London WC2R 0QS

THE FARNBOROUGH HILL TRUST

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 JULY 2024

INTRODUCTION

The Governors (or Directors) - who are charity Trustees for the purposes of the Charities Act 2011 - present their annual report in compliance with both that Act and the Companies Act 2006, together with the financial statements prepared under the latter Act, for the year ended 31 July 2024.

STRATEGIC REPORT

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

The Government decision to implement VAT on school fees in January 2025 brought the expected date forward by two terms. Inevitably, any such period of change raises concerns about affordability: the resulting 20% rise in fees will have a significant impact. However, The Trust has now spent several years building a strong cash position to anticipate this sort of eventuality. We will be absorbing some of the VAT cost in the academic year of implementation. Many parents have confirmed their confidence and commitment to supporting their children's independent education, in these changing and challenging times, by using our fees in advance policy. The demand for Support in the form of Bursaries and awards is unlikely to diminish. We enter this period confident in our ability to withstand the traumas of transition to the changed context. At the same time we have no borrowing on our balance sheet, so our ability to manage change can flex to the needs of the market. As we respond to parent choices and their impact on our student numbers, we are confident we can meet the challenge.

A level Headlines

- In a cohort of 35 students, 12 pupils achieved all A* or A grades
- 1 pupil achieved 3 A*s; They also secured an A* for their EPQ
- 5 pupils achieved 2 A*s and an A and 3 pupils achieved 1 A* and 2 As
- 1 pupil achieved 1 A* and 3 As whilst 3 pupils achieved 3 As
- The average grade in the cohort was a grade B+ (43.40 points)
- The top 15 pupils in the year averaged a Grade A
- The % of A*-B was 80.37% (up from 76.1 in 2023) and the average EAP Differential 0.3
- In addition to the U6 A level results, One student secured a C for Latin, another secured an A for their Chinese A level, sat elsewhere.
- 20 of the cohort also completed the EPQ, with 5 gaining A*s, 3 As and 6 Bs

GCSE Headlines

- 37.32% of grades were A* equivalent (Grades 9 and 8); 59.16% were graded 9-7
- 2 pupils achieved 11 Grade 9s, including Further Maths
- 4 pupils achieved 10 grades of either 8 or 9
- 3 pupils secured 9 grades of either 8 or 9 and 1 pupil achieved 8 Grade 9s • Super-Curricular subjects provided the opportunity for the most able pupils: all Further Maths grades were 9 and Classical Greek all 9/8
- 11 Departments averaged a Grade 7 or over, including Classics, Computer Sciences, Further Maths, Food Prep and Nutrition, Greek, History, Latin, RE and Sciences.
- The Average Points score was 6.94 and overall Value Added 0.8
- In addition to the Year 11 Results, A student in Year 10 achieved a Grade 9 in French.
- 53 Year 9 pupils completed Level 1 and 2 Projects with 77% achieving either an A or A

THE FARNBOROUGH HILL TRUST

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2024

Curriculum and School Life

The Farnborough Hill curriculum is broad and balanced. Girls in Years 7 and 8 are exposed to up to 17 subjects before selecting a portfolio of 13 subjects in Year 9, and then reducing to eight subjects, which translates to 10 GCSEs in Years 10 and 11. From September 2024 pupils study a core of nine GCSEs with the higher-achieving pupils being able to access an additional one or two GCSEs. In Year 7, pupils are exposed to three modern foreign languages in a carousel in their first half term, following which they will choose two modern languages for the remainder of the year, alongside Latin. In Year 8 pupils will then opt for two languages. Year 9 pupils have the choice of continuing with one or two languages including Latin. The GCSE offering is a rich one, including Classical Civilisation, Latin and Further Maths alongside the more traditional subjects. Instead of Business Studies at GCSE, there is the option to take part in the Young Enterprise Scheme, in which our teams regularly win awards at regional and national level. The majority of Year 9 girls will attain the AQA Project Qualification, which provides an inspiring extension to their mainstream curriculum. Many girls in KS3 and KS4 take part in a particularly broad range of sports, with football and cricket adding to the usual offer of girls' major games. Dance, gymnastics, basketball, fitness sessions and cross country also enrich our Physical Education programme. Drama and Music are very popular activities, and we have developed a Music Theatre outreach programme connecting us to local Junior Schools. In the Summer term our Empower girls (Year 9) run an inspirational activity programme for our nearest schools, entirely devised and run by themselves.

There is a lively Chaplaincy programme, led by the school Chaplain, which encompasses a wide range of activities, from training our altar servers, running regular weekly prayer groups, maintaining a welcoming drop-in space for our youngest girls – 'Open Access', training CAFOD Young Leaders in the Lower Sixth, running the SVP group, staff prayer sessions, organising regular Masses and other acts of worship and leading various charitable projects.

All girls benefit from a very wide range of enrichment activities through the Farnborough Hill Extra-Curricular programme. With an annual offering of approximately 90 clubs and activities, the programme encompasses sport, music, drama, art, dance, music theatre, MUN, many science groups - including the highly successful Greenpower engineering project, debating, LAMDA, beekeeping, cookery and much more. Where possible, we encourage senior girls to take a lead with some of these groups. Additional enrichment comes with the half-termly Think Tank talks, introducing speakers from a very wide variety of backgrounds to address interested pupils, parents and staff.

Academic Scholars and other girls who are achieving particularly well join the Af'Hillation group, which meets regularly to tackle and enjoy a variety of projects and activities that offer extra inspiration, stretch and challenge. All scholars, in whatever discipline, follow a dedicated pathway to add value to their scholarship experience.

Our Sixth Formers, based in the Lafosse centre, follow a three A level linear model, with four A levels being studied by the most able, when required. Many girls in the Lower Sixth will complete the EPQ and other qualifications, such as a TEFL certification are available. Bi-weekly careers lessons have been embedded into all Lower Sixth students' timetables as well as the Ivy House coaching programme. All pupils participate in weekly PE lessons and, as a Catholic school, the girls' lives are enriched by the RE Department's REACT programme, which includes a diversity of service projects (e.g. teaching English to newly-arrived immigrant families or visiting the elderly in a care home).

We have identified Wellness as a major area of growth and development in the coming year and will be refurbishing our Wellbeing Centre and running a variety of activities in association with our membership of The Wellbeing Hub, from September 2024.

As part of our strategy for recruitment and retention we continue to review the Open Afternoon format. The new format allows parents and pupils to take part in self-guided tours of the school, with the Sixth Form dotted around the school to ensure all visitors move along to the right places. This has had a positive impact and we have seen a 36% increase in families attending our open afternoons. Furthermore, we will be continuing with the successful Farnborough Hill (F'Hill) Fridays: short taster sessions on Friday (early evening) for those who have registered for our entrance exam, with parents being invited to stay in school and relax in the Lafosse centre, meet the SLT and/or take advantage of the upstairs working space. This has been met with enthusiasm by prospective families and also staff.

In the Sixth Form we continue to work on increasing retention which is a focus for both SLT and Governors, covered at our last strategy day. The leadership team will be surveying past and present pupils to gain a full picture of what activities and extras are popular and those that are now well received in order to make informed decisions. One 'easy fix' has been to bring back MacBook's for the Sixth Form, as well as a fixed Head of Year (HOY) 11. The last time we had both (MacBook's and a fixed HOY 11) numbers were in the 40s. We continue also to target external families and 19 families attended the sixth form open afternoon.

Public benefit statement

Each year we raise substantial sums of money to donate to charities that align with our values, most recently totalling £15,045 (2023 - £15,000). Our SVP society targets local charitable causes and we have contributed towards the work of Caritas with the homeless in Basingstoke. We regularly collect food and household items which we donate to food banks for local families in need. We train our CAFOD young leaders to raise charitable funds and to ensure that they are spent on sustainable and effective projects.

We have strong connections with our surrounding primary schools. We invite 130 pupils from four local schools to our annual Empower day, where inspiring STEM, creative, sporting and performing arts activities are devised and delivered by our Year 9 students. We send our Music and Drama staff into a range of local primary schools to deliver Musical Theatre workshops. Our Head serves as a Governor in two local primary schools. We also invite local schools to attend school performances, free of any charge.

Our bursary and scholarship provision removes financial barriers to accessing a Farnborough Hill education for 50 families.

Where possible, we lend our facilities to local primary schools and the local borough council for a range of purposes. Recently, this has included the school chapel, our main building and sports facilities.

Our biennial international expedition always includes a strong service element and we have now implemented our first visit to Lourdes with HCPT, directly serving disabled and disadvantaged pilgrims from around the UK. As an important local history landmark, we have developed History Open Saturdays, to encourage the local people to discover the rich heritage of the school building and site. Living our Gospel values of Love, Hope, Faith and Compassion, which lie at the heart of the school's mission, drives us to serve the local community and wider world, in addition to serving each other.

School Development

The 5 year development plan is in place.

The four key pillars are the foundations of all development namely:

- Have a connected community made up of dynamic and inspired staff and pupils
- Unleash the power and potential of all
- Develop innovative spaces
- Have a more sustainable and balanced, earth-friendly environment

And every element of school life (academic, administrative, Business and sustainability and development, development of character, pastoral and school environment, Sixth Form, spiritual life and staff development) is included as we seek to collaboratively build upon where we are and grow as a community.

Digital Infrastructure

The School's IT support continues to be outsourced to CST. The Contract and service agreement will be reviewed during the coming year.

We had three big hardware upgrades over the Summer Break, the first being the Network Switching. This project ran smoothly and has made our Network much quicker, more stable and easier for CST to monitor. The new switches have a ten-year lifespan and are likely to be the last major upgrade to our infrastructure that will be needed in the next few years. Secondly, we upgraded and reduced our printers around the school. The reduced number of printers has allowed us to be more cost-effective and will hopefully lead to a reduction in printing as we seek to be more ecofriendly. Finally, seventy-five PCs in teacher office spaces were replaced with more powerful refurbished models, which are highly cost-effective compared to buying new machines.

THE FARNBOROUGH HILL TRUST

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2024

CST have produced an updated roadmap for the coming academic year and whilst there are no major recommended infrastructure updates, we do need to plan for the replacement of the PCs in the Computer Rooms around the school (IT1, IT2, IT4 and DT1). The current machines were installed in October 2017 and whilst they are sufficiently powerful for teaching purposes, they are not capable of running Windows 11, which is now in place across the rest of the school. As with the Computers in the staff offices, we will be looking to replace these with much more powerful refurbished models. This will be completed before support for Windows 10 ceases in October 2025.

Following the Governors' Education Committee meeting in October, where offsite web filtering of school devices was discussed, we have decided to roll this out. Initial enquiries have already been made with Smoothwall, our filtering provider, and we believe that it is feasible to have this in place for all school-owned iPads by the end of the Spring Term at the latest.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and Administration

The Farnborough Hill Trust (Farnborough Hill) was incorporated as a private company limited by guarantee on 22 June 1994. Farnborough Hill is a registered charity number 1039443. The Trust includes the Farnborough Hill Bursary, Scholarship and Prize Fund.

The governing documents are the Instrument of Government, approved by the Charity Commission and the Principal Superior of the Institute of Christian Education, and Articles of Association. Where ambiguity arises, the Memorandum and Articles of Association prevail, most recently approved on 25 September 2024.

Governing Body

The Governors who served during the year and to the date of this report are shown on page 1.

The governing documents require that the Board of Governors should consist predominantly of Roman Catholics. It should consist of not less than five and not more than fifteen Governors. The Members can appoint, by a simple majority in a general meeting, any suitable person who is willing to act as a Governor. One third of the Governors retire by rotation at each Annual General Meeting but are eligible for re-election at that meeting.

Governors regularly attend training seminars and courses organised by ISBA, AGBIS and other professional bodies with the aim of keeping up to date with governance, compliance and safeguarding issues. Attendance at relevant INSET training for academic staff is also encouraged and the interaction with academic staff, at such training, is deemed to be of a significant benefit as are the Governors' regular "Learning Walks" to observe the school in action.

Prospective Governors are normally invited to visit the School and undertake an induction programme, attend AGBIS training for new Governors and attend school events and Governors' meetings prior to being nominated for election by the Members of the Trust. On appointment each Governor is given a copy of the Memorandum and Articles of Association and the Instrument of Government, together with any other documentation appropriate at the time.

Organisation

The Board of Governors and its two committees, namely Finance & General Purposes and Education, set out the general policy of the school. The day-to-day affairs of the school are run by the School's Senior Leadership Team. A Bursary sub-committee reviews & authorises applications for Bursaries.

THE FARNBOROUGH HILL TRUST

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2024

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Objects

Farnborough Hill is an independent Roman Catholic Day School for Girls age 11-18 years and the Headmistress is a member of the Girls' Schools Association and Independent Schools' Association. The School is dedicated to educating the whole person within a happy, caring Christian community where each individual is valued. Girls from all Christian denominations, other faiths and none are welcomed into the School.

The objects of the Farnborough Hill Trust are to advance the Roman Catholic faith by the education of children of all faiths and none in the Christian tradition.

Objectives for the year ahead

- a. To reassess and deliver a broad curriculum.
- b. To maintain healthy recruitment specifically into Year 7 and the Sixth Form and generally throughout the school years.
- c. To build closer links with the wider Farnborough Hill community

Strategies to achieve the year's objectives

Strategies employed to achieve the above objectives include:

- a. Senior Leadership Team (SLT) to review the current curriculum and adjust to meet changing needs to educate the whole person in today's educational climate.
- b. Proactive and detailed project management of the School's estate.
- c. Engage with industry experts to survey all school buildings to produce a School Sustainability Plan.
- d. Putting in place a strategy to more closely involve the wider Farnborough Hill community, past and present.

The Governors and Senior Leadership Team consider that the School should strive to play a full and responsible part in the wider community, so living out our Mission Statement:

Farnborough Hill welcomes all into our community, where we aim to live Christ's Gospel values joyfully and wholeheartedly, forming each individual to fulfil her potential and face the future with wisdom, strength and dignity.

We have continued our charity work with the local community and raised over £15,000 for good causes in addition to non-monetary donations through food and clothing to local charities assisting families in need.

There were 38 Bursary awards made during the year to families who required financial assistance to send their daughters to Farnborough Hill.

THE FARNBOROUGH HILL TRUST

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2024

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

This is 31st financial year for the Farnborough Hill Trust, the School having been transferred to the Trust by the Institute of Christian Education as a going concern on 1 August 1994. During this year Farnborough Hill has had a roll of 530 pupils. The anticipated roll for 2025 and thereafter is encouraging and the Governors are confident that the School can continue to maintain numbers comfortably in excess of any break-even requirement.

The Bursary and Scholarship funds have been used to good effect this year and continue to be met with support from Unrestricted Funds. Academic scholarships are awarded in Years 7 and 11 for the Sixth Form. Each year the School normally offers to Year 7 entrants a number of major scholarships each worth one fifth of fees and a number of minor scholarships worth one tenth of fees. One of the major scholarships is available only to a Roman Catholic pupil but the remainder are completely unrestricted.

Each year there are also two Music, two Sports and two Art Scholarship awards on offer at Year 7, each worth one fifth of fees. A number of scholarships of up to £3,000 each are awarded annually for the two Sixth Form years.

The Board of Governors wishes to acknowledge the continued generosity of the Sisters of the Institute of Christian Education in making very significant donations to the Scholarship, and in particular the Bursary funds which this year totaled £181,000 (2023 £130,000). These are of immense help in maintaining the Objects and Policy of the School and in assisting Catholic pupils to attend Farnborough Hill when parents could not otherwise afford the fees.

Grant Making Policy

The Governors' policy, in line with that of other independent schools, is to make these awards on the basis of the individual's assessed financial need in the case of bursaries, and educational ability when allocating scholarships and prizes (subject to any particular conditions imposed by the original donor where the award is made out of restricted funds).

This year the total value of bursaries, scholarships and prizes made to the School's pupils amounted to £805,233 (2023: £646,076). This included a total of £181,000 (2023: £130,000) from restricted funds, comprising bursaries £156,000 (2023: £115,000) and scholarships £15,000 (2023: £15,000).

Reserves Policy

The School needs reserves to ensure it can fulfil and complete the charitable obligations and commitments it enters into.

As at 31 July 2024, the total funds of the School were £14,415,226 which included restricted funds of £621,702 and unrestricted funds of £8,398,024 – the bulk of which is represented by the School's fixed assets i.e. its buildings. As with all schools, the School's reserves policy is closely linked to its working capital needs through the year and to its development plan in the medium term. The Governors are aware that it is not always possible for a major new development project to be funded solely from current resources and alternative means of funding may be required. It is also the intention of Governors, successfully in the past, to steadily build up the School's reserves over time from modest annual operating surpluses.

At the end of the financial year the level of freely available reserves, represented by net current assets stood at £2,239,738 (2023: £1,975,252). Unrestricted fund operating costs currently amount to £9,427,988 (2023: £9,043,274) per annum.

In the accounts unrestricted funds relate to the general school funds and restricted funds comprise the Bursary, Scholarship and Prize Funds.

The value of the restricted funds at the end of the year is £621,702 (2023: £546,135). The actual surplus of unrestricted funds over the year's activities was £296,486 (2023: £409,308).

THE FARNBOROUGH HILL TRUST

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2024

The School is entirely self-supporting and its funds have been carefully built up over the past 30 years through prudent financial management.

Key Management Pay

The Governors consider the Senior Leadership Team to comprise the key management personnel of the School as they are in charge of directing and controlling, running and operating the School on a day-to-day basis. All Governors give of their time freely and no Governor received remuneration in the year. The fact that there are no related party transactions is disclosed in Note 23 to the financial statements.

The remuneration of the Senior Leadership Team and all staff is reviewed annually. In view of the nature of the organisation, the governing body benchmarks against pay levels in other similar educational organisations.

Investment Policy and Objectives

In accordance with the Charity Commission guidance and powers given in its governing documents, the Charity has delegated the management of its investment portfolio to a specialist adviser who has been instructed to balance capital growth and income in managing its portfolio. The investment manager has completed these aims within current market conditions. Income from listed investments is £19,707 (2023: £12,905) and the market value at the year-end is £662,392 (2023: £586,825), as shown in Note 9 to the financial statements.

Fundraising Practices

Farnborough Hill has not made any fundraising appeals to the general public. Fundraising normally focusses on securing grants and donations from government bodies, registered charities, business links and parents. Our new development manager will explore options with our Alumnae. There has been no outsourced fundraising via professional fundraisers or other third parties. Consequently, the School is not registered with the fundraising regulator and received no fundraising complaints in the year. Parental donations are entirely voluntary.

RISK MANAGEMENT AND PRINCIPAL RISKS

The School has a formal risk management process through which the Senior Leadership Team identifies the major risks to which the organisation may be exposed and has ranked these by likelihood and impact, culminating in a risk control document which is updated on a regular basis. All significant risks, together with current mitigation actions, are reviewed regularly throughout the year by the Governing Body. The Governors are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

THE FARNBOROUGH HILL TRUST

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2024

RISK MANAGEMENT AND PRINCIPAL RISKS (continued)

The principal risks and uncertainties identified by the School are as follows:

Risk identified	Action to mitigate the risk
Fall in pupil numbers	Numbers throughout the recruiting process will be closely monitored and marketing and admissions strategies will be adjusted as required. The School will ensure that it remains an attractive option for future parents both academically and in the provision of excellent facilities
Catastrophic business interruption	Well trialed and tested Emergency Recovery plans are in place supported by comprehensive insurance cover to ensure the continued operation of the school.
Externally imposed financial pressures. (VAT on Fees/Loss of Mandatory Business rate relief)	The school continues to monitor the situation and react to advice and guidance given by relevant bodies. Provision is then considered for inclusion in forecasts and following year budgets. The likely impact of imminent legislation has been factored into forecasts in confirming going concern.
Reputational damage	The school has a well trialed and tested Emergency Recovery plan. A comprehensive suite of risk assessments and policies are in place which mitigates against events that would potentially lead to reputational damage.
Decrease in academic achievement	Ensure continued recruitment of high calibre teaching staff. Maintain attractive pay scales. Continue to provide a welcoming, stimulating, vibrant and well supported work environment.

The risks to which the School is exposed have been considered and steps taken to determine their relative importance. Risks are graded using a traffic light assessment that classifies Major, Average and Minor Risks detailed within the Risk Assessment Plan. The Major Risks, as identified by the Governors, have been reviewed and systems established to mitigate those risks

FUTURE PLANS

Future Plans are detailed within the Long-Term Strategic Plan, which is reviewed regularly by the Board of Governors. Main objectives for the next four years, as previously stated, are as follows:

- a. To provide a broad and balanced curriculum.
- b. To provide enhanced facilities for teaching and learning whilst improving facilities infrastructure and the integrity of the Grade I listed building.
- c. Continue to renew, extend and improve ICT facilities and infrastructure to all pupils and teachers as part of the School's overall ICT strategy.
- d. Monitor trends in Year 7 recruitment and Sixth Form retention and consider implementing further strategies to maintain recruitment and increase retention.

THE FARNBOROUGH HILL TRUST

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2024

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year. Under that law the Governors 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 Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Governors 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.

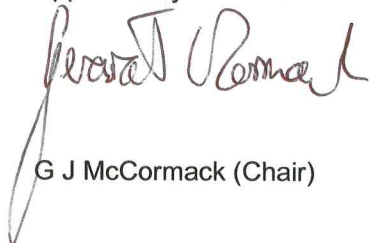
So far as each of the Governors is aware up to the time this report is approved:

- there is no relevant audit information of which the company's auditors are unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

On 18 November 2024 the company's auditor changed its name from haysmacintyre LLP to HaysMac LLP. A resolution to re-appoint HaysMac LLP will be submitted to the Annual General Meeting.

Approved by the Board on 5 December 2024 and signed on its behalf by



G J McCormack (Chair)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE FARNBOROUGH HILL TRUST

Opinion

We have audited the financial statements of Farnborough Hill Trust for the year ended 31 July 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2024 and of the charitable company's net movement in funds, including the 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.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Governors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors for the financial statements

As explained more fully in the Governors' responsibilities statement (set out on page 10), the Governors (who act as Trustees of Farnborough Hill Trust and are also the Directors of the charitable company 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, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, the Independent Schools Inspectorate (ISI) and the statutory safeguarding and child protection guidance issued by the Department for Education (DfE), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, Charities SORP (2019), Companies Act 2006 and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risk was related to the recognition of voluntary income. Audit procedures performed by the engagement team included:

- Enquiries of management regarding correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the charity, particularly in relation to the recording of income and processing of payments and payroll, to ensure these were in place throughout the year;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing and testing journal entries made in the year, particularly those made as part of the year end financial reporting process; and
- Challenging assumptions and judgements made by management in their critical accounting estimates which comprise depreciation, bad debt provision, accruals and deferred income.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE FARNBOROUGH HILL TRUST

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Use of our report

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



Siobhan Holmes (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditors
Date: 12 December 2024

10 Queen Street Place
London
EC4R 1AG

THE FARNBOROUGH HILL TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**

FOR THE YEAR ENDED 31 JULY 2024

INCOME FROM:	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total 2024 £	Total 2023 £
Charitable activities						
School fees	4a	8,889,205	-	-	8,889,205	8,761,880
Ancillary trading	2	674,616	-	-	674,616	598,638
Voluntary sources						
Donations		-	181,000	-	181,000	130,000
Charitable trading – rental income		54,068	-	-	54,068	57,084
Investment income	3	68,842	19,707	-	88,549	43,392
Other income		37,744	-	-	37,744	17,398
Total Income		9,724,747	200,707	-	9,925,181	9,608,392
EXPENDITURE ON:						
Raising funds						
Financing costs		916	-	-	916	11,725
Investment management		-	3,724	-	3,724	2,872
		916	3,724	-	4,640	14,597
Charitable activities:						
School operating costs:						
Teaching		5,453,803	-	-	5,453,803	5,583,943
Welfare		31,612	-	-	31,612	36,612
Premises		1,936,626	-	5,500	1,942,126	1,671,805
Support costs of schooling		1,163,304	-	-	1,163,304	1,036,331
Catering, travel and other recharges		841,718	-	-	841,718	705,731
Grants, awards and prizes	4b	-	181,000	-	181,000	130,000
Total expenditure	5	9,427,988	184,724	5,500	9,618,212	9,179,019
Net income before investment gains	7	296,486	15,983	(5,500)	306,969	429,373
Investment gain		-	59,584	-	59,584	9,537
NET MOVEMENT IN FUNDS		296,486	75,567	(5,500)	366,553	438,910
Fund balances at 1 August		8,101,538	546,135	5,401,000	14,048,673	13,609,763
Fund balances at 31 July		8,398,024	621,702	5,395,500	14,415,226	14,048,673

All recognised gains and losses are included in the statement of financial activities.

All operations are continuing.

Full comparative figures for the year ended 31 July 2023 are shown in note 23.

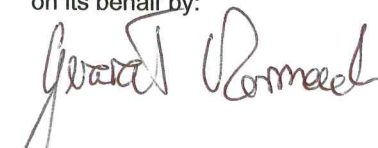
The notes on pages 17 to 30 form part of these financial statements.

BALANCE SHEET

AT 31 JULY 2024

		2024		2023	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	8	11,513,096		11,486,596	
Investments	9	662,392		586,825	
			12,175,488		12,073,421
CURRENT ASSETS					
Debtors	10	726,111		251,354	
Cash at bank		11,366,052		3,020,343	
		12,006,651		3,271,697	
CREDITORS: Amounts falling due within one year	11	(4,691,983)		(1,296,445)	
NET CURRENT ASSETS			7,314,668		1,975,252
TOTAL ASSETS LESS CURRENT LIABILITIES			19,490,156		14,048,673
CREDITORS: Amounts falling due after one year	12 13	(5,074,930)		-	
TOTAL NET ASSETS	14		14,415,226		14,048,673
FUNDS					
Restricted funds	16		621,702		546,135
Endowed funds	15		5,395,500		5,401,000
Unrestricted funds	14		8,398,024		8,101,536
TOTAL FUNDS	14		14,415,226		14,048,673

The financial statements were approved and authorised for issue by the Board on 5 December 2024 and were signed below on its behalf by:


G J McCormack
 CHAIR

The notes on pages 17 to 30 form part of these financial statements.

THE FARNBOROUGH HILL TRUST

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2024

	Notes	£	2024	£	£	2023	£
NET CASH FLOWS FROM OPERATING ACTIVITIES	21			8,649,163			537,866
CASH FLOWS FROM INVESTING ACTIVITIES							
Payment for tangible assets		(307,179)			(543,430)		
Investment income		19,707			43,392		
Investment additions and movement in cash awaiting investment		(656,171)			(193,307)		
Proceeds from sale of investments		640,189			183,275		
NET CASH USED IN INVESTING ACTIVITIES				(303,454)			(510,070)
Change in cash and cash equivalents in the reporting period				8,345,709			27,796
Cash and cash equivalents at the beginning of period				3,020,343			2,992,547
CASH AND CASH EQUIVALENTS AT THE END OF REPORTING PERIOD				11,366,052			3,020,343

The notes on pages 17 to 30 form part of these financial statements.

THE FARNBOROUGH HILL TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

1. ACCOUNTING POLICIES

Charity information

The School is a Public Benefit Entity registered in England and Wales as a charity and a company limited by guarantee. It was incorporated on 22 June 1994 (company number: 2941378) and registered as a charity on 15 July 1994 (charity number: 1039443). Its registered office is Farnborough Road, Farnborough, Hampshire, GU14 8AT.

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice (second edition) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – second edition effective 1 January 2019.

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments and leasehold land and buildings.

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. The recent announcement of VAT on fees, the removal of mandatory business rate relief and the receding cost of living crisis, coupled with reducing interest rates, are all factored into the budgets. Accordingly, the Governors also consider it appropriate to adopt the going concern basis in preparing the financial statements.

Critical accounting judgements and key sources of estimation or uncertainty

In the application of the accounting policies, Governors are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects current and future periods.

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

THE FARNBOROUGH HILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2024

1. ACCOUNTING POLICIES (continued)

Investment income

Investment income from equities/shares, bank balances and fixed interest securities is accounted for on an accruals basis.

Donations, legacies, grants and other voluntary income

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to unrestricted funds. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

Expenditure

Expenditure is accrued as soon as a liability is considered probable. Expenditure attributable to more than one cost category in the Statement of Financial Activities is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, external audit, any legal advice for the School's Governors, and all the costs of complying with constitutional and statutory requirements, such as costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Tangible fixed assets

Tangible fixed assets inherited by the School at 1 August 1994 are included at cost being their net book value at that date.

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £1,000 together with vehicles, furniture, machinery, ICT infrastructure and other equipment costing more than £1,000 is capitalised and carried in the balance sheet at historical cost.

Other expenditure on equipment incurred in the normal day-to-day running of the School is charged to the Statement of Financial Activities as incurred. Individual items costing less than £1,000 are normally written off as an expense on acquisition.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal annual instalments over their expected useful economic lives as follows:

Leasehold buildings and property investments	- 10 - 50 years
Furniture, fittings and equipment	- 4 - 10 years
Motor Vehicles	- 4 - 10 years
IT equipment	- 2 - 4 years

The gift of the 999-year lease of the School building and grounds in 2003 has been capitalised to comply with the Charities SORP. The asset has been included in the balance sheet at valuation. The trust has adopted the provisions of FRS 15 in respect of this asset and will not revalue it in the future. The land element is depreciated over the life of the lease.

THE FARNBOROUGH HILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2024

1. ACCOUNTING POLICIES (continued)

Investments

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

Fund accounting

The charitable trust funds of the School are accounted for as unrestricted or restricted income in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the School's corporate reserves, to be spent at the discretion of the Governors either to further the School's Objects or to benefit the School itself. Where the Governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Endowed funds represent the depreciated 999-year lease which was gifted to the School during the year ended 31 July 2003. The fund was valued at £5,500,000, less the Deed of Charge principal of £2,000,000. The net figure constituted an expendable endowment of £3,500,000 that was recognised as income in the Statement of Financial Activities under the heading 'Donations' in the year of receipt.

Restricted funds represent amounts donated to the School for specific purposes such as funding building developments, scholarships, seniors' bursaries and prizes.

Pension costs

Retirement benefits to employees of the School are provided through two principal pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

- (a) The Aviva Pension Trust for Independent Schools (APTIS) is a defined contribution scheme. Contributions payable by the School during the year are included in the pension costs charged in the accounts.
- (b) Other pension costs charged in the accounts for defined contribution schemes represent the contributions payable by the School during the year.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

THE FARNBOROUGH HILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2024

1. ACCOUNTING POLICIES (continued)

Debtors

Fees receivable and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Employee benefits

Employment benefits, including holiday pay, are recognised in the period in which they are earned. Termination benefits are recognised in the period in which the decision is made and communicated to the relevant employee(s).

2. ANCILLARY TRADING INCOME	2024 £	2023 £
Catering	283,558	255,458
Coaches	240,176	217,589
Trips	70,307	46,935
Other	80,577	78,656
	<u>674,618</u>	<u>598,638</u>

All ancillary trading income is unrestricted in both years.

3. INVESTMENT INCOME	2024 £	2023 £
School bank interest	68,842	30,487
Restricted fund investment income	19,707	12,905
	<u>88,549</u>	<u>43,392</u>

THE FARNBOROUGH HILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2024

4. SCHOOL FEES	2024 £	2023 £
a) School fees comprised:		
School fees	9,459,037	9,261,056
Registration fees	17,901	15,900
Retained deposits	500	1,000
	<u>9,513,438</u>	<u>9,277,956</u>
Less: Bursaries, grants and allowances	(805,233)	(742,574)
	<u>8,708,205</u>	<u>8,631,880</u>
 Scholarships and grants paid for by Restricted Funds	 181,000	 130,000
	<u>8,889,205</u>	<u>8,302,467</u>
 b. Grants, awards and prizes paid by restricted funds consisted of:		
Scholarships	15,000	15,000
Bursaries	166,000	115,000
	<u>181,000</u>	<u>130,000</u>
Scholarships and bursaries paid for by Restricted Funds	<u>181,000</u>	<u>130,000</u>

The above educational awards were made to 119 pupils (2023: 120).

THE FARNBOROUGH HILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2024

5. ANALYSIS OF EXPENDITURE

	Staff £	Other £	Depreciation £	2024 Total £
Cost of generating funds:				
Financing costs	-	916	-	916
Investment management	-	3,724	-	3,724
	-	4,640	-	4,640
Charitable activities:				
School operating costs:				
Teaching costs	4,748,464	617,432	87,907	5,453,803
Welfare	29,735	1,866	-	31,621
Premises	473,594	1,275,761	192,771	1,942,146
Support costs	721,655	441,649	-	1,163,314
Catering, travel and other recharges	189,886	651,833	-	841,718
Grants and prizes	-	181,000	-	181,000
	6,163,333	3,174,200	280,678	9,618,212

Comparative information in respect of the preceding period is as follows:

	Staff £	Other £	Depreciation £	2023 Total £
Cost of generating funds:				
Financing costs	-	11,725	-	11,725
Investment management	-	2,872	-	2,872
	-	14,597	-	14,597
Charitable activities:				
School operating costs:				
Teaching costs	4,914,336	627,366	42,240	5,583,942
Welfare	34,712	1,900	-	36,612
Premises	378,675	1,108,646	184,484	1,671,805
Support costs	774,215	262,116	-	1,036,331
Catering, travel and other recharges	138,212	567,119	-	705,731
Grants and prizes	-	130,000	-	130,000
	6,240,150	2,712,144	226,724	9,179,018

THE FARNBOROUGH HILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2024

5. ANALYSIS OF EXPENDITURE (continued)

Other support costs of schooling comprise

	2024 £	2023 £
Stationery, equipment and computers	36,195	35,946
Postage and telephone	19,168	8,483
Advertising & marketing	116,371	108,522
Professional fees	213,687	70,554
Subscriptions	18,170	15,082
Governance	24,800	21,760
Other	13,258	1,769
	<u>441,649</u>	<u>262,116</u>

Governance costs includes

	2024 £	2023 £
Audit	24,800	21,760
	<u>24,800</u>	<u>21,760</u>

6. Staff costs

Remuneration	5,165,241	5,074,717
Social security costs	416,197	510,103
Pension contributions	581,896	655,330
	<u>6,163,334</u>	<u>6,240,150</u>

The average number of employees for the year was 76 full time (2023: 77) and 65 part time (2023: 60) of which 57 full time (2023: 57) and 28 part time (2023: 28) were teaching staff. Included within the remuneration figure is £Nil relating to termination payments (2023: £208,554).

The total employee benefits of the key management personnel and the School were £690,921 (2023: £991,368).

	No.	No.
The number of employees whose emoluments exceeded £60,000 were:		
£60,000 - £70,000	12	4
£70,000 - £80,000	1	3
£80,000 - £90,000	3	-
£90,000 - £100,000	1	-
£100,000 - £110,000	-	-
£110,000 - £120,000	-	1
£150,000 - £160,000	-	1
	<u> </u>	<u> </u>

All of these higher paid employees (2023: all) are accruing retirement benefits under the defined contribution scheme.

No governors, or any person connected with them, received any remuneration during the year. Expenses for travel and training reimbursed to 1 governors (2023: 3) amounted to £28 (2023: £1,137).

General insurance expense includes professional indemnity and governors liability insurance for a premium of £411 (2023: £411).

THE FARNBOROUGH HILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2024

7. NET MOVEMENT IN FUNDS	2024 £	2023 £
Net movement in funds is stated after charging:		
Auditors' remuneration		
- for audit	19,500	19,000
- in relation to accounts preparation	1,500	1,500
Operating lease rental expenditure	178,286	232,196
Depreciation	208,678	226,724

8. TANGIBLE FIXED ASSETS	Leasehold land and buildings	Leasehold Buildings and property improvements	Furniture fittings and motor vehicles equipment	IT Equipment	Total
	£	£	£	£	£
Cost					
At 1 August 2023	5,500,000	8,711,620	1,081,139	695,344	15,988,103
Additions	-	90,334	55,031	161,814	307,179
At 31 July 2024	5,500,000	8,801,954	1,136,170	857,157	16,295,281
Depreciation					
At 1 August 2023	99,000	3,110,382	768,830	523,295	4,501,507
Charge for the year	5,500	174,233	48,547	52,398	280,678
At 31 July 2024	104,500	3,284,616	817,376	575,693	4,782,184
Net Book Value					
At 31 July 2024	5,395,500	5,517,339	318,793	281,465	11,513,097
At 31 July 2023	5,401,000	5,601,238	312,309	172,049	11,486,596

The leasehold land and buildings relates to the gift of a 999-year full repairing lease from the Religious of Christian Education (the freeholder/lessor). The asset has been capitalised in accordance with the requirements of the Charities SORP.

The valuation was carried out by external valuers Christie & Co. (surveyors, valuers and agents) who arrived at an existing use valuation of £5,500,000 based on the current condition as at 5 December 2002.

The Trust has adopted the provisions of FRS15 in respect of the lease and will not revalue it in the future.

9. INVESTMENTS – RESTRICTED FUNDS

	Market Value		Cost	
	2024 £	2023 £	2024 £	2023 £
Listed investments	653,693	584,949	563,302	418,162
Cash awaiting reinvestment	8,703	1,876	8,703	1,876
	662,396	586,825	572,005	420,038

THE FARNBOROUGH HILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2024

9. INVESTMENTS – RESTRICTED FUNDS (continued)

Investments listed on a recognised stock exchange including investments and unit trusts:

	2024	2023
	£	£
UK	5,369	166,483
Overseas	648,320	418,466
Cash: UK	8,703	1,876
	<u>662,392</u>	<u>586,825</u>
	2024	2023
	£	£
Market value at 1 August	586,825	567,256
Additions and movements in cash awaiting reinvestment	656,168	193,307
Disposals at opening market value	(640,168)	(183,275)
Gains on investments	59,584	9,537
	<u>662,392</u>	<u>586,825</u>

10. DEBTORS

	2024	2023
	£	£
Fees receivable	69,026	5,146
Prepayments and accrued income	571,572	199,121
Other debtors	85,512	47,087
	<u>726,111</u>	<u>251,354</u>

11. CREDITORS: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	668,343	187,418
Other taxes and social security costs	114,285	123,410
Other creditors	127,053	284,027
Accruals and deferred income	116,952	442,090
Pupil deposits	24,000	259,500
Fees in advance	3,433,625	-
Finance lease creditor	24,964	-
	<u>4,691,983</u>	<u>1,296,445</u>

Deferred income of £33,868 relates to fees paid on account for future terms (2023: £55,821).

THE FARNBOROUGH HILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2024

12. CREDITORS: Amounts falling due within one year	2024 £	2023 £
Finance lease	83,181	-
Fees in advance	4,991,749	-
	<u>5,074,930</u>	<u>-</u>

13. Finance lease/Fees in advance maturity

FINANCE LEASE	2024	2023
Due less than one year	24,964	-
Due more than one year	83,181	-
	<u>104,419</u>	<u>-</u>

FEES IN ADVANCE	2024	2023
Assuming the pupils remain in the School, advance fees will apply as follows:		
Due less than one year	3,433,625	-
Due between two and five years	4,972,218	-
Due more than five years	19,530	-
	<u>8,425,372</u>	<u>-</u>

14. ALLOCATION OF CHARITY NET ASSETS

The School's assets are held for the various funds as follows:

	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	2024 Total £
Tangible fixed assets	6,117,596	-	5,395,500	11,513,096
Investments	-	662,392	-	662,392
Net current assets	2,280,428	(40,690)	-	2,239,738
	<u>8,398,024</u>	<u>621,702</u>	<u>5,401,000</u>	<u>14,415,226</u>

THE FARNBOROUGH HILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2024

COMPARATIVE ALLOCATION OF CHARITY NET ASSETS

	Unrestricted Funds	Restricted Funds	Endowed Funds	2023 Total
	£	£	£	£
Tangible fixed assets	6,085,596	-	5,401,000	11,486,596
Investments	-	586,825	-	586,825
Net current assets	2,015,942	(40,690)	-	1,975,252
	<u>8,101,538</u>	<u>546,135</u>	<u>5,401,000</u>	<u>14,048,654</u>

15. ENDOWMENT FUNDS	Balance 1 August 2023 £	Income £	Expenditure £	Net Investment Gains £	Balance 31 July 2024 £
Endowed funds	<u>5,406,500</u>	<u>-</u>	<u>(5,500)</u>	<u>-</u>	<u>5,395,500</u>

COMPARATIVE ENDOWMENT FUNDS

ENDOWMENT FUNDS	Balance 1 August 2021 £	Income £	Expenditure £	Net Investment Gains £	Balance 31 July 2023 £
Endowed funds	<u>5,412,000</u>	<u>-</u>	<u>(5,500)</u>	<u>-</u>	<u>5,406,500</u>

16. RESTRICTED FUNDS	Balance 1 August 2023 £	Income £	Expenditure £	Net Investment Gains £	Balance 31 July 2024 £
Bursary Fund	389,290	194,982	(168,642)	42,275	457,904
Scholarship Fund	156,845	5,725	(1,082)	17,309	163,798
	<u>546,135</u>	<u>200,707</u>	<u>(184,724)</u>	<u>59,584</u>	<u>621,702</u>

THE FARNBOROUGH HILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2024

COMPARATIVE RESTRICTED FUNDS

RESTRICTED FUNDS	Balance 1 August 2021 £	Income £	Expenditure £	Net Investment Gains £	Balance 31 July 2023 £
Bursary Fund	360,406	139,156	(117,038)	6,766	389,290
Scholarship Fund	166,159	3,749	(15,834)	2,771	156,845
	<u>526,565</u>	<u>142,905</u>	<u>(132,872)</u>	<u>9,537</u>	<u>546,135</u>

Restricted funds are employed as follows: -

Bursary Fund: Used for the provision of fee assistance.

Scholarship Fund: Used for scholarships awarded to students.

Prize Fund: Used in recognition of pupils' achievements within the School.

Unrestricted funds are used in the day to day running of the School.

Endowed funds constitute an expendable endowment for the 999-year lease of the School land and buildings.

17. FINANCIAL COMMITMENTS

At 31 July 2024 the School had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2024 £	2023 £	2024 £	2023 £
Within 1 year	70,000	70,000	109,636	83,134
Between 1 and 5 years	280,000	280,000	158,683	128,354
Greater than five years	<u>68,110,000</u>	<u>68,180,000</u>	<u>-</u>	<u>-</u>

18. CAPITAL COMMITMENTS

At 31 July 2024 the School had outstanding contractual commitments for capital expenditure of £Nil (2023: £17,665).

19. CONTINGENT LIABILITIES

The Trustees of The Institute of Christian Education ("ICE/the Lessor/freeholder") gifted the company a 999 year lease over the land and school buildings in 2003. The lease was professionally valued at its existing use value as a school. To protect its interests in ensuring the property continued as a school, the ICE and company also entered into a first legal charge in lieu in August 2003. While drawn up and initially accounted for as a loan with a principal of £2,000,000, it also included reference to an "Additional Sum" which would capture 20% of any market gain over existing use should the property ever be sold for development. This event would also trigger repayment of the "principal". As the land and buildings continue to be used for their existing purpose as a school, the principal sum of £2,000,000 is not repayable and there is no additional sum. As a result, no amounts have been provided in these financial statements.

THE FARNBOROUGH HILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2024

20. PENSION SCHEME

Defined Contribution Schemes

The School also runs a defined contribution scheme for its non-teaching staff. The School's contributions to the scheme during the year ended 31 July 2024 were £83,235 (2023: £72,020) and at the year-end £Nil (2023: £9,868) was accrued in respect of contributions to the scheme.

The School joined APTIS from 1 September 2023 for teaching staff. The School's contributions to the scheme during the year ended 31 July 2024 were £574,899 (2023: £583,310) and at the year-end £Nil (2023: £72,883) was accrued in respect of contributions to the scheme.

21. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2024 £	2023 £
Net movement in funds	366,553	438,910
Depreciation	280,678	226,724
Increase in debtors	(453,473)	(22,072)
Increase/(decrease) in creditors	8,534,946	(52,767)
Investment income	(19,707)	(43,392)
(Gain) on investment	(59,584)	(9,537)
Net cash inflow from operations	<u>8,649,163</u>	<u>537,866</u>

22. ANALYSIS OF CHANGES IN NET DEBT	2023 £	Cashflows In Year £	Other non cash changes £	2024 £
Cash at bank	3,020,343	8,345,709	-	11,366,052
Debt due within one year	-	-	(24,964)	(24,964)
Debt due after one year	-	(104,109)	24,964	(83,111)
	<u>3,020,343</u>	<u>8,241,600</u>	<u>-</u>	<u>11,261,943</u>

23. RELATED PARTIES

There were no related party transactions in the year (2023: none).

24. TAXATION

The School is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

THE FARNBOROUGH HILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2024

23. STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY FUND TYPE

INCOME FROM:	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total 2023 £	Total 2022 £
Charitable activities						
School fees	4a	8,761,880	-	-	8,761,880	8,302,467
Ancillary trading	2	598,638	-	-	598,638	529,504
Voluntary sources						
Donations		-	130,000	-	130,000	130,000
Charitable trading – rental income		57,084	-	-	57,084	50,731
Investment income	3	30,487	12,905	-	43,392	12,033
Other income		17,398	-	-	17,398	70,350
Total Income		<u>9,465,487</u>	<u>142,905</u>	<u>-</u>	<u>9,608,392</u>	<u>9,095,085</u>
EXPENDITURE ON:						
Raising funds						
Financing costs		11,725	-	-	11,725	(16,114)
Investment management		-	2,872	-	2,872	3,352
		<u>11,725</u>	<u>2,872</u>	<u>-</u>	<u>14,597</u>	<u>(12,762)</u>
Charitable activities:						
School operating costs:						
Teaching		5,583,943	-	-	5,583,943	5,367,311
Welfare		36,612	-	-	36,612	35,634
Premises		1,666,305	-	5,500	1,671,805	1,653,552
Support costs of schooling		1,036,331	-	-	1,036,331	783,940
Catering, travel and other recharges		705,731	-	-	705,731	590,042
Grants, awards and prizes	4b	-	130,000	-	130,000	130,000
Total expenditure	5	<u>9,040,647</u>	<u>132,872</u>	<u>5,500</u>	<u>9,179,019</u>	<u>8,547,717</u>
Net income before investment gains	7	424,840	10,033	(5,500)	429,373	547,368
Investment gain/(loss)		-	9,537	-	9,537	(25,028)
NET MOVEMENT IN FUNDS		<u>424,840</u>	<u>19,570</u>	<u>(5,500)</u>	<u>438,910</u>	<u>522,340</u>
Fund balances at 1 August		<u>7,676,698</u>	<u>526,565</u>	<u>5,406,500</u>	<u>13,609,763</u>	<u>13,087,423</u>
Fund balances at 31 July		<u><u>8,101,538</u></u>	<u><u>546,135</u></u>	<u><u>5,401,000</u></u>	<u><u>14,048,673</u></u>	<u><u>13,609,763</u></u>