THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION

England & Wales · Charity number 1144035

Details

Status	Registered
Legal form	Charitable company
Company number	07748737
Registered	2011-09-28
Register	View on the Charity Commission register

Contact

Address	The Leys School Fen Causeway Cambridge CB2 7AD
Phone	01223508900
Email	office@theleys.net
Website	www.theleys.net,www.stfaiths.co.uk

Activities

Objects: 3.1 THE OBJECTS OF THE FOUNDATION ARE:(A)THE ADVANCEMENT OF EDUCATION FOR THE BENEFIT OF THE PUBLIC, IN PARTICULAR (BUT NOT EXCLUSIVELY) BY THE PROVISION OF EDUCATION AT THE SCHOOLS (PROVIDED ALWAYS THAT THE RELIGIOUS TEACHING IN THE SCHOOLS SHALL BE IN ACCORDANCE WITH THAT OF THE METHODIST CONFERENCE);(B)SUCH OTHER CHARITABLE PURPOSES FOR THE BENEFIT OF THE COMMUNITY IN WHICH THE SCHOOLS ARE SITUATED AND FOR THE BENEFIT OF THE WIDER PUBLIC AS THE GOVERNORS MAY DECIDE, IN PARTICULAR (BUT NOT EXCLUSIVELY BY MAKING THE FACILITIES OF THE SCHOOLS AVAILABLE FOR SUCH CHARITABLE PURPOSES WHEN THEY ARE NOT REQUIRED FOR THE FORMAL EDUCATION OF PUPILS ATTENDING THE SCHOOLS,AND(SAVE FOR PURPOSES INCIDENTAL AND ANCILLARY TO THE OBJECTS), NO OTHER PURPOSES.

Activities: The charity provides high quality education for children from the age of 3 to 18 at two schools, The Leys and St Faith's.It also makes use of the facilities , when not required by the schools, for other charitable purposes for the benefit of the local community and the wider public.

Downloaded from opencharities.uk/ew/1144035

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- Cambridgeshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£34,358,000	£33,226,000	£50,874,000	426
2024-07-31	£34,049,000	£32,362,000	£49,117,000	420
2023-07-31	£30,709,762	£29,066,218	£46,039,000	416
2022-07-31	£28,310,182	£26,117,938	£44,846,000	415
2021-07-31	£27,135,679	£24,205,406	£43,548,000	389
2020-07-31	£25,732,000	£24,322,000	£38,501,000	395

Downloaded from opencharities.uk/ew/1144035

Trustees

Name	Role	Appointed
Ashley Silverton		2021-11-26
Charles Thomas Fairey		2019-06-05
Dr Philip William Peter Bearcroft		2025-06-17
Dr RICHARD FORBES ANTHONY		2023-10-04
Helena Margaret Renfrew Knight		2017-09-19
James Burrett		2025-09-24
Jeremy Michael Gladwin		2021-11-02
John Andrew Upton		2025-09-29
John Michael May		2021-11-02
Julia Louise Clarke		2017-04-18
Lucy Alice Sales		2022-01-28
Martin Brown		2017-09-19
Professor Humeira Iqtidar		2024-05-07
Rev Paul Stuart GLASS		2023-07-18
Richard Mitchell		2016-09-29
Samuel Ohene Asante Regan		2024-05-07
Sir Matthew John Rycroft		2023-10-31
Stephanie Loft		2017-12-05
Stephanie Louise Northcott		2024-02-01
Stephen John Burgess		2025-03-01
Stephen Michael Peak		2016-03-05
VICTORIA MARGARET WIENAND		2023-10-04
Wendy Nelson-Challen		2016-06-26

Downloaded from opencharities.uk/ew/1144035

Linked charities

- THE LEYS AND SAINT FAITH'S SCHOOLS FOUNDATION, (1144035-1)
- THE LEYS SCHOOL MEMORIAL SCHOLARSHIP FUND (1144035-2)
- THE LEYS SCHOOL ENDOWMENT FUND (1144035-3)
- THE WAR MEMORIAL FUND (1144035-4)
- HOLLOWAY MEMORIAL FUND (1144035-5)

Downloaded from opencharities.uk/ew/1144035

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION

England & Wales - Charity number 1144035

Accounts

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

Company Number: 7748737
Registered in England
Registered Charity Number: 1144035

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT
AND GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS

GOVERNORS AND CHARITY TRUSTEES

The Governors of The Leys and St Faith's Schools Foundation, "The Foundation" are the Foundation's Trustees under Charity Law and the Directors of the Charitable Company. The members of the Governing Body who served office as Governors during the year and subsequently are detailed below:

Elected by the Life Donors

Mr S Asante	
Mr R Anthony	
Dr P Bearcroft	
Mrs A Brunner	Retired 31.12.2024
Mr J Burrett	
Mrs W Challen	
Mrs J Clarke	
Mr C Fairey	Hon. Secretary
Mr J Gladwin	Chair of The Leys Committee
Mrs E Hooley	Retired 31.12.2024
Mrs H Iqtidar	
Mr C Kirker	Retired 14.05.2025
Mrs S Loft	
Mr J May	
Mrs S Northcott	
Mr S Peak	Hon. Treasurer
Mrs H Renfrew-Knight	Vice-Chair of the Foundation
Sir M Rycroft	Chair of the Foundation
Miss L Sales	
Mr A Silverton	
Mr J Upton	
Mrs V Wienand	Chair of St Faith's Committee

Elected by The Leys Common Room

Mr M Brown

Elected by St Faith's Common Room

Mr R Mitchell

Appointed by the Methodist Council

Ms J Fenn, Rev'd. Dr P Glass, Rev'd. S Burgess

Ex Officio Members

Mrs Jo de Grey	Retired 31.12.2024

Governors elected by Life Donors and Common Rooms are appointed for a term of five years and can be re-elected for a further term. Governors appointed as officers can serve a further term. Governors elected by the Methodist Council serve until they retire. The President of the Old Leysian Society is an ex officio member and serves for the period of their presidency and for a further year. Governors elected by Life Donors and Common Rooms are appointed for a term of five years and can be re-elected for a further term. Governors who are appointed as officers can serve a further term. Governors elected by the Methodist Council serve until they retire. The President of the Old Leysian Society is an ex officio member and serves for the period of their presidency and for a further year

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS

EXECUTIVE OFFICERS

The Head - The Leys School	Dr Clare Ives 1 September 2025 M Priestley MA retired 31 August 2025
- St Faith's School	C Hyde-Dunn MA
The Bursar of The Leys School	P McKeown MA
The Bursar of St Faith's School	H Fox MA 1 January 2025 R Brent MBE MA MSc Beng left 31 December 2024

ADDRESSES

The Leys School
Trumpington Road
Cambridge
CB2 7AD

St Faith's School
Trumpington Road
Cambridge
CB2 8AG

Registered Office as above

Websites: www.theleys.net
www.stfaiths.co.uk

ADVISERS

Bankers
Handelsbanken
2nd Floor,
One Cambridge Square
Milton Avenue
Cambridge CB4 0AE

Solicitors
Birketts LLP
22 Station Road
Cambridge CB1 2JD

Farrer & Co
66 Lincoln's Inn Fields
London WC2A 3LH

Auditor
Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Investment Advisers
Quilter Cheviot Investment Management
Senator House
85 Queen Victoria Street
London EC4V 4AB

Insurance Brokers
Assured Partners Hettle Andrews
Eleven Brindley Place
2 Brunswick Square
Birmingham B1 2LP

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2025

The Governors of The Leys and St Faith's Schools Foundation who are also Directors of the Charitable Company for the purposes of the Companies Act present their annual report for the year ended 31 July 2025 under the Companies Act 2006 ("the Act"), together with the audited Financial Statements for the year, and confirm that the latter comply with the requirements of the Act, the Memorandum and Articles of Association and the Charities SORP (FRS102).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity was founded in 1875 and was registered with the Charity Commission under charity number 311436. In 2011, the Governors reviewed the legal status of the Foundation and decided the charity should become a Company Limited by Guarantee. This process was completed in December 2011. The Charity Number is 1144035 and the Company Number is 7748737. The Governors, Executive Officers, and principal addresses of the Charity are listed on pages 1 and 2. Particulars of the Charity's professional advisers are given on page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Foundation is administered under a scheme established in December 2011 when the legal status of the charity changed.

Governing Bodies

The structure of The Foundation consists of a single Governing Body which is responsible for the two schools. The details of the Governing Body are explained on page 1 together with information on how the members are appointed.

Recruitment and Training of Governors

The Foundation's elected Governors are appointed at a meeting of the Life Donors based on nominations received, taking into account eligibility, personal competence, specialist skills and local availability. New Governors are inducted into the workings of the Charity and its schools including Board policy and procedures at an induction day specifically arranged for them by the Clerk to the Governors. Established Governors are then provided with training opportunities including workshops and seminars organised by the Association of Governing Bodies of Independent Schools, the Boarding School Association and other professional organisations. Additional training and information are provided at Governor meetings to ensure Governors are updated on current issues and regulatory requirements.

Organisational Management

The Board of Governors as Trustees of the Charity and Directors of the Charitable Company are legally responsible for the overall management and control of both The Leys and St Faith's Schools and meet as a board at least three times a year. The work of implementing key policies is carried out by the members of the various committees. These are The Leys School Local Governing Board, The St Faith's School Local Governing Board, The Foundation Executive Committee and The Finance and Audit Committee. These committees meet at least once a term and then report to the Full Board meeting at the end of that term.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

The Leys Local Governing Board deals with issues that are directly relevant to The Leys School. The St Faith's Local Governing Board deals with issues that are directly relevant to St Faith's School. Both The Leys and St Faith's also have a Compliance Committee. The Foundation Executive Committee oversees the strategic planning for the Foundation and considers major issues which impact on either school. This Committee also has responsibility to oversee the regulatory compliance of the Foundation. The Finance and Audit Committee is responsible for dealing with financial issues affecting both schools.

In addition to these Committees there is also an Investment Committee which meets once a year to review the activities of the Investment advisers. A Nominations Committee meets at least once a year to assist with succession planning for officers and the recruitment of new Governors. The Governors also meet once a year for an away day to discuss strategic issues. Ad hoc committees are established to look at specific issues.

The day-to-day running of the schools is delegated to the respective school Heads and Bursars. They are also supported by their Senior Management Teams and together this group are the key management personnel. The Heads and Bursars attend meetings of the above committees.

The remuneration of key management personnel is set by the board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the Foundation's success. The policy is reviewed annually, and appropriate benchmarking data is used to ensure the Foundation considers the broader issues of pay and employment conditions.

Delivery of the Foundation's charitable vision and purpose is primarily dependent on the key management personnel and staff under the direction of the Governors.

To ensure that the Foundation is following best practice, Governors benchmarked the work of the charity against the latest Charity Governance Code produced by the Charity Commission. The Governors benchmarked against the seven principles, particularly looking at the key outcomes, and identified a few areas where the Foundation could improve the way it operates. Action has been taken to ensure that these improvements are implemented.

Group structure and relationships

Leys Enterprises (Cambridge) Limited was incorporated in 1986 in England and with its registered office at The Leys School, Trumpington Road Cambridge, Cambridgeshire CB2 7AD. The principal activities of the company are the running of the school shops for both The Leys and St Faith's schools. In addition, the company runs the school's Balgarnie's cafe and the organisation of the summer school staff at The Leys School. All surplus income is donated to the Foundation under the gift aid scheme.

Employment Policy

The Foundation is an equal opportunities employer. We celebrate diversity and do not discriminate based on race, religion, colour, national origin, sex, sexual orientation, age, disability status or any other applicable characteristics protected by law.

The Foundation's employment policy gives full and fair consideration of applications for employment made by disabled persons, having regard to their aptitudes and abilities; The Foundation provides training, career development and promotion of disabled persons and would aim to continue the employment of employees who become disabled.

The Foundation regularly provides relevant information on the progress of the schools to all staff. The Heads at both schools communicate with the teaching staff at the end of each term following the Full Board meetings and at the start of each term. Both schools have established Staff Consultative

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

Committees who meet every term and are provided with relevant information about the schools. The two Bursars also make a presentation to all the support staff following the Full Board meetings.

Relationships

The Foundation actively supports the attainment of the highest standards in the independent schools' sector, partly through networking with other major schools and partly through peer group studies for the evaluation of quality and performance improvement methods. We are also regularly in contact with our parents and seek their feedback about the service we provide.

Both schools co-operate with many charities, other local bodies and the local community in their endeavours to widen public access to the schools and to optimise the use of their cultural and sporting facilities. We review such relationships on a regular basis and have appointed senior staff to oversee such relationships.

The Foundation also benefits from the generosity of a thriving network of Old Leysians, and Old Fidelians, whose close support the Schools greatly appreciate and gladly acknowledge.

The Foundation works with a whole range of suppliers many of whom have long standing relationships with the schools. We greatly value those relationships and work hard to foster a genuine sense of partnership.

Statement on compliance with s172(1) Companies Act 2006

The Governors, as Directors, of The Leys and St Faith's Foundation consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Foundation for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1) (a-f) of the Act) in the decisions taken during the year ended 31st July 2025 as set out above.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects of The Foundation

The Foundation has two objects:

a) The provision of high-quality education, in particular by the conduct of the two Schools known as The Leys School and St Faith's School.

b) The use of the facilities of the Schools, when not required for education, for other charitable purposes, for the benefit of the local community and the wider public.

The religious teaching in the Schools shall be in accordance with that of the Methodist Conference.

Mission Statement for The Leys

The purpose of The Leys is to play our part in changing the world for the better. We do this by making a positive difference to the lives, values and prospects of Leysians, by being professional, caring and rewarding in developing and managing our staff, by being a responsive and trusted partner to our parents, and by making a beneficial and sustainable contribution to the wider community.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

Aims

By foundation and structure, The Leys is a boarding community. We also place great value on being a "big, small school" embedded in the heart of Cambridge, and on giving Leysians a rich and rewarding academic and wider school experience – one they find valuable both intrinsically and in preparing for their futures. We seek, in the spirit of our Methodist founders and our Christian values, to send Leysians out into the world ready – academically, culturally, morally, physically, spiritually and socially – to live fulfilling lives which will make a positive contribution to society.

In order to achieve our Purpose, we aim to deliver an education which:

1. Is built on three foundation stones: pastoral, academic and wider curricular. Whilst interconnected, 'pastoral' is accepted as pre-eminent, because pupils who feel supported and confident are able to flourish in all areas of the life of the school.
2. Gives Leysians an engaging, rewarding and valuable academic and wider school experience, enriched by our boarding structure and our unique location.
3. Nurtures, within a community which is Christian in its core values, open and liberal in its world view and diverse in its intake, young people who: display kindness to those around them; have sound values on which they can base their lives; can think for themselves; are able to make the most of the many opportunities on offer; express themselves with articulacy; can perform resiliently under pressure; and become responsible and engaged citizens.
4. Builds mutually supportive and trusting partnerships with our stakeholders including Governors, parents and Old Leysians so that they can help us to be the best that we can be.
5. Manages and rewards our staff in a way that builds purposeful, trusting and cohesive teams which are able to work at their best, feeling valued, motivated and able to contribute directly to the success of the School and its pupils.
6. Ensures, through our charitable, bursarial and partnership work, that The Leys is seen as a force for good in the local and wider community.

Vision

The combination of our distinctive ethos and world-class location makes The Leys unique. We seek constantly to improve, learning from best practice in academic, pastoral and wider curricular provision, to be the best that we can be in bringing these enduring aims to life. Our ambition is to be recognised as an outstanding city boarding school which lives by its core values, and which succeeds in delivering on its purpose.

Mission for St Faith's

We provide an inspiring and academically rigorousness day school education for girls and boys aged 4 to 13, with a broad and balanced curriculum. We equip pupils for diverse and meaningful futures through our tailored approach to education, with an emphasis on inclusivity and social responsibility. We value kindness and we understand that happy children fulfil their potential, our academic provision is underpinned by eight key learning habits and excellent pastoral care. We have a Christian ethos and welcome families from all faiths and beliefs. We are proud to be part of The Leys and St Faith's Foundation.

Vision

Our ambition is for every child to be empowered and enabled to lead a fulfilling life and to contribute to society. We aim to prepare pupils for increasingly diverse futures by delivering an excellent, innovative education, equipping pupils with key knowledge and skills. We aspire that all our pupils become well-rounded, independent learners, able to recognise their own talents and have confidence in their own decisions. We will promote respect, equality, diversity and inclusion across our school

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

community, as well as the importance of service. We will also prioritise well-being throughout the school and seek to shape a sustainable and environmentally responsible future.

We value

- Kindness - we care for others and are respectful and understanding.
- Community - we work together to support one another and create a school where everyone feels they belong.
- Excellence - we promote high expectations and encourage every individual to fulfil their potential.

"Do all the good you can in all the ways you can" John Wesley

The Foundation's Public Benefit

In meeting the first of its objects the Foundation's Public Benefit aim is to provide an environment where each pupil can develop and fulfil his or her potential, thus, to help build self-confidence and inculcate a desire to contribute to the wider community and the wider public.

The second object provides the opportunity for the Foundation to play an important role within the local community.

In the furtherance of these aims the Foundation Governors, as the Charity Trustees, have complied with the duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the Public Benefit requirement under the Act.

A specified Governor has a responsibility to oversee the public benefit activities of the Schools. An annual report for all Governors is produced to summarise the activities that have been undertaken to benefit the local community and wider public.

The awarding of bursaries is a measurable means of providing public benefit. The Foundation takes the view that bursaries awarded to those who would not otherwise be able to afford the fees are important, but not to the exclusion of the much wider benefit that the schools provide within the community. This year, the schools awarded £1,510,908 in Bursary Awards or Scholarships. Over 255 pupils received some financial assistance. Within this provision means-tested awards based on a sliding scale according to financial circumstances totalling £1,281,951 were awarded to 82 pupils.

The Leys has continued to move forward with the 'Gift of Education', a project aimed at transforming young lives through boarding bursaries. The project was launched in May 2020 and the ambition is for the school to support two pupils in each year group on 110% boarding bursaries. The program is provided in partnership with Royal Springboard, the U.K.'s largest boarding school bursary charity. The overall target is to raise £6 million to fund the project. The first Gift of Education pupil joined The Leys in September 2020 and left in July 2022. She significantly outperformed her A-level predictions and is now taking up a place at King's College London. In September 2025 we have 8 Gift of Education pupils. Our first one to join at Yr 7 has now progressed to Yr 8 and has settled very well into boarding school life. One of the pupils who is now in Yr 13 has written a maths paper "hidden connections between wonderful elements in the geometry of a triangle" which has been published.

The Community Fund (CF) has changed significantly during this year. The last small grant was given in December 2024 with focus shifting to support two strategic partnerships, Red Balloon and Cambridge City Council, Grassroots Activity Gants. These will both receive up to £15,000 per year for three years. The primary reasons for the change were the capacity requirement for running small grants fund out of the Development office, as well as its inability to achieve the donors primary goals.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

Following successful previous collaborations, the Grassroots Scheme was selected as one of two strategic partnerships running from 2025–2027. The grant provides financial assistance to low-income families, enabling children to participate in sports or physical activities of their choice. Grants of up to £250 per family (per year) are paid directly to the chosen club or organisation. The fund is open only to families meeting specific criteria to ensure support reaches those in greatest financial need. Eligible activities include swimming lessons, dance classes, football, cricket, hockey, or rugby. The increased grant ensures programme continuity and supports clubs in setting up community support funds for sustainability.

The second strategic partnership selected running from 2025-2027 was Red Balloon Educational Trust which provides alternative education and therapeutic support for young people unable to attend mainstream school due to bullying, trauma, or mental health challenges. Funding has strengthened their ability to support vulnerable young people in Cambridge through tailored academic and wellbeing programmes.

Various other charities that have been helped during 2024-25 were

- Cambridge Literary Festival received £970 to provide free copies of a book to students and facilitate engagement with authors, targeting Year 9–11 students who lack confidence but show potential. The festival secured additional sponsorship and discounts to cover project costs.
- Mental Health and Therapeutic Programs: Arts & Minds was granted £4,000 to sustain weekly pottery classes for individuals facing mental health challenges, covering staffing, materials, venue, and publicity. Cambridge Acorn Project received £5,000 to place a therapist at North Cambridge Academy, supporting students affected by trauma.
- Community Wellbeing and Inclusion Initiatives: Various organisation's received £5,000 each for projects including Flutter's care packs for kidney cancer patients, Cambridge Rare Disease Network's inclusive activities for young people with rare conditions, Cultivating Change's gardening workshops, Rowan's roof repair campaign, Wildlife Trust's outdoor sessions, and Netherhall School's food pantry and family support. Additionally, United Schools Partnership was funded £999 to continue providing discreet support for students in Newmarket schools.

We are pleased to continue to extend and enrich our partnership with Great Abington Primary School, offering rugby, hockey, and cricket coaching through Leys Sport. Last year, we added netball, which remains popular. Three Shakespeare Workshops for Year 6 ended with an assembly performance for parents and staff. The entire class also watched A Christmas Carol and Oliver performances and visited the geography department for hands on VR and sandbox activities in the Vision Studio. Using their outdoor space we also offered gardening and landscaping instruction for the pupils.

In July we were able to deliver another Ollie Feast Summer Camp at The Leys. The team successfully achieved their mission of offering young people new challenges, opportunities for skill development, and the chance to build relationships while expanding their horizons and aspirations. By taking on both physical and mental challenges together, the participants have gained valuable experience in teamwork, leadership, effective communication, and essential life skills. We were delighted to partner again with H5 Adventure in delivering the camp. On day one, the students forty pupils from the four local partnership schools (Trumpington Community College, North Cambridge Academy, Coleridge Community College, Chesterton Community College) were placed into mixed groups, setting the tone for a camp centred on cooperation, leadership, and problem-solving. A full programme followed, including popular returning activities such as the bushcraft challenge, an archery competition, an inflatable obstacle course, a caving simulation, and a thrilling Crystal Maze-inspired finale, where teams applied everything, they'd learned to unlock time in the "crystal dome" and compete for prizes. These experiences challenged both mind and body, fostering teamwork and resilience every step of the way. The partnership schools acknowledged that for many of their pupils, the skills and experiences gained during the camp will have a lasting impact beyond their time spent at The Leys.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

A standout aspect of the week was the contribution from eight of our pupils, who gave their time during the summer holidays to volunteer in a variety of roles. Their dedication, adaptability, and positive spirit were consistently praised by instructors and staff alike. They truly embodied the ethos of The Leys and were outstanding role models throughout. Feedback from the partner school staff and activity instructors highlighted what outstanding ambassadors they are for our school.

The volunteering programme continues to grow making an even wider impact on the local area through the Wednesday afternoon Personal Development and Leadership schedule. Lower Sixth pupils volunteer at growing number of local placements including charity shops (Sense, Mind, Oxfam), primary schools (St Matthews, Newnham Croft, Fawcett, St Pauls) care homes (Ditchburn, St Georges, Rowan) sport in the community projects (Cambridge United, Sports Leaders) and environmental projects (Cambridge Re-Use, Leys Sustainability). The pupils are proving great ambassadors for the school and are gaining so much from their experience.
From a local care home:

"We are incredibly fortunate to have such a wonderful group of volunteers this year – they are an absolute delight!

Their proactive approach and warm personalities have helped them quickly build strong connections with our tenants, who truly look forward to spending time with them. The volunteers have embraced a variety of games and activities, often organising tenants into small groups to ensure everyone is engaged. It is heartwarming to see the positive interactions and the joy they bring to our community.

Last Wednesday's VE Day entertainment was a highlight. The volunteers enthusiastically joined in with the entertainer, dancing, singing and celebrating alongside the tenants – they were fantastic sports. We would be thrilled to continue welcoming volunteer placements in the future. Their presence makes a meaningful difference."

November saw St Faith's launch an exciting new project with Shirley Community Primary School in Chesterton. Their headteacher, John Cattermole, had identified instrumental opportunities as an area that he would be keen to develop in partnership with us, so we took a group of young woodwind players to perform to their Year 5 pupils. Under the guidance of woodwind teacher Pete Newman, the children talked about their experience of learning to play an instrument as well as performing to showcase the clarinet and saxophone. Shirley School identified a group of pupils receiving free school meals and gave them the chance to receive instrumental tuition on a weekly basis, and 14 children eagerly took up the challenge. St Faith's provided the teaching expertise, hired instruments and books, and the children were given weekly lessons in pairs or threes. The children continued throughout the academic year and will be able to progress through Year 6, enabling them to go to their secondary school with a musical skill that they could pursue at a higher level.

The Christmas appeals at St Faith's again focussed on learning about local charities and donating items to them rather than giving money. Pre Prep children have been donating small gifts for the Salvation Army to distribute to local children whose families are in financial difficulties at Christmas. Staff and pupils alike donned their festive knitwear with great panache, in return for donations to a range of local charities. Year 3 and 4 collected for the Cambridge City Foodbank, Years 5 and 6 for Jimmy's - providing support and housing to people who are rough sleeping in Cambridge, and Years 7 and 8 for the CHS group – offering housing, care and community services to young people in Cambridgeshire. The children spent time during the day learning about the important work of each charity to understand how their generosity can make a difference. Retiring collections at the carol services raised money for the Salvation Army. We made Christmas cards that were distributed by Age UK to older, lonely people in our

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

community, and staff donated gifts that were given to people who might otherwise have spent Christmas without receiving a gift.

The annual Year 8 Charity Challenge enabled our young entrepreneurs to set up their own small businesses with a £5 loan from school. Six weeks later, the loan had to be repaid, and all the profit returned to school to be split between two charities; Cultivating Change, and Lend With Care, and a school music project. The children enthusiastically went about preparing their stalls which ranged from sweets and drinks to freshly made churros and 3D printed fidget toys. The children raised a total of £1,782.41.

Following a very successful school visit in 2024 to our partner school in South Africa, Makukhanye School, preparations are in progress for the next one, scheduled to take place in 2026. This will offer an unparalleled opportunity for our travelling pupils and staff to see first-hand the work at our partner school, made possible and financed in part by the fundraising in which our pupils are involve each year. We have received regular updates from staff at Makukhanye to say that the works earmarked during our last visit have now been completed. One of the next projects at Makukhanye School that we are supporting is the development of an apprenticeship programme for teaching welding and electrical skills, plumbing and carpentry. This will enable Makukhanye School pupils to have new opportunities to learn employable practical skills relevant to their community. We have provided funding for the subdivision of the school hall to create classrooms suitable for teaching Science and Computing. The school was originally built to accommodate 700 pupils but now must try to provide for around 1400. Our support has enabled Makukhanye School to arrange for a new large shipping container to be delivered to the school site to be transformed into the new skills centre, purchase welding equipment, allow electricity to be supplied to the new learning spaces, purchase desks and chairs for the new classrooms in the hall, and ensure that the doors are safe and secure. We are in regular contact with the teachers from Makukhanye and are working to provide the items from the 'wish lists' that they created for their classrooms; these include the most basic of supplies such as pencils and crayons. Our visit in 2026 will see the children deliver the wish list items along with 200 pairs of new school shoes and a range of books to help create a school library. he English teacher from Makukhanye shared videos of the children reading and we have plans to use Facetime to video call the school to enable the children to chat to one another before meeting in person next term. The more frequent interaction with the school is helping us to ensure that we can help to support the staff in providing the best possible education for the children of Makukhanye, providing the equipment that we take for granted in our classrooms, and establishing connections between the children.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Review of 2024/25

In 2024/25 the pupil numbers for The Leys were on budget and at St Faith's the pupil numbers were slightly below budget. St Faith's made the necessary adjustments to their operating costs without significantly impacting the service to pupils and parents.

Both schools managed to reduce their operating costs which mean that despite the increased NI costs from April 2025 and the loss of business rate relief the fees were not increased by the full 20% when VAT was

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

imposed on school fees from January 2025. The Leys also paid off the outstanding mortgage which meant the Foundation had no outstanding loans or mortgages.
During the rest of the year both schools continued to manage their operational cost effectively and despite the fact that lettings income was not quite as high as expected the end of year surpluses before projects were significantly higher than had been budgeted.

Both schools undertook more project work over the summer holidays then in recent years and managed to complete all the projects in the planned timescales.

The schools are very pleased with their overall financial performance for 2024/25

Planning for 2025/26

The schools took a cautious approach to budgeted pupil numbers due to the potential impact on recruitment of VAT on school fees, the demographic changes with the fall in the birth rate, the uncertainty in the UK economic situation and the potential impact from international tensions. They assumed that lettings and investment income would continue to be at similar levels to 2024/25. On the cost side the schools had put a significant amount of work into reducing their operating costs without impacting their services to pupils and parents

In the budget assumptions inflation was assumed to continue to fall but remain above the 2% target at 3%, the economy was not expected to experience any noticeable growth and interest rates would be at 4%.

The schools planned to carefully control capital spending in 2025/26.

Initial assessment for 2025/26

On the income side, both schools have begun the new academic year with slightly higher pupil numbers than budgeted and with operating costs in line with estimates.

Both schools anticipate that the surplus before projects will be slightly higher than originally planned.

Planning for 2026/27

Looking ahead to 2026/27 the most significant financial threat continues to be a reduction in pupil numbers due to the affordability of school fees, with the impact particularly on the recruitment of new pupils. Both schools will continue to seek ways to reduce their operating costs to ensure that any fee rise to parents is kept as low as it possible whilst still providing an outstanding service to parents. Both schools are also investing in their marketing and recruitment activities.

The Foundation is also investigating how the two schools can work together more closely for the benefit of both schools.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

Objectives for the year for The Leys

Review of the operational performance of The Leys 2024-24

Last year, the following objectives for the year were identified:

Pastorally, the key actions for the coming year include:

1. Diversity and Inclusion: addressing issues around gender equality and promoting positive behaviour around school.
2. A focus on consistency of tutoring across all year groups.
3. Developing mental health support for pupils with a focus on anxiety, ADHD and autism.

Within the Wider Curriculum, the key actions for the coming year include:

4. To review and analyse participation rates with the after-school activities programme.
5. Work towards a wider curricular programme that continues to be staffed with high quality people who enhance the pupil experience.
6. Continued improvement of facilities and communication of decisions.

Academically, the top priorities for 2024-4 are:

7. To embed the new Head of Academic Scholarship to help support and stretch the most able.
8. To Bring our deliberations on the Shape of the Day to a successful conclusion.
9. To develop a clear vision for our academic position and how we want to be perceived academically by pupils and parents.
10. To embed a culture of excellence in Teaching and Learning by seeking positive value-added and outstanding outcomes across the Common Room and sharing approaches, including the reimplementation of the 'observation without judgement' done before Covid.
11. To develop a framework/approach to department reviews/appraisals to include the appropriate use of pupil voice.

In terms of the economic and financial context, we are considering how we will cope and adjust if, as seems very likely, VAT is placed on school fees. Our key actions for 2024/24 in this area include:

12. Understanding the impact on both current and prospective parents of the proposal to introduce VAT on fees.
13. Investigating how we reduce our operating costs, both staffing and non-staffing, to enable us to minimise any increase in the fees we charge to parents.
14. Investigating how we can increase the non-pupil income we generate.

Review of operational performance at The Leys

Strategic Overview and Leadership Transition

The Leys School has continued to thrive across all areas of its provision, culminating in national recognition as *East Anglian Independent School of the Year 2024* by *The Sunday Times*. This accolade reflects the School's commitment to excellence in academic, pastoral, and wider curricular domains.

A significant milestone this year was the announcement of the retirement of Mr Martin Priestley, Head of The Leys, effective August 2025. In his place, Dr Clare Ives, currently Deputy Head at Sevenoaks

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

School, has been appointed as the first female Head in the School's history. Her appointment coincides with the School's Sesquicentenary year, and a comprehensive handover process has been implemented to ensure continuity and strategic alignment.

Pastoral Development

The School identified three key pastoral objectives for the year: enhancing understanding of international pupil experiences, promoting pupil wellbeing and supporting neurodiverse learners across school life.

A new induction programme for international pupils was introduced and received highly positive feedback from families. A key development was the creation of pupil-led committees, including the International Boarders Committee, which provided a structured forum for pupils to share their experiences and contribute to school planning. Weekend provision was also reviewed and enhanced, with particular attention given to Saturday night entertainment. The changes aimed to create a more engaging and enjoyable experience for all boarders, fostering a sense of community and belonging. Following pupil voice consultations, a programme of inter-year and inter-house suppers was introduced to provide informal opportunities for pupils to connect, build friendships, and strengthen the school's social fabric.

Education on neurodiversity was delivered through assemblies, PSHE sessions, and tutorials, ensuring that all pupils and staff had opportunities to engage with the experiences of neurodiverse individuals. Practical support for neurodiverse pupils was embedded throughout pastoral and academic structures and the focus of support was extended beyond the classroom, with adaptations made in the wider curriculum and on school trips which are designed to reduce anxiety and ensure that all pupils feel supported in every aspect of school life.

The programme for year group assemblies and tutor time at the start of each day has been developed bringing brought significant benefits to pupil engagement and pastoral care. Assemblies now offer pupils the opportunity to take a lead and speak to their peers, fostering confidence, public speaking skills, and a sense of ownership over the school's values and culture. Tutor time has been restructured to allow for a more formal and consistent approach. Tutors now have greater opportunity to build meaningful relationships with their groups, address specific needs such as study skills around exam periods, and facilitate reflective conversations following the publication of reports.

Finally, a working group of pupils collaborated with staff to design a new pastoral reflection tool. This tool supports pupils in reflecting on their wellbeing, relationships, and personal development, and will be integrated into our pastoral care programme in the coming year.

Wider Curriculum and Pupil Achievements

The School aimed to maintain its inclusive and diverse wider curriculum, develop the culture of participation, develop the most able, and ensure sustainable staffing by skilled practitioners.

Leysian pupils continued to participate in a broad range of co-curricular activities including CCF, drama, the Duke of Edinburgh scheme, music and sport, developing skill, character and, in many cases, accessing high level pathways.

The performing arts flourished, with standout productions including *Lord of the Flies*, *Mary Poppins*, *Macbeth*, and *Shakespeare in Love*, alongside the Scholars' Showcase which launched the 150th anniversary celebrations. The End of Year Concert at Saffron Hall was widely regarded as the finest in

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

over a decade and a the 150th Service in King's Chapel was a glorious occasion for the whole school community, with the Chapel Choir playing a central role.

The sporting programme has benefitted from a flexible and sustainable staffing structure that facilitates high-quality coaching across a range of sports. Notable achievements included team success with strong performances across multiple sports, and especially hockey and cricket, at regional and national level. Several pupils and alumni reached national and international standards in their respective sports.

The flagship Wednesday afternoon programme saw significant contributions to CCF, volunteering and partnership, sustainability, and global citizenship. Participation in after-school clubs and societies remained strong and participation and completion rates in the Duke of Edinburgh scheme were high.

Academic Performance and Innovation

Academic objectives for the year included delivering excellent value-added outcomes in public examinations, supporting Academic Scholars, refining the Leys Learning programme in Year 9, and expanding academic societies.

The School achieved its best-ever A level examination results in summer 2024 and this was followed by the second-best A level results and the best GCSE results in school history in summer 2025. Value added scores were positive across academic subjects and has contributed to an increasingly aspirational attitude amongst pupils.

The School broadened its approach to extending the most intellectually curious pupils by introducing the Extended Scholarship Group (ESG). Non-academic scholars, identified for their ability, curiosity, creativity, and capacity to make connections, now have access to the same bespoke stretch and challenge opportunities as the scholars. Meanwhile, the Leys Learning programme was introduced in September 2024 and continues to be refined. Dedicated lessons for Year 9 pupils focused on building metacognitive awareness to support long-term academic success.

Departments were encouraged to consider and enhance academic societies which would inspire and extend pupils interested in a specific area of learning. Several departments have led this work with excellent pre-undergraduate programmes that extend knowledge and support applications to top universities. These examples will be used as models to broaden provision across all academic areas.

Financial Planning and Management

The School's financial strategy focused on preparing for the imposition of VAT on school fees from January 2025 and developing a new salary scale for academic staff.

A two-stage VAT strategy was implemented. In Stage 1, savings from VAT registration were passed on to parents, and bursaries were automatically increased to offset fee rises. In Stage 2, cost-saving measures enabled a below-inflation fee increase for the 2025–26 academic year. Parental feedback was overwhelmingly supportive.

Work on a new academic staff salary scale was conducted in collaboration with the Common Room Consultative Committee and will be launched in September 2025.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

Sesquicentenary Celebrations

The School marked its 150th anniversary with a series of celebratory events, including a Drama Scholars' Showcase, the film *Return to Pitlochry*, a new promotional film, a Service of Thanksgiving at King's College Chapel, a Parents' Ball at Girton College, and a fundraising initiative *The Pitlochry Challenge* to support bursaries. These events celebrated the School's rich history and reinforced its values and community spirit as it looks ahead to the next chapter under new leadership.

Objectives for the year for St Faith's

Review of the operational performance of St Faith's 2024-25

Last year, the following objectives for the year were identified:

1. Implementation of the wellbeing strategy and continue to embed EDI
2. Effective assessment and feedback
3. Expectations of high standards on behaviour and conduct inside and outside the classroom
4. To review the rewards systems.
5. The improved use of data for decision making
6. Refinement of the School communications.
7. Financial and operational efficiency – VAT mitigation, recruitment and retention.
8. Compliance including: the new ISI framework and EDI

1. Implementation of the wellbeing strategy and continue to embed EDI

We have enhanced our pupil provision at breaktimes and improved the paly equipment. We have trained up Medical Health First Aiders for pupils and improved reporting with MyConcern and myVoice. We have introduced a Staff Wellbeing Committee. We have developed and embedded our EDI strategy.

2. Effective assessment and feedback

We have trialled AI to provide feedback to pupils. We have carried out a parent survey in year 4 and 7 on grading and report writing. We introduced Open Book events for Years 3 and 4 to showcase their work.

3. Expectations of high standards on behaviour and conduct inside and outside the classroom

We have promoted and enforced uniform, tidiness and behaviour standards. We have enhanced the use of Trackit lights. We have reviewed "wet break" provision and cover lesson procedure

4. To review the rewards systems.

We have enhanced the use of Trackit lights and reviewed the rewards system

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

5. **The improved use of data for decision making**

   We have progressed the use of Power BI for curriculum and business decision making. We have refined and improved data acquisition and the use of attendance.

6. **Refinement of the School communications.**

   We have refined the communications architecture. We have attempted to reduce the number of emails to parents. We have developed the use of My School Portal. We have improved the efficacy of calendar updates.

7. **Financial and operational efficiency – VAT mitigation, recruitment and retention.**

   We have reviewed all budget areas. We have improved collaboration with The Leys. We have reviewed our recruitment and retention strategies (especially Yr2 to Yr3 and Yr6 to Yr7). Put together planning framework for class sizes, structure of the school and space allocation.

8. **Compliance including: the new ISI framework and EDI**

   We have explored the concepts of equity and equality and following this replaced the terminology of equality with equity. This is also in line with many other schools and institutions.

FUND RAISING PERFORMANCE AT THE LEYS 2024/25

The Leys' Development team work closely with people across the wider Leysian community, from Old Leysians and Common Room past and present to parents, Governors and more. The Office is staffed by professionals who undergo continuous peer review and industry standard training. The School is registered with the Fundraising Regulator and staff are members of IDPE, which though not a regulated body does provide best practice for the industry and adhere to all ICO regulations. The activities and performance of the Office is monitored by the Head and Governors. The school has not used any 3rd party fundraising organisations and there have been no complaints received about any fundraising activities.

Responsibilities of the team broadly include alumni relations, managing The Community Fund and of course fundraising. The fundraising element includes a wide array of responsibilities from building and maintaining relationships, negotiating gifts, reporting on impact and more. The School only contacts those with a legitimate interest in the School with vigorous GDPR processes in place and the option for our friends to opt-out of contact easily.

Below is a summary of fundraising income, to the nearest £10,000.

School Year	All bursaries (inc. GoE) and Unrestricted £'000s	All (exc. Legacies) £'000s
2024/2025	320	332

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

Significant efforts have been made by the Director of Development to grow relationships, the basis of all good fundraising, to enable these successes. One of the biggest step ups in momentum has been the increase in the number of parents donating this year, from 1% in an average year or 6% in a telephone campaign year, to 24% in this year due to our various engagement efforts. There has been an increase in donors due to significant efforts promoting bursaries during the sesquicentenary, with numerous activities including the Pitlochry House Challenge, a 150th gala dinner for parents and promotion of our *£150k for the 150th* campaign, which launched in June 2025 and runs until January 2026.

Over this period the fundraising priority remained bursaries, and we are committed to the *Gift of Education* bursaries, still working towards the aspirational goal of funding two 110% bursaries in each year group of the School.

Our methods for cultivating relationships include our impact reporting, publications, increasing touchpoints at events and one-on-one relationship building. This year, publications we produced included a commemorative 150th magazine and a reinvigorated Impact Report, in addition to our biannual OL News magazine.

We contact prospects by telephone, email, mail and in-person meetings. We continue to be successful at securing permission to contact Leysians as they leave the School, maintaining a 100% opt-in rate for all Upper Sixth leavers in 2025. All data is held securely on our alumni and supporter database which is accessible to limited members of the school staff.

The Foundation has a Fundraising Policy in place which sets out the Foundation's approach to fundraising and to protect vulnerable people and other members of the public from behaviour which:

- is an unreasonable intrusion on a person's privacy
- is unreasonable persistent
- places undue pressure on a person to give money or other property

INVESTMENT PERFORMANCE AGAINST OBJECTIVES

The performance of the portfolio is compared to a bespoke Index, as a market comparator, which contains a 75% global equity weighting through the MSCI All World index, with the balance in cash, corporate and sovereign debt, and the Asset Risk Consultants (ARC) Charity Steady Growth Index, as a peer group measurement. On a rolling 3-year basis to July 2025, the net total rate of return of the fund was 19.4% compared with the bespoke benchmark of 31.4% and ARC Steady Growth Index of 17.3%. On a rolling 5-year basis the net total return of the fund was 40.3% compared to 53.7% for the bespoke benchmark and 35.2% for ARC. The net total rate of return of the fund from August 2024 to July 2025 was 6.5% compared with a movement in the bespoke benchmark of 10.6% and 6.1% for ARC.

All asset classes increased during the period. The fixed interest exposure returned 2.0%, usefully ahead of the -1.0% movement in UK Gilts. The alternative investments, which include investments in property, infrastructure, renewables and private equity enjoyed a strong, positive and uncorrelated return of 5.1% - again ahead of the UK Gilt market return. The expectation is that both sections of the portfolio, which represent some 22% of overall investment, will continue to benefit against the backdrop of declining interest rates.

Equities account for 75% of the portfolio's invested assets, with an agreed and significant shift to a more globally reflective mix, predominantly centred on individual names. Domestic equities, at 15%, are still overweight relative to the market and this combined with a challenging period for the UK and European stock lists constrained overall returns. US equities, at 42%, are now the largest single equity exposure

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

as the portfolio continues to adopt an ever-increasing international posture. A return of 12% broadly matched the market return, which was a pleasing outcome given the dominance of the 'magnificence seven' throughout the investment period. Overall, the focus amongst the equities is now towards sector, rather than geography with significant returns from Information Technology (Nvidia, Microsoft and TSMC), Financials (JP Morgan, Allianz and ING), and Communication Services (T Mobile and Netflix). These more than compensating for weakness from Healthcare, Energy and Utilities.

Further afield, fund selection in Emerging Markets, Asia and Japan all proved beneficial as exposure usefully outperformed the local index.

During the year income levels remained broadly unchanged compared to those achieved in the previous period. The Fund delivered income of £364,177, equivalent to a yield of 2.3%. The managers expect to see income levels at least maintained in the period ahead.
Looking forward the managers believe that the portfolio remains suitability resilient to withstand a reasonable level of capital volatility over the medium to long term but cannot exclude the challenges of maintaining real values in the short term. They remain committed to the long-term investment objective but continue to highlight that to incorporate the impact of elevated inflation in 2022, that it be regarded as a 10 year, rather than 5-year, target. Overall, aside from the many macro and climatic challenges, they remain positive for the long-term prospects of the current investment strategy.

The Investment Committee continues to monitor the activities of the portfolio Managers and is satisfied with Quilter Cheviot's medium and longer-term performance.

ENVIRONMENTAL REPORT

The Foundation welcomes the opportunity to report on the work both schools have been involved in to reduce our impact on the environment and educate our pupils on the importance of acting in a sustainable manner. Both schools have committed a great deal of time and resources over recent years. St Faith's were the first Independent school winner of the Ashden Sustainability Award and have worked with a number of schools in the state and independent sectors to assist them with putting together sustainability action plans.

Total energy use and greenhouse emissions.

	Totals 2025	**Greenhouse Emissions (KgCO2) 2025**	*Totals 2024*	*Greenhouse Emissions (KgCO2) 2024*
Gas Usage	4,733,505 KwH	870,350	*4,720,899 KwH*	*888,038*
Electricity Usage	1,918,195 KwH	447,208	*1,610,775 KwH*	*375,536*
Transport	5,227 Litres	13,063	*6,508 Litres*	*16,374*
Total Greenhouse Emissions		1,330,621		*1,279,949*
Intensity ratio	1,330,621		*1,279,949*	
Emissions per pupil	1,120	= 1,181	*1,147*	*= 1,116*

The data has been derived from the energy monitoring systems at the schools and checked with the invoice information. The fuel consumption has been calculated from invoice data.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

The intensity ratio looks at the emissions per pupil as the number of pupils is the main driver of our emissions. The ratio has slightly increased which is disappointing. This is due to the fall in pupil numbers and an increase in electricity usage. The school are investigating the increases to look at what can be done to reduce this next year. Our aim is that by better educating our pupils we can drive the emissions per pupil down further and this could become a key target which would motive the pupils.

Specific actions by the schools

- Both schools are investigating how they should plan to put together net zero action plans for the school sites including considerations for renewable energy and building energy performance.

- Both schools have made significant steps towards reducing food production and plate waste has been seen as best practice within the Loadstone House schools.

- Both schools have planted a variety of high nectar plants throughout the school grounds to support local pollinators, such as bees and butterflies. This initiative promotes biodiversity and contributes to the health of our local ecosystem.

- Both schools have developed and implemented a Climate Change Action Plan as part of our compliance with the Department for Education's sustainability leadership and climate action plans initiative,
- St Faith's has successfully renewed its Eco-Schools Green Flag accreditation for the ninth consecutive time, reflecting our ongoing commitment to environmental education and sustainable practices.

- St Faith's has initiated a programme to upgrade our aging photovoltaic (PV) panels to ensure they continue to operate at maximum efficiency, supporting our long-term renewable energy goals led with an initiative to collaborate with other schools in Cambridge through the formation of the Independent Schools' Travel Forum. One significant initiative has been the sharing of home to school transport routes between schools.

- St Faith's waste contract was retendered to include a new partnership initiative aimed at supporting waste reduction and education campaigns. The Waste Education and Communications Officer will collaborate with St Faith's School to deliver awareness sessions and promote sustainable waste practices within the school community.

- The Leys has implemented a Near Paperless strategy which saw a reduction in the number of printers on the school site from 72 to 28. The reduction in paper printing will be assessed this year.

- The Leys pupils organised and hosted the third annual Leys Clothes swap. Pupils choose to donate the remaining clothes to the Arthur Rank Hospice charity this year. They also hosted the first 'pupil only' used uniform sale.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

FINANCIAL REVIEW

Results for the year

The income generated by the Foundation increased by £400k from £32M to £32.4M. The most significant factor was an increase in school fee income, which increased by over £550k. Both schools were close to capacity in terms of pupil numbers. Other educational income fell by £500k. This was due to a reduction in extras charged as there were fewer overseas trips, the income from the summer school was lower than 2024 and sports hall lettings were impacted by being closed whilst the roof was replaced. Income from bank interest was £600k higher due to treasury management of the income from fees in advance.

On the expenditure side, staffing costs of the Foundation were impacted by the rise in national insurance costs from April 2025 of £105k and by increased financing costs of £250k from fees paid in advance. There was also a one-off bad debt provision of £250k because the Bell Language School which paid The Leys for summer school facilities, ceased to operate.

Reserves level, policy and financial viability

At the Balance Sheet date, the Foundation's total reserves were £50.9M (2024 £49.1M) including £4.7M (2024 £4.5M) of endowed funds, £4.5M (2024 £4.3M) of expendable endowed funds, £3.3M (2024 £3.3M) of restricted funds and £38.4M (2024 £37M) of unrestricted funds.

Within the unrestricted funds, £642k (2024 £428k) was designated to provide financial support for parents impacted by hardship and £1.2M (2024 £1.1M) was designated for the Gift of Education.

Ideally, the Governors would like free reserves equivalent to between 6 weeks (£3m) and 12 (£6m) weeks unrestricted expenditure to meet its immediate objectives and protect its current activities, including the provision of adequate working capital. For 2024/25 there were free reserves of £5.9m (2023/24 £4.9m) which is at the top of the range and which Governors are comfortable with taking into account the challenging financial outlook for the sector.

The Foundation monitors its cash flow carefully. There is a bank overdraft facility of £500K and an understanding with the bank that the facility can be increased to £1M if needed. A variety of scenarios have been modelled for 2025/26 and the Foundation has a number of mitigating actions that could be taken if required. The Governors feel confident that the Foundation will not have any cash flow challenges.

Going concern

The Governors have reviewed the financial position of the Foundation carefully taking into account the impact of VAT on fees, the uncertainty in the economy, and the falling birth rate. For 2025-26 the pupil numbers in the schools are unlikely to change in any significant way and the updated budget forecasts for 2025-26 show that the Foundation will not experience any financial challenges. Going forward into 2026-27 it is difficult to accurately predict the likely impact of the various challenges on pupil numbers, particularly the recruitment of new pupils. The schools have put together a variety of scenarios and even with the most pessimistic one the financial analysis demonstrates that the Foundation would not experience any significant financial issues. The cash flows clearly demonstrate that the Foundation is in strong financial position.

Accordingly, the Governors believe the Foundation's financial resources are sufficient to ensure the Foundation will continue as a going concern for the foreseeable future, being at least 12 months from

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

PRINCIPAL RISKS AND UNCERTAINTIES

The Foundation's Governors are responsible for the management of the risks faced by the Foundation. Detailed considerations of risk are delegated to the individual school committees who are assisted by the senior management teams. Risks are identified, assessed and controls established throughout the year. The top ten risks facing the schools is a standing item at all committee meetings. A full review of the charity's risk management process is undertaken on an annual basis at a full Governors' meeting.

The key controls used by the Foundation include formal agendas for all committee and board activity, comprehensive strategic planning, budgeting and management accounting, an established organisational structure and lines of reporting, formal written policies, clear authorisation and approval levels and vetting procedures as required by law for the protection of the vulnerable. Through the risk management process established by the Foundation, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The most significant risk facing the Foundation is the potential reduction in pupil numbers due to the impact of VAT on school fees, the uncertain economic situation and the declining birth rate. St Faith's saw a small reduction in their numbers for 2024/25. Both schools reduced their operating costs for 2025/26 to keep the cost rise to parents (including VAT) is as low as they could whilst still providing an outstanding service to parents. Both schools are also investing in their marketing and recruitment activities. The pupil numbers for both schools for 2025/26 are in line with the budget planning.

Another high-level risk is a security compromise 2025-26 by malware, a cyber-attack or social engineering exploit. The schools have a range of mitigations in place including workstation security policy, Microsoft and Sophos malware and email protection, firewall and NAC, MFA for conditional access, CE+/ISAME annual audits, cyber security training for staff, penetration testing, and phishing training for staff.

An increasing risk in recent years has been the challenge in recruiting high quality staff in both teaching and support roles. The schools have introduced a whole range of measure including a greater variety of recruitment channels, the increasing use of social media platforms, the investment in an applicant tracking system, and changes to the remuneration packages for staff.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

FUTURE PLANS

The Leys School priorities for 2025-26

Pastoral

- Increasing understanding of how being an international pupil can impact on a pupil's learning experience.
- A focus on supporting pupils with needs related to neuro-diversity.
- Helping pupils' understanding of how to look after their own wellbeing.

Academic

- Show excellent value-added in public examinations.
- Develop individualised support for Academic Scholars, through the work of the Head of Academic Scholarship.
- Develop, implement and review and refine *Leys Learning* in Year 9.
- Increase the variety in, demand for, and uptake of, academic societies.

Wider Curricular

- Offer a wide **range of activities**, over a range of levels, which maintains inclusivity and encourages individuals to feel that there is something within the Wider Curriculum at The Leys at which they can shine.
- Develop our culture of **participation.**
- Ensure sustainable staffing of the wider curriculum by colleagues who are skilful practitioners, who understand the value of their and pupils' participation by pupils in the Wider Curriculum.

Financial

- Continuing to plan for and communicate effectively about the imposition of VAT on school fees from January 2025.

St Faith's School Priorities for 2025-26

1. Embed new whole-school initiatives for wellbeing and pastoral care.
2. Effective assessment and feedback.
3. Pupils to demonstrate "respect for myself, respect for others, and responsibility for all my actions".
4. Staff to model and promote respect, responsibility and readiness.
5. Refine internal and external communication.
6. Secure and sustain school enrolment.
7. Review and improve St Faith's wrap around childcare provision.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Leys and St Faith's Schools Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees, the strategic report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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, 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 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

In so far as each of the Trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of The Leys and St Faith's Schools Foundation on 6th December 2025, including in their capacity as company directors approving the Strategic report contained therein, and is signed as authorised on its behalf by:

Signed by:

A4DD1AB950AB458...

Sir Matthew Rycroft
Chair of the Governing Body

Dated 6th December 2025

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2025

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	Total Funds 2025 £'000	*Total Funds 2024 £'000*
Income and endowments from:						
Charitable Activities						
School fees (net)	2	28,680	-	-	**28,680**	*28,111*
Other educational income	3	2,058	-	-	**2,058**	*2,568*
Other activities	3	37	-	-	**37**	*19*
Voluntary income						
Grants and Donations	4	4	188	-	**192**	*418*
Investments						
Investment income		199	167	-	**366**	*368*
Bank and other interest		688	80	-	**768**	*174*
Other trading activities						
Non-ancillary trading income	5	337	-	-	**337**	*375*
Total income		**32,003**	**435**	**-**	**32,438**	*32,033*
Expenditure on:						
Raising funds						
Non-ancillary trading		373	-	-	**373**	*309*
Fundraising and Development		204	83	-	**287**	*250*
Financing costs under Advance Fee Contracts		519	-	-	**519**	*272*
Finance costs		295	-	-	**295**	*69*
Bank and Mortgage interest		58	-	-	**58**	*132*
Investment Management Fees		58	-	-	**58**	*64*
Total expenditure on raising funds	6	1,507	83	-	**1,590**	*1,096*
Charitable activities						
Education and grant making	6	29,370	346	-	**29,716**	*29,250*
Total expenditure		**30,877**	**429**	**-**	**31,306**	*30,346*
Net incoming funds from operations before transfers and investment gains		**1,126**	**6**	**-**	**1,132**	*1,687*
Investment Gains	8	162	86	377	**625**	*1,391*
Transfer between funds	17	106	(106)	-	**-**	*-*
Net income/(expenditure)		**1,394**	**(14)**	**377**	**1,757**	*3,078*
Fund balances at 1 August 2024		37,036	3,310	8,771	**49,117**	*46,039*
FUND BALANCES at 31 July 2025	14	**38,430**	**3,296**	**9,148**	**50,874**	*49,117*

The notes on pages 30 to 48 form part of these accounts.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED AND FOUNDATION BALANCE SHEETS
AT 31 JULY 2025

	Notes	**Group 2025 £'000**	*Group 2024 £'000*	**Foundation 2025 £'000**	*Foundation 2024 £'000*
FIXED ASSETS					
Tangible fixed assets	7	**30,722**	*31,609*	**30,716**	*31,601*
Investments	8	**15,383**	*14,747*	**15,383**	*14,747*
		46,105	*46,356*	**46,099**	*46,348*
CURRENT ASSETS					
Stocks		**140**	*172*	**36**	*44*
Debtors payable within one year	9	**1,596**	*1,611*	**1,734**	*1,719*
Cash		**21,479**	*24,277*	**21,475**	*24,248*
		23,215	*26,060*	**23,245**	*26,011*
CREDITORS: payable within one year	10	**(14,671)**	*(16,009)*	**(14,626)**	*(15,962)*
NET CURRENT ASSETS		**8,544**	*10,051*	**8,619**	*10,049*
TOTAL ASSETS LESS CURRENT LIABILITIES		**54,649**	*56,407*	**54,718**	*56,397*
CREDITORS: due after more than one year					
Advance fees	12	**(3,775)**	*(6,090)*	**(3,775)**	*(6,090)*
Loans	11	**-**	*(1200)*	**-**	*(1,200)*
TOTAL NET ASSETS	14	**50,874**	*49,117*	**50,943**	*49,107*
FUNDS					
PERMANENT ENDOWED FUNDS	15	**4,662**	*4,470*	**4,662**	*4,470*
EXPENDABLE ENDOWED FUNDS	16	**4,486**	*4,301*	**4,486**	*4,301*
RESTRICTED FUNDS	17	**3,296**	*3,310*	**3,296**	*3,310*
UNRESTRICTED FUNDS	18	**38,430**	*37,036*	**38,499**	*37,026*
		50,874	*49,117*	**50,943**	*49,107*

The net result for the financial year within the financial statements of the parent charity was a surplus of £1,468,000 (2024: £1,687,000).

These financial statements were approved and authorised for issue by the Governing Body on 6th December 2025 and were signed on its behalf by:

Signed by:
A4DD1AB950AB458...
Sir Mathew Rycroft
Chair of the Governing Body

Signed by:
1EE9962F1B27428...
Mr S Peak
Hon. Treasurer

Company number 7748737

The notes on pages 30 to 48 form part of these accounts.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2025

	Notes		2025 £'000	2024 £'000
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net cash provided by operating activities	23		**(1,705)**	*12,622*
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income receipts		**366**		*368*
Bank interest received		**768**		*174*
Purchase of tangible fixed assets		**(853)**		*(1,027)*
Purchase of investments		**(74)**		*(76)*
Net cash (used)/provided by investing activities			**207**	*(561)*
CASH FLOWS FROM FINANCING ACTIVITIES:				
Repayments of loans and mortgage borrowings		**(1,300)**		*(438)*
Net cash (used) financing activities			**(1,300)**	*(438)*
Change in cash and cash equivalents in the reporting period			**(2,798)**	*11,623*
Cash and cash equivalents at the beginning of the period			**24,277**	*12,654*
Cash and cash equivalents at the end of the reporting period			**21,479**	*24,277*

The notes on pages 30 to 48 form part of these accounts

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2025

1. Accounting Policies

The Foundation is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 22 August 2011 (company number: 7748737) and registered as a charity on 22 August 2011 (charity number: 1144035). The registered office of the Foundation is The Leys School, Trumpington Road, Cambridge, Cambridgeshire CB2 7AD.

The financial statements have been prepared on the historical cost basis of accounting, as modified by the revaluation of other investments, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006, the Charities SORP (FRS 102) and the accounting policies set out below.

Going concern

At the time of approval of the Annual Report and Accounts, the current economic situation continues to evolve and the long-term impact on the Foundation, in common with other businesses, is unknown. The Governors have reviewed the position carefully taking into account the latest economic data and have undertaken various scenario exercises, particularly in terms of the impact of rising costs and possible other factors that could impact charities. The financial analysis demonstrates that even under the most pessimistic scenario the Foundation would not experience any significant financial problems and would be able to manage the cash flow implications without having to take any further mitigating actions for the year. In looking ahead to July 2027 there are additional cost pressures which could impact the Foundation. The Governors have carefully considered these and potential mitigating actions which The Foundation could take to improve the financial situation if required. There are currently significant cash balances, and an investment portfolio should additional liquidity be required through this period of uncertainty to meet the liabilities as they fall due for the Foundation as a whole.

The Foundation does not anticipate any material reduction in prospective pupil numbers above that which the Foundation has used for the purposes of financial modelling and forecasting. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

The financial statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets comprising the consolidation of the School with its wholly owned subsidiary Leys Enterprises (Cambridge) Limited. No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006.

The Foundation has taken advantage of the exemption available to a qualifying entity in FRS102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.
The Foundation meets the definition of a public benefit entity under the guidance issued by the Charity Commission.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, 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 affected current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimated 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.

1.1 School fees

Fees receivables are stated after deducting allowances, scholarships and other remissions granted by the Schools and net of VAT but include contributions received from Trust Funds.

1.2 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 Schools is considered probable. Donations received for the general purposes of the Schools are credited to unrestricted funds, to distinguish them from direct school income. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on The Foundation Trustees, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments, permanent or expendable according to the nature of the restriction. Grant income is recognised when there is evidence of entitlement, the receipt is probable, and the amount can be reliably measured. There were no performance related conditions attached to grant income received.

1.3 Investment Income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accrual's basis.

1.4 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The recoverable element of VAT is not included with the item of expense to which it relates, VAT is recovered on a Quarterly basis/
Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs comprise the costs of complying with constitutional and statutory requirements.

1.5 Intra-group

Intra-group sales and charges between the Foundation and its subsidiary are excluded from trading income and expenditure.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

1.6 Pension costs

The School contributes to two pension schemes as follows:

(a) The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the Foundation's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

(b) Aviva Master Trust Scheme -This scheme is a multi-employer pension scheme which has been set up to give teachers an alternative to The Teachers Pension scheme. This scheme is currently active with no participants.

(c) The Foundation Group Personal Pension Plan – This is a defined contribution group personal pension plan for both The Leys and St Faith's schools non-teaching staff with Standard Life Assurance Company Limited. Employers' pensions costs are charged in the period in which the salaries to which they relate are payable.

1.7 Tangible fixed assets

All expenditure on individual tangible fixed assets over £2,000 is capitalised in the balance sheet at cost.

Other expenditure on equipment incurred in the normal day-to-day running of the two schools is charged to the Statement of Financial Activities as incurred.

1.8 Depreciation

Depreciation is provided on a straight-line basis at rates which are sufficient to write the tangible fixed assets down to their estimated residual value over their estimated useful lives. The depreciation rates are:

	Per Annum
Freehold land	Nil
Freehold buildings off site rebuild cost used for depreciation	2%
Freehold buildings on site new build cost used	2%
Freehold buildings on site total refurbishment	7 – 20 years
Buildings on leasehold land	Length of lease
Plant and machinery	10 - 20%
Fixtures, fittings and equipment	7 – 34%

1.9 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. Investment in the subsidiary is valued at cost less provision for impairment.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

1.10 Stocks

Stocks have been valued at the lower of cost and estimated selling price less costs to sell/ estimated profit margin.

1.11 Advanced fee scheme

Amounts received under the school's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

1.12 Financial instruments

The Foundation has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows. Financial assets held at amortised cost comprise bank and cash in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans, trade and other creditors. Investments including cash held as part of the investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

1.13 Fund accounting

The charitable trust funds of the Foundation are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable.

Unrestricted income belongs to the Foundation's corporate reserves: spendable at the discretion of the Governors either to further the Foundation's Objects or to benefit the Schools' themselves. 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.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the Foundation for its financial benefit (i.e., by investment). If the donor or the terms of an appeal has restricted the purpose for which the gift or any income from it is to be used, any part converted into income for spending will accrue to the appropriate restricted fund. The income on the permanent endowed funds held is used to pay for scholarships and bursaries as per the wishes of the donors.

Expendable endowment funds are accounted for similarly, except that all capital can be converted into income for spending either at the Governors' own discretion or else upon the happening of some event contemplated by the donor.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

1.14 Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term, even if the payments are not made on such a basis unless the rental payments are structured to increase in line with expected general inflation, in which case the Foundation/group recognises annual rent expense equal to amounts owed to the lessor. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

1.15 VAT

The Foundation registered for VAT from 1st December 2024; the registration is as a group which includes The Foundation and Leys Enterprises. Input and output VAT are both claimed on all eligible transactions.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

2. SCHOOL FEES

	2025 £'000	*2024 £'000*
Fees receivables consist of:		
School fees	**30,600**	*30,127*
Less: scholarships, bursaries and allowances	**(2,260)**	*(2,264)*
	28,340	*27,863*
Add back: Bursaries and other awards paid by restricted funds	**340**	*248*
	28,680	*28,111*

3. CHARITABLE ACTIVITIES - OTHER INCOME

	2025 £'000	*2024 £'000*
Other educational charitable activities		
Entrance and registration fees	**113**	*74*
Recharge extra-curricular activities	**800**	*1,197*
Pupil welfare	**40**	*52*
Courses and sub-lettings	**778**	*833*
Summer School	**327**	*412*
	2,058	*2,568*
Other activities		
School fees refund scheme commissions	**-**	*1*
Other	**37**	18
	37	*19*

4. GRANTS AND DONATIONS RECEIVABLE

2025	UNRESTRICTED £'000	RESTRICTED £'000	TOTAL £'000
Donations	**4**	**188**	**192**
Legacies	**-**	**-**	**-**
	4	**188**	**192**

2024	*UNRESTRICTED £'000*	*RESTRICTED £'000*	*TOTAL £'000*
Donations	-	*335*	*335*
Legacies	*83*	-	*83*
	83	*335*	*418*

5. OTHER TRADING ACTIVITIES

Trading income	2025 £'000	*2024 £'000*
Leys Enterprises (Cambridge) Ltd	**337**	*375*

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

6. ANALYSIS OF EXPENDITURE

2025	Staff Costs £'000	Other costs £'000	Depreciation £'000	Total £'000
Costs of raising funds:				
Non-ancillary trading	82	288	3	**373**
Fundraising and Development	152	135	-	**287**
Financing costs under advance fee contracts	-	519	-	**519**
Financing costs	-	295	-	**295**
Bank and mortgage interest	-	58	-	**58**
Investment managers charge		58	-	**58**
Total costs of raising funds	234	1,353	3	**1,590**
Charitable activities:				
Education and grant making				
Teaching	13,673	2,206	292	**16,171**
Welfare	1,440	2,512	74	**4,026**
Premises	1,099	2,825	1,172	**5,096**
Support costs and governance	2,590	1,386	-	**3,976**
Schools' operating costs	18,802	8,929	1,538	**29,269**
Grants, awards and prizes	-	447	-	**447**
Cost of charitable activities	18,802	9,376	1,538	**29,716**
Total expenditure	**19,036**	**10,729**	**1,541**	**31,306**

2024	*Staff Costs £'000*	*Other costs £'000*	*Depreciation £'000*	*Total £'000*
Costs of raising funds:				
Trading costs	*78*	*228*	*3*	*309*
Fundraising for voluntary resources	*130*	*120*	*-*	*250*
Financing costs under advance fee contracts	*-*	*272*	*-*	*272*
Financing costs	*-*	*69*	*-*	*69*
Bank and mortgage interest	*-*	*132*	*-*	*132*
Investment managers charge	*-*	*64*	*-*	*64*
Total costs of raising funds	*208*	*885*	*3*	*1,096*
Charitable activities				
Education and grant making				
Teaching	*12,841*	*2,605*	*285*	*15,731*
Welfare	*1,300*	*2,529*	*72*	*3,901*
Premises	*1,056*	*3,192*	*1,154*	*5,402*
Support costs and governance	*2,415*	*1,444*	*-*	*3,859*
Schools' operating costs	*17,612*	*9,770*	*1,511*	*28,893*
Grants, awards and prizes	*-*	*357*	*-*	*357*
Cost of charitable activities	*17,612*	*10,127*	*1,511*	*29,250*
Total expenditure	*17,820*	*11,012*	*1,514*	*30,346*

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

6. ANALYSIS OF EXPENDITURE (CONTINUED)

	2025	*2024*
Governance expenditure includes:	**£'000**	*£'000*
Auditors' remuneration for audit services	**36**	*35*
Reimbursement of personal expenses to Governors – travel costs	**1**	*1*
	37	*36*
Total staff costs comprised:		
The aggregated payroll costs for the year were as follows:		
Wages and salaries	**14,582**	*13,950*
Social security costs	**1,615**	*1,415*
Pension contributions	**2,839**	*2,455*
	19,036	*17,820*
Aggregate employee-benefits of key management personnel	**1,962**	*1,820*

The average number of the Foundation's employees during the year was 426 (2024 - 420) of whom 171 (2024 - 168) were teaching staff and the rest were support staff.

Five key management personnel have spouses or other relations who are employed at the school as teachers and as such receive salaries in accordance with the pay scale for all of the Foundation teachers the aggregate gross salary for the year ending on 31 July 2025 was £226,341 (2024: 201,946) they may also have children who are pupils at the school and pay fees in accordance with the normal fee rates for all pupils less any contractual discounts to which they are entitled.

Certain Trustees have children who are pupils at the school and pay fees in accordance with the normal fee rates for all pupils less any contractual discounts to which they are entitled.
The wife of Reverand Glass, Governor provided timetable consultancy services via their company J Glass for the Foundation in the year and invoiced accordingly totaling £8,025 (2024: £6,450), There were no amounts outstanding at the year end.

None of The Foundation Trustees received any remuneration, or other benefits from the schools or any connected organisation. During the year a total of £921.66 (2024 - £772.39) was reimbursed to 3 (2024 - 3) Foundation Trustees for travel expenses. The Foundation received £3,256 (2024 £1,756) in donations from its Trustees during the year which were for the specific purpose of the gift of education bursary.

The number of higher paid employees was:	2025	*2024*
Taxable emoluments bands:	**No.**	*No.*
£ 60,001 - £ 70,000	**34**	*28*
£ 70,001 - £ 80,000	**14**	*16*
£ 80,001 - £ 90,000	**3**	*-*
£ 90,001 - £100,000	**-**	*1*
£100,001 - £110,000	**-**	*1*
£130,001 - £140,000	**-**	*-*
£140,001 - £150,000	**1**	*-*
£150,001 - £160,000	**-**	*1*
£160,001 - £170,000	**1**	*1*
£180,001 - £190,000	**-**	*-*
£210,001 - £230,000	**1**	*1*
	54	*49*

The total employer pension contributions for higher paid staff were £950,395 (2024 £584,486). During the year there were termination payments made of £9,651 (2024 £Nil). There were nil outstanding at the year end.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

7. TANGIBLE FIXED ASSETS

FOUNDATION AND GROUP	Foundation				Subsidiary	
	Land and Buildings £'000	Plant and Machinery £'000	Fixtures, Fittings and Equipment £'000	**Foundation Total £'000**	Fixtures and Equipment £'000	**Group Total £'000**
Cost (or frozen valuation)						
1 August 2024	58,257	1,377	3,286	**62,920**	56	**62,976**
Amendment re CGS	(199)	-	-	**(199)**	-	**(199)**
Additions	608	84	160	**852**	1	**853**
Assets no longer in use	-	(235)	(189)	**(424)**	-	**(424)**
As at 31 July 2025	**58,666**	**1,226**	**3,257**	**63,149**	**57**	**63,206**
Depreciation						
As at 1 August 2024	28,271	780	2,268	**31,319**	48	**31,367**
Charge for year	1,062	74	402	**1,538**	3	**1,541**
Assets no longer in use	-	(235)	(189)	**(424)**	-	**(424)**
As at 31 July 2025	**29,333**	**619**	**2,481**	**32,433**	**51**	**32,484**
Net book value						
31 July 2025	**29,333**	**607**	**776**	**30,716**	**6**	**30,722**
31 July 2024	*29,986*	*597*	*1,018*	*31,601*	*8*	***31,609***

The Capital Goods Scheme (CGS) allows independent schools in the UK to recover VAT on significant capital expenditure provided it has been used in the delivery of taxable supplies. Following the introduction of VAT on school fees this has enabled The Foundation to reclaim under the capital goods scheme through the VAT return over the eligible portion of the remaining 10 year adjustment period (the timeframe during which recovery on significant capital expenditure is monitored and adjusted under the scheme).

This has created a VAT asset which is recorded within sundry debtors which will unwind as VAT is reclaimed through the VAT return each year.

Land and buildings at cost comprises the following at 31 July 2025.

	2025 £'000	*2024 £'000*
Freehold	**45,566**	*45,087*
Long lease (to 2119)	**13,100**	*13,100*
	58,666	*58,187*

The freehold and leasehold properties are insured for £159,103,420 (2024: £152,984,066).

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

Heritage Assets (The Foundation and its treasures)

The Foundation has a substantial endowment of assets gifted or bequeathed on trust for retention in perpetuity to form a permanent record of the Schools' history and which are required to be preserved for their educational value to the Schools and, through reasonable public access to them, as a contribution to the nation's culture and education both nationally and locally. These comprise a unique collection of paintings depicting The Leys School's previous eight heads since its founding in 1875, together with many other artefacts whose intrinsic value is also bound up with The Leys School's history. Most of these are irreplaceable originals to which no reliable value can be attributed. Accordingly, these assets are not capitalised in the financial statements.

8. INVESTMENTS
GROUP AND FOUNDATION

	Unrestricted	Restricted	Permanent Endowment/ Expendable Endowed	Total
	£'000	£'000	£'000	£'000
Balance 1 August 2024	3,516	2,747	8,484	14,747
Additions at cost	396	338	891	1,625
Disposal proceeds	(358)	(257)	(833)	(1,448)
Investment gains	162	86	377	625
Changes in cash awaiting investment	(41)	(30)	(95)	(166)
Closing market value 31 July 2025	**3,675**	**2,884**	**8,824**	**15,383**

	2025	*2024*
Investments comprise:	**£'000**	*£'000*
Investments in listed stocks	**15,230**	*14,396*
Cash	**2**	*168*
Other	**151**	*183*
	15,383	*14,747*

The investment holdings at the year-end were UK £5.7m (2024: £5.7m) and overseas £9.53m (2024: £8.9m)

9. DEBTORS

	Group		**Foundation**	
	2025	*2024*	**2025**	*2024*
	£'000	*£'000*	**£'000**	*£'000*
Amounts falling due in less than one year:				
Fees	**596**	*529*	**596**	*529*
Sundry debtors	**284**	*527*	**284**	*446*
Prepayments	**716**	*555*	**713**	*553*
Due from subsidiary undertaking	**-**	*-*	**141**	*191*
	1,596	*1,611*	**1,734**	*1,719*

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

10. CREDITORS

	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Amounts falling due within one year				
Trade creditors	**366**	*331*	**349**	*313*
Taxation and social security	**1,317**	*369*	**1,300**	*351*
Loans and mortgages	**-**	*100*	**-**	*100*
Other creditors	**486**	*375*	**486**	*375*
Accruals	**491**	*486*	**480**	*475*
Deposits from parents	**2,443**	*1,944*	**2,443**	*1,944*
Deferred income - fees in advance of term	**156**	*451*	**156**	*451*
Deferred Income advance fees (see note 12)	**9,412**	*11,953*	**9,412**	11,953
	14,671	*16,009*	**14,626**	*15,962*

Pupil fees deposits – the total held in relation to fee deposits of £2,442,933 (2024: £1,943,920) is included above. In the normal course of business, the expected repayment of these amounts will be £576,417 (2024: £437,560) within one year and £1,866,516 (2024: £1,506,360) after more than one year.

11. CREDITORS AMOUNTS FALL DUE AFTER MORE THAN ONE YEAR

	2025 £'000	2024 £'000
Amounts falling due after more than one year		
Deferred income – fees in advance scheme (see note 12)	**3,775**	*6,090*
Bank loan	**-**	*1,200*
	3,775	7,290

12. ADVANCE FEE PAYMENTS

Parents may pay to The Foundation several years of tuition fees in advance. The money may be returned, subject to specific conditions on receipt of one term's notice. Advance fees are due to be applied as follows:

	2025 £'000	2024 £'000
After 5 years	**66**	*216*
Within 2 to 5 years	**1,829**	*3,081*
Within 1 to 2 years	**1,880**	*2,793*
	3,775	*6,090*
Within 1 year	**9,412**	*11,953*
	13,187	*18,043*
The movements during the year were as follows:		
At 1 August 2024	**18,043**	*7,997*
New contracts during the year	**7,055**	*17,797*
Amounts accrued to contracts	**519**	*272*
Amounts utilised in payment of fees to the school	**(12,430)**	*(8,023)*
Balance at 31 July 2025	**13,187**	*18,043*

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

13. OPERATING LEASES

The future minimum lease payments under non-cancellable operating leases are as follows:

Group and Foundation	**2025**	*2024*
	£'000	*£'000*
Within one year	**201**	*31*
Between one and five years	**168**	*95*
Over five years	**25**	*25*

The total lease payments recognised in the Statement of Financial Activities amounted to £201,068 (2024: £72,531).

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

The net assets are held for the various funds and advance fees as follows:

2025

	Fixed Assets £'000	Investments £'000	Net Current Assets/(liabilities) £'000	Long Term Liabilities £'000	**Total £'000**
Permanent endowment funds	-	4,504	158	-	**4,662**
Expendable endowed funds	-	4,319	167	-	**4,486**
Restricted funds	-	2,884	412	-	**3,296**
Unrestricted funds	30,722	676	7,032	-	**38,430**
	30,722	12,383	7,769	-	**50,874**
Advance fees	-	3,000	775	(3,775)	**-**
	30,722	15,383	8,544	(3,775)	**50,874**

2024

	Fixed Assets £'000	Investments £'000	Net Current Assets/(liabilities) £'000	Long Term Liabilities £'000	Total £'000
Permanent endowment funds	-	4,331	139	-	4,470
Expendable endowed funds	-	4,153	148	-	4,301
Restricted funds	-	2,747	563	-	3,310
Unrestricted funds	31,609	600	6,027	(1,200)	37,036
	31,609	11,831	6,877	(1,200)	49,117
Advance fees	-	2,916	3,174	(6,090)	-
	31,609	14,747	10,051	(7,290)	49,117

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

15. PERMANENT ENDOWED FUNDS

2025	*1 August 2024* £'000	Income £'000	Expenditure £'000	Investment Gains £'000	**31 July 2025 £'000**
Endowment	*4,470*	-	-	192	**4,662**

The Permanent Endowed funds were set up with shares donated by Thomas R Fern and monies from school fundraising. The endowments were further increased with a legacy from the late Gerald A France. The funds were set up to provide funding for scholarships. In 2007 a gift of £50,000 was received to establish an endowed fund 'The Suresh Karthingesu Fund' to provide annual bursary support. Only the income is drawn down which helps fund Bursaries.

2024	*1 August 2023* £'000	Income £'000	Expenditure £'000	Investment Loss £'000	31 July 2024 £'000
Endowment	*4,059*	-	-	411	4,470

16. EXPENDABLE ENDOWED FUNDS

2025	*1 August 2024* £'000	Income £'000	Expenditure £'000	Transfers and Investment Gains £'000	**31 July 2025 £'000**
Scholarships	*4,301*	-	-	185	**4,486**

The expendable endowed funds are made up of numerous donations the income from which is used to provide scholarships and bursaries.

2024	*1 August 2023* £'000	Income £'000	Expenditure £'000	Investment Loses £'000	31 July 2024 £'000
Scholarship	*3,907*	-	-	394	4,301

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

17. RESTRICTED FUNDS

2025	*1 August 2024*	Income	Expenditure	Investment Gains/ Transfers	**31 July 2025**
	£'000	£'000	£'000	£'000	**£'000**
Wesley scholars fund	*12*	-	(12)	-	**-**
Scholarship	*38*	103	(103)	-	**38**
Ollie Feast	*43*	-	(6)	-	**37**
Development funds					
Great Hall	*8*	-	-	(8)	**-**
Chapel Centenary fund	*21*	-	-	-	**21**
The gift of education (bursary)	*2,380*	202	(226)	86	**2,442**
Bursaries (various)	*144*	118	-	-	**262**
Prize funds	*63*	-	-	-	**63**
Boat house redevelopment	*17*	-	-	(17)	**-**
Vision studio	*74*	-	-	(74)	**-**
Organ Scholarship fund	60	-	-	-	**60**
Other	*160*	12	(3)	(7)	**162**
Community fund	*290*	-	(79)	-	**211**
	3,310	435	(429)	(20)	**3,296**

All funds represent monies given for the specific purposes but not yet expended. The Gift of education bursaries is an initiative with the Royal National Children's SpringBoard Foundation to provide transformative bursaries for disadvantaged and vulnerable children. All balances I the gains/transfer relate to gains. All transfers are to the unrestricted fund for money spent by the unrestricted fun.
The Community Fund is an initiative linked to the Old Leysian Mission. The funds are to be used for charitable causes in the community. Charities apply for funds from the community fund

2024	*1 August 2023*	Income	Expenditure	Transfers	31 July 2024
	£'000	£'000	£'000	£'000	£'000
Wesley scholars fund	*12*	-	-	-	12
Scholarship	*38*	105	(105)	-	38
Ollie Feast	*50*	-	(7)	-	43
Development funds					
Great Hall	*8*	-	-	-	8
Chapel Centenary fund	*21*	-	-		21
The gift of education (bursary)	*2,052*	231	(143)	240	2,380
Bursaries (various)	*144*	-	-	-	144
Prize funds	*63*	-	-	-	63
Boat house redevelopment	*17*	-	-	-	17
Vision studio	*74*	-	-	-	74
Organ Scholarship fund	-	60	-	-	60
Other	*157*	3	-	-	160
Community Fund	*261*	105	(76)	-	290
	2,897	504	(331)	240	3,310

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

18. UNRESTRICTED FUNDS

2025	1 August 2024 £'000	Income £'000	Expenditure £'000	Transfers/ Investment Gains £'000	**31 July 2025 £'000**
Designated funds					
Gift of education	1,149	3	-	-	**1,152**
Funds for hardship bursaries	543	99	-	-	**642**
Unrestricted funds	35,344	31,901	(30,877)	268	**36,636**
Total Unrestricted Funds	37,036	32,003	(30,877)	268	**38,430**

2024	*1 August 2023 £'000*	*Income £'000*	*Expenditure £'000*	*Transfers/ Investment Gains £'000*	*31 July 2024 £'000*
Designated funds					
Gift of education	*1,066*	*83*	*-*	*-*	*1,149*
Funds for hardship bursaries	*428*	*115*	*-*	*-*	*543*
Unrestricted funds	*33,682*	*31,331*	*(30,015)*	*346*	*35,344*
Total unrestricted funds	*35,176*	*31,529*	*(30,015)*	*346*	*37,036*

19. CONTRACTS AND COMMITMENTS

The Leys and St Faith's has no capital commitments as at the 31 July 2025 (2024: £331k).

20. RELATED PARTY TRANSACTIONS

The Foundation's trading subsidiary, Leys Enterprises (Cambridge) Limited makes a donation under gift aid to The Foundation of its taxable profits each year.

Included in Debtors of The Foundation is an amount of £98,773 (2024: £191,142) due from the subsidiary.

The staff working for Leys Enterprises (Cambridge) Limited are employed by both The Leys School and Leys Enterprises (Cambridge) Limited. The salaries are processed through Leys School and transferred to Leys Enterprises (Cambridge) Limited. The transfer value of transaction charges for year ended July 2025 was £16,048 (2024: £15,785).

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

21. PENSION SCHEME

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2,170,582 (*2024: £1,949,321*) and at the year-end £Nil (*2024 - £Nil*) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023. The Valuation Report shows notional assets of £222.2bn and liabilities of £262bn, resulting in a scheme deficit of £39.8bn.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

In August 2024 The Foundation introduced a defined contribution scheme for teaching staff with AVIVA APTIS. Some teaching staff at both schools have opted to go into the scheme. The contributions in respect of the teaching staff defined contribution scheme were £110,583 (2024: £Nil)

The contributions in respect of the support staff defined contribution scheme was £382,961 for The Leys, and £167,505 for St Faith's (2024: £360,317 and £146,599).

22. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2024	**Cash flows**	**31 July 2025**
	£'000	**£'000**	**£'000**
Cash in bank	*24,277*	(2,798)	**21,479**
Advance fee payments due within one year	*(13,897))*	2,042	**(11,855)**
Advance fee payments due after more than one year	*(6,090)*	2,315	**(3,775)**
Bank loans falling due within one year	*(100)*	100	**-**
Bank loans falling due after more than one year	*(1,200)*	1,200	**-**
Total borrowings	*(21,287)*	5,657	**(15,630)**
Net Debt	***2,990***	**2,859**	**5,849**

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

23. RECONCILIATION OF NET INCOME TO GROUP CASH FLOW FROM OPERATING ACTIVITIES

	2025	*2024*
	£'000	*£'000*
Net income for the reporting period (as per the statement of financial activities)	**1,126**	*1,687*
Adjustments for		
Depreciation charge	**1,541**	*1,514*
Investment income and interest	**(1,134)**	*(542)*
Investment managers fees	**58**	*64*
Decrease /(increase) in stocks	**32**	*(8)*
Decrease/(increase) in debtors less VAT FA Debtor	**220**	*(474)*
Increase in creditors (excluding advance fee movement)	**809**	*132*
(Decrease)/increase in fees in advance scheme creditors	**(4,856)**	*10,046*
Increase in parent deposits	**499**	*203*
Net cash provided by The Group's operating activities	**(1,705)**	*12,622*

24. FINANCIAL INSTRUMENTS

	Group	*Group*	**Foundation**	*Foundation*
	2025	*2024*	**2025**	*2024*
	£'000	*£'000*	**£'000**	*£'000*
Financial assets measured at amortised cost (a)	**22,360**	*25,319*	**22,497**	*25,402*
Financial assets measured at fair value (b)	**15,383**	*14,747*	**15,383**	*14,747*
Financial liabilities measured at amortised cost (c)	**(3,733)**	*(3,158)*	**(3,705)**	*(3,129)*
Net financial assets measured at amortised cost	**34,010**	*36,908*	**34,175**	*37,020*

(a) Financial assets include cash, trade and fee debtors, staff loans, other debtors and accrued income.
(b) Financial assets held at fair value include assets held as investments.
(c) Financial liabilities include deposits, trade creditors and other creditors.

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

25. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITES - COMPARATIVE FIGURES BY FUND TYPE

Year ended 31 July 2024	Unrestricted Funds	Restricted Funds	Endowed Funds	Total Funds 2024
	£'000	£'000	£'000	£'000
Income and endowments from				
Charitable Activities				
School fees (net)	28,111	-	-	**28,111**
Other educational income	2,568	-	-	**2,568**
Other ancillary activities	19	-	-	**19**
Voluntary sources				
Donations	83	335	-	**418**
Investments				
Investment income	200	168	-	**368**
Bank and other interest	173	1	-	**174**
Other trading activities				
Non-ancillary trading income	375	-	-	**375**
Total income	**31,529**	**504**	**-**	**32,033**
Expenditure on				
Raising funds				
Non-ancillary trading	309	-	-	**309**
Fund-raising for voluntary resources	174	76	-	**250**
Financing costs under Advance Fee Contracts	272	-	-	**272**
Finance costs	69	-	-	**69**
Bank and Mortgage interest	132	-	-	**132**
Investment Management Fees	64	-	-	**64**
Total deductible costs	1,020	76	-	**1,096**
Charitable Activities				
Schools and grant making	28,995	255	-	**29,250**
Total expenditure	**30,015**	**331**	**-**	**30,346**
NET INCOME	**1,514**	**173**	**-**	**1,687**
Investment gains	346	240	805	1,391
Transfers between funds	-	-	-	-
NET MOVEMENT IN FUNDS	**1,860**	**413**	**805**	**3,078**
Fund balances at 1 August 2023	35,176	2,897	7,966	**46,039**
FUND BALANCES at 31 July 2024	**37,036**	**3,310**	**8,771**	**49,117**

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

26. LEYS ENTERPRISES (CAMBRIDGE) LIMITED

The Foundation owns the whole of the share capital of a trading company Leys Enterprises (Cambridge) Limited company number 2016905, with the Foundation receiving taxable surpluses earned by the company as a donation under gift aid.

	2025 £'000	*2024 £'000*
BALANCE SHEET		
Tangible fixed assets	**6**	*8*
CURRENT ASSETS		
Stock	**104**	*128*
Debtors	**2**	*80*
Cash	**4**	*29*
	110	*237*
CREDITORS: amounts falling due within one year	**(143)**	*(238)*
Net current liabilities	**(33)**	*(1)*
TOTAL NET LIABILITIES/ASSETS	**(27)**	*7*
CAPITAL AND RESERVES		
Called up share capital	**-**	*-*
Profit and loss account	**(27)**	*7*
	(27)	*7*

(The Company has £2 share capital which after rounding to the nearest £1,000, becomes £nil)

PROFIT AND LOSS ACCOUNT	2025 £'000	*2024 £'000*
Turnover	**337**	*374*
Cost of Sales	**(264)**	*(273)*
Gross profit	**73**	*101*
Administration	**(109)**	*(35)*
Net profit	**(36)**	*66*
Donation to Parent under gift aid	**-**	*(66)*
Retained loss for period	**(36)**	*-*

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

Independent Auditor's Report to the Members of The Leys and St Faith's Schools Foundation

Opinion

We have audited the financial statements of The Leys and St Faith's Schools Foundation ('the charitable company') and its subsidiaries ('the group') for the year ended 31 July 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Foundation Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including 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 group's and the charitable company's affairs as at 31 July 2025 and of the group's 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 group 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 trustee's 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 or the group'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 and proper accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees (who 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 trustees 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 trustees 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and

Docusign Envelope ID: 3BF3C400-08F6-4053-A752-6D75EC7D3710

regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), health and safety legislation, taxation legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

Nicola May

Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

Date: 16 January 2026

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION

England & Wales - Charity number 1144035

Accounts

Company Number: 7748737
Registered in England
Registered Charity Number: 1144035

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT
AND GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS

GOVERNORS AND CHARITY TRUSTEES

The Governors of The Leys and St Faith's Schools Foundation, "The Foundation" are the Foundation's Trustees under Charity Law and the Directors of the Charitable Company. The members of the Governing Body who served office as Governors during the year and subsequently are detailed below:

Elected by the Life Donors

Mr R Anthony	
Mr A Barrett	Retired 09/12/23
Mrs A Brunner	Chair of St Faith's Committee
Mrs W Challen	
Mrs J Clarke	
Mr C Fairey	
Mr J Gladwin	Chair of The Leys Committee
Mrs E Hooley	
Mrs H Iqtidar	
Mr C Kirker	
Mrs S Loft	
Mr J May	
Mr T Moore	Retired 09/12/23
Ms S Northcott	
Mr S Peak	Hon. Treasurer
Mrs H Renfrew-Knight	Vice-Chair of the Foundation
Sir M Rycroft	Chair of the Foundation
Miss L Sales	
Mr A Silverton	
Mrs V Wienand	

Elected by The Leys Common Room

Mr M Brown

Elected by St Faith's Common Room

Mr R Mitchell

Appointed by the Methodist Council

Ms J Fen	
Rev'd. Dr P Glass	
Rev'd J Pursehouse	Retired 22/06/24

Ex Officio Members

Mrs Jo de Grey

Governors elected by Life Donors and the Common Rooms are appointed for a term of five years and can be re-elected for a further term. Governors who are appointed as officers can serve a further term. Governors elected by the Methodist Council serve until they retire. The President of the Old Leysian Society is an ex officio member and serves for the period of their presidency and for a further year.

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS

EXECUTIVE OFFICERS

The Headmaster	- The Leys School	M Priestley MA
	- St Faith's School	C Hyde-Dunn MA
The Bursar of The Leys School		P McKeown MA
The Bursar of St Faith's School		R Brent MBE MA MSc BEng

ADDRESSES

The Leys School
Trumpington Road
Cambridge
CB2 7AD

St Faith's School
Trumpington Road
Cambridge
CB2 8AG

Registered Office as above

Websites: www.theleys.net
www.stfaiths.co.uk

ADVISERS

Bankers
Handelsbanken
Byron House
Cambridge Business Park
Milton Road
Cambridge, CB4 0WZ

Solicitors
Birketts LLP
22 Station Road
Cambridge
CB1 2JD

Farrer & Co
66 Lincoln's Inn Fields
London, WC2A 3LH

Auditor
Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Investment Advisers
Quilter Cheviot Investment Management
Senator House
85 Queen Victoria Street
London, EC4V 4AB

Insurance Brokers
Assured Partners Hettle Andrews
Eleven Brindley Place
2 Brunswick Square
Birmingham, B1 2LP

The Governors of The Leys and St Faith's Schools Foundation who are also Directors of the Charitable Company for the purposes of the Companies Act present their annual report for the year ended 31 July 2024 under the Companies Act 2006 ("the Act"), together with the audited Financial Statements for the year, and confirm that the latter comply with the requirements of the Act, the Memorandum and Articles of Association and the Charities SORP (FRS102).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity was founded in 1875 and was registered with the Charity Commission under charity number 311436. In 2011, the Governors reviewed the legal status of the Foundation and decided the charity should become a Company Limited by Guarantee. This process was completed in December 2011. The Charity Number is 1144035 and the Company Number is 7748737. The Governors, Executive Officers and principal addresses of the Charity are listed on pages 1 and 2. Particulars of the Charity's professional advisers are given on page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Foundation is administered under a scheme established in December 2011 when the legal status of the charity changed.

Governing Bodies

The structure of The Foundation consists of a single Governing Body which is responsible for the two schools. The details of the Governing Body are explained on page 1 together with information on how the members are appointed.

Recruitment and Training of Governors

The Foundation's elected Governors are appointed at a meeting of the Life Donors based on nominations received, taking into account eligibility, personal competence, specialist skills and local availability. New Governors are inducted into the workings of the Charity and its schools including Board policy and procedures at an induction day specifically arranged for them by the Clerk to the Governors. Established Governors are then provided with training opportunities including workshops and seminars organised by the Association of Governing Bodies of Independent Schools, the Boarding School Association and other professional organisations. Additional training and information are provided at Governor meetings to ensure Governors are updated on current issues and regulatory requirements.

Organisational Management

The Board of Governors as Trustees of the Charity and Directors of the Charitable Company are legally responsible for the overall management and control of both The Leys and St Faith's Schools and meet as a board at least three times a year. The work of implementing key policies is carried out by the members of the various committees. These are The Leys School Committee, The St Faith's School Committee, The Foundation Executive Committee and The Finance and Audit Committee. These committees meet at least once a term and then report to the Full Board meeting at the end of that term.

The Leys Committee deals with issues that are directly relevant to The Leys School. The St Faith's Committee deals with issues that are directly relevant to St Faith's School. The Foundation Executive Committee oversees the strategic planning for the Foundation and considers major issues which impact on either school. This Committee also has responsibility to oversee the regulatory compliance of the

Foundation. The Finance and Audit Committee is responsible for dealing with financial issues affecting both schools.

In addition to these Committees there is also an Investment Committee which meets once a year to review the activities of the Investment advisers. A Nominations Committee meets at least once a year to assist with succession planning for officers and the recruitment of new Governors. The Governors also meet once a year for an away day to discuss strategic issues. Ad hoc committees are established to look at specific issues.

The day-to-day running of the schools is delegated to the respective school Headmasters and Bursars. They are also supported by their Senior Management Teams and together this group are the key management personnel. The Headmasters and Bursars attend meetings of the above committees.

The remuneration of key management personnel is set by the board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the Foundation's success. The policy is reviewed annually and appropriate benchmarking data is used to ensure the Foundation considers the broader issues of pay and employment conditions.

Delivery of the Foundation's charitable vision and purpose is primarily dependent on the key management personnel and staff under the direction of the Governors.

To ensure that the Foundation is following best practice, Governors benchmarked the work of the charity against the latest Charity Governance Code produced by the Charity Commission. The Governors benchmarked against the seven principles, particularly looking at the key outcomes, and identified a few areas where the Foundation could improve the way it operates. Action has been taken to ensure that these improvements are implemented.

Group structure and relationships

Leys Enterprises (Cambridge) Limited was incorporated in 1986 in England and with its registered office at The Leys School, Trumpington Road Cambridge, Cambridgeshire CB2 7AD. The principal activities of the company are the running of the school shops for both The Leys and St Faith's schools. In addition, the company runs the school's Balgarnie's cafe and the organisation of the summer school staff at The Leys School. All surplus income is donated to the Foundation under the gift aid scheme.

Employment Policy

The Foundation is an equal opportunities employer. We celebrate diversity and do not discriminate based on race, religion, colour, national origin, sex, sexual orientation, age, disability status or any other applicable characteristics protected by law.

The Foundation's employment policy gives full and fair consideration of applications for employment made by disabled persons, having regard to their aptitudes and abilities; The Foundation provides training, career development and promotion of disabled persons and would aim to continue the employment of employees who become disabled.

The Foundation regularly provides relevant information on the progress of the schools to all staff. The Headmasters at both schools communicate with the teaching staff at the end of each term following the Full Board meetings and at the start of each term. Both schools have established Staff Consultative Committees who meet every term and are provided with relevant information about the schools. The two Bursars also make a presentation to all the support staff following the Full Board meetings.

Relationships

The Foundation actively supports the attainment of the highest standards in the independent schools' sector, partly through networking with other major schools and partly through peer group studies for the evaluation of quality and performance improvement methods. We are also regularly in contact with our parents and seek their feedback about the service we provide.

Both schools co-operate with many charities, other local bodies and the local community in their endeavours to widen public access to the schools and to optimise the use of their cultural and sporting facilities. We review such relationships on a regular basis and have appointed senior staff to oversee such relationships.

The Foundation also benefits from the generosity of a thriving network of Old Leysians, and Old Fidelians, whose close support the Schools greatly appreciate and gladly acknowledge.

The Foundation works with a whole range of suppliers many of whom have long standing relationships with the schools. We greatly value those relationships and work hard to foster a genuine sense of partnership.

Statement on compliance with s172(1) Companies Act 2006

The Governors, as Directors, of The Leys and St Faith's Foundation consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Foundation for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1) (a-f) of the Act) in the decisions taken during the year ended 31st July 2024 as set out above.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects of The Foundation

The Foundation has two objects:

a) The provision of high-quality education, in particular by the conduct of the two Schools known as The Leys School and St Faith's School.

b) The use of the facilities of the Schools, when not required for education, for other charitable purposes, for the benefit of the local community and the wider public.

The religious teaching in the Schools shall be in accordance with that of the Methodist Conference.

Mission Statement for The Leys

The purpose of The Leys is to play our part in changing the world for the better. We do this by making a positive difference to the lives, values and prospects of Leysians, by being professional, caring and rewarding in developing and managing our staff, by being a responsive and trusted partner to our parents, and by making a beneficial and sustainable contribution to the wider community.

Aims

By foundation and structure, The Leys is a boarding community. We also place great value on being a "big, small school" embedded in the heart of Cambridge, and on giving Leysians a rich and rewarding academic and wider school experience – one they find valuable both intrinsically and in preparing for

their futures. We seek, in the spirit of our Methodist founders and our Christian values, to send Leysians out into the world ready – academically, culturally, morally, physically, spiritually and socially – to live fulfilling lives which will make a positive contribution to society.

In order to achieve our Purpose, we aim to deliver an education which:

1. Is built on three foundation stones: pastoral, academic and wider curricular. Whilst interconnected, 'pastoral' is accepted as pre-eminent, because pupils who feel supported and confident are able to flourish in all areas of the life of the school.
2. Gives Leysians an engaging, rewarding and valuable academic and wider school experience, enriched by our boarding structure and our unique location.
3. Nurtures, within a community which is Christian in its core values, open and liberal in its world view and diverse in its intake, young people who: display kindness to those around them; have sound values on which they can base their lives; can think for themselves; are able to make the most of the many opportunities on offer; express themselves with articulacy; can perform resiliently under pressure; and become responsible and engaged citizens.
4. Builds mutually supportive and trusting partnerships with our stakeholders including Governors, parents and Old Leysians so that they can help us to be the best that we can be.
5. Manages and rewards our staff in a way that builds purposeful, trusting and cohesive teams which are able to work at their best, feeling valued, motivated and able to contribute directly to the success of the School and its pupils.
6. Ensures, through our charitable, bursarial and partnership work, that The Leys is seen as a force for good in the local and wider community.

Vision

The combination of our distinctive ethos and world-class location makes The Leys unique. We seek constantly to improve, learning from best practice in academic, pastoral and wider curricular provision, to be the best that we can be in bringing these enduring aims to life. Thus, by the time of our 150th Anniversary in 2025, our ambition is to be recognised as an outstanding city boarding school which lives by its core values and which succeeds in delivering on its purpose.

Mission for St Faith's

We provide an inspiring an academically rigorousness day school education for girls and boys aged 4 to 13, with a broad and balanced curriculum. We equip pupils for diverse and meaningful futures through our tailored approach to education, with an emphasis on inclusivity and social responsibility. We value kindness and we understand that happy children fulfil their potential, our academic provision is underpinned by eight key learning habits and excellent pastoral care. We have a Christian ethos and welcome families from all faiths and beliefs. We are proud to be part of The Leys and St Faith's Foundation.

Vision

Our ambition is for every child to be empowered and enabled to lead a fulfilling life and to contribute to society. We aim to prepare pupils for increasingly diverse futures by delivering an excellent, innovative education, equipping pupils with key knowledge and skills. We aspire that all our pupils become well-rounded, independent learners, able to recognise their own talents and have confidence in their own decisions. We will promote respect, equality, diversity and inclusion across our school community, as well as the importance of service. We will also prioritise well-being throughout the school and seek to shape a sustainable and environmentally responsible future.

We value

- Kindness - we care for others and are respectful and understanding.
- Community - we work together to support one another and create a school where everyone feels they belong.
- Excellence - we promote high expectations and encourage every individual to fulfil their potential.

"Do all the good you can in all the ways you can" John Wesley

The Foundation's Public Benefit

In meeting the first of its objects the Foundation's Public Benefit aim is to provide an environment where each pupil can develop and fulfil his or her potential, thus, to help build self-confidence and inculcate a desire to contribute to the wider community and the wider public.

The second object provides the opportunity for the Foundation to play an important role within the local community.

In the furtherance of these aims the Foundation Governors, as the Charity Trustees, have complied with the duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the Public Benefit requirement under the Act.

A specified Governor has a responsibility to oversee the public benefit activities of the Schools. An annual report for all Governors is produced to summarise the activities that have been undertaken to benefit the local community and wider public.

The awarding of bursaries is a measurable means of providing public benefit. The Foundation takes the view that bursaries awarded to those who would not otherwise be able to afford the fees are important, but not to the exclusion of the much wider benefit that the schools provide within the community. This year, the schools awarded £1,067,368 in Bursary Awards or Scholarships. Over 190 pupils received some financial assistance. Within this provision means-tested awards based on a sliding scale according to financial circumstances totalling £828,480 were awarded to 67 pupils.

The Leys has continued to move forward with the 'Gift of Education', a project aimed at transforming young lives through boarding bursaries. The project was launched in May 2020 and the ambition is for the school to support two pupils in each year group on 110% boarding bursaries. The program is provided in partnership with Royal Springboard, the U.K.'s largest boarding school bursary charity. The overall target is to raise £6 million to fund the project. The first Gift of Education pupil joined The Leys in September 2020 and left in July 2022. She significantly outperformed her A-level predictions and is now taking up a place at Kings College London. In September 2024 we have 7 Gift of Education pupils including our first one to join at Yr 7. One of the pupils who is now in Yr 13 won the school's most prestigious science prize and is now applying for engineering at some of the best UK universities.

The Community Fund at the Leys is an initiative between The Leys and St Faith's Schools Foundation and Wesley's Chapel and Leysian Mission. It has been established through the support of one major donor plus additional donations from across the Leysian community. The Fund supports charity projects in the Cambridge area and in the local community around City Road in East London. For 2023-24, £106,308 was awarded to a whole range of charities. In one initiative with The Cambridge Friendship Trust, which supports young adults, we have paid for transport and other expenses to enable those who can't afford it to attend their fortnightly events. The school has worked closely with Waterbeach Community Primary School to provide tents and other equipment to enable the pupils to experience camping, to replace rotten decking around a pond area, and to build a sensory memorial garden in

remembrance of a member of staff who passed away suddenly. Working with Rowan, a charity to support adults with learning disabilities we have provided resources to enable them to develop their facilities for providing a safe, creative enriching environment where art is used to bring people together, reducing loneliness, helping tackle social exclusion, whilst developing potential and improving happiness, health and wellbeing.

We are pleased to extend and enrich our partnership with Great Abington Primary School, offering rugby, hockey, and cricket coaching through Leys Sport. Last year, we added netball, which remains popular. Three Shakespeare Workshops for Year 6 ended with an assembly performance for parents and staff. The entire class also watched A Christmas Carol and Oliver performances and visited the geography department for hands on VR and sandbox activities in the Vision Studio. Using their outdoor space we also offered gardening and landscaping instruction for the pupils.

We continue our collaboration with the Red Balloon Learning Centre, this school, which aids the most vulnerable, has seen increased staffing from The Leys to work closely with small groups and individuals, offering 1:1 mentoring, coaching, trampolining, kickboxing, swimming, and climbing wall activities. Additionally, we provided more recycled iPads, laptops, and IT support and staff training to ensure effective and safe technology use.

In July we were able to deliver another Ollie Feast Summer Camp at The Leys. The team successfully achieved their mission of offering young people new challenges, opportunities for skill development, and the chance to build relationships while expanding their horizons and aspirations. By taking on both physical and mental challenges together, the participants have gained valuable experience in teamwork, leadership, effective communication, and essential life skills. The opening day involved mixing forty pupils from the four local partnership schools (Trumpington Community College, North Cambridge Academy, Coleridge Community College, Chesterton Community College) into mixed groups to tackle a wide range of team building, problem solving and leadership command tasks. As well as the now established Bushcraft Challenge and Archery competition, we added some exciting new activities including a caving experience, inflatable obstacle course battle and on the final day a crystal maze style climax which involved teams working together across all the disciplines they had experienced to win time in the crystal dome finale to collect tokens in the bid to win a prize. The partnership schools acknowledged that for many of their pupils, the skills and experiences gained during the camp will have a lasting impact beyond their time spent at The Leys. Nine Leys pupils generously dedicated their time over the summer holidays, taking on a range of responsibilities throughout the camp. Their volunteering efforts not only gave them a strong sense of purpose and fulfilment but also significantly contributed to their personal growth and development. They performed exceptionally well. Feedback from the partner school staff and activity instructors highlighted what outstanding ambassadors they are for our school.

St Faith's continued to support Makukhanye school in South Africa. The link between the two schools has existed for over 20 years. At Easter pupils from St Faith's visited the school and had the opportunity to see the difference that the charitable donations had made. Over the last 12 months St Faith's have provided funding for a whole range of improvements including: the provision of new security gates, 25 refurbished laptops and a safe source of the new laptops, for electrical maintenance repair for the whole site, for the completion of new classrooms, for the redevelopment of the school kitchen and a range of other improvements.

The school has run a whole variety of charity events throughout the year and donated significant amounts to several charities, including the Salvation Army Young minds, Tom's trust, Andy's man club, (Cambridge) city food bank and the NSPCC.

In December a group of young of carol singers provided a welcome treat at a local nursing home and children painted plant pots and potted seedlings for plant sales at Arthur Rank Hospice.

The link with Shirley Community Primary School continues to grow with St Faith's providing transport to enable them to take part in sports tournaments and in the future, we look forward to supporting them with musical instrument tuition and also swimming tuition.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Review of 2023/24

Both schools began 2023/24 with higher pupil numbers than budgeted which was very encouraging. The Leys also generated more income from the Bell International School than had been forecast. During the year both schools managed their operational cost effectively and therefore the end of year surpluses before projects was significantly higher than had been budgeted.

Both schools undertook more project work over the summer holidays then in recent years and managed to complete all the projects in the planned timescales.

The schools are very pleased with their overall financial performance for 2023/24.

Planning for 2024/25

For 2024/25 the schools had taken a cautious approach to budgeted pupil numbers due to the UK economic and political situation and the potential impact from international tensions. They assumed that lettings income would continue to recover and return to pre-covid levels. On the cost side the schools had decided to continue to offer the TPS to teaching staff alongside a DC scheme. Those staff who choose to stay in the TPS would not get a salary rise for 2024/25 whereas those choosing the DC scheme would get a 3% rise. Support staff would get a 3% salary rise. The schools had experienced a significant increase in utility costs in 2023/24 and it was hoped that a new contract would be negotiated from September 2024 which would bring these costs down. Inflation was assumed to continue to fall but remain above the 2% target.

The biggest threat was the potential introduction of VAT on school fees and the ending of business rate relief. The schools assumed a Labour government would be elected and introduce VAT on school fees from April 2025 and also remove business rate relief at the same time.

The schools planned for an increase in capital spending in 2024/25 which was linked to the master planning work at both schools.

Actual performance for 2024/25

On the income side, The Leys has begun the new academic year with higher pupil numbers than budgeted whereas St Faith's has experienced a small fall in numbers. The Leys has also seen a better Bell International School than anticipated and both schools have benefited from healthy cash surpluses which have been invested to generate additional income.

On the cost side, the new Labour Government has surprised the sector by bringing in VAT on school fees from January 2025. The schools decided to reduce the pre-VAT fees by 3% from January 2025 and then offer

financial support to those parents who would struggle with paying the post-VAT fees. This has impacted the forecasted fee income and has also meant an increase in the contingency budgets. The other significant cost increase that the schools have included in their revised budget forecasts is the impact of the changes to employers NI. This will affect the schools from April 2025 and will mean additional costs of around £100k for The Leys and £50k for St Faith's.

Both schools anticipate that the surplus before projects will be reduced compared to the originally planned budgets but do not see this causing any significant issues for the schools.

The schools have reviewed the key covenant conditions for the mortgage and there are no concerns about achieving them.

Planning for 2025/26

Looking ahead to 2025/26 the most significant financial threat is the potential impact from the imposition of VAT on fees on the demand from both current and prospective parents. Both schools are working hard to reduce their operating costs for 2025/26 to ensure that the cost rise to parents (including VAT) is kept as low as it possible whilst still providing an outstanding service to parents. Both schools are also investing in their marketing and recruitment activities.

Objectives for the year for The Leys

Review of the operational performance of The Leys 2023-24

Last year, the following objectives for the year were identified:

Pastorally, the key actions for the coming year include:

1. Diversity and Inclusion: addressing issues around gender equality and promoting positive behaviour around school.
2. A focus on consistency of tutoring across all year groups.
3. Developing mental health support for pupils with a focus on anxiety, ADHD and autism.

Within the Wider Curriculum, the key actions for the coming year include:

4. To review and analyse participation rates with the after-school activities programme
5. Work towards a wider curricular programme that continues to be staffed with high quality people who enhance the pupil experience.
6. Continued improvement of facilities and communication of decisions.

Academically, the top priorities for 2023-4 are:

7. To embed the new Head of Academic Scholarship to help support and stretch the most able.
8. To Bring our deliberations on the Shape of the Day to a successful conclusion.
9. To develop a clear vision for our academic position and how we want to be perceived academically by pupils and parents.
10. To embed a culture of excellence in T&L by seeking positive value-added and outstanding outcomes across the Common Room and sharing approaches, including the reimplementation of the 'observation without judgement' done before Covid.

11. To develop a framework/approach to department reviews/appraisals to include the appropriate use of pupil voice.

In terms of the economic and financial context, we are considering how we will cope and adjust if, as seems very likely, VAT is placed on school fees. Our key actions for 2023/24 in this area include:

12. Understanding the impact on both current and prospective parents of the proposal to introduce VAT on fees.
13. Investigating how we reduce our operating costs, both staffing and non-staffing, to enable us to minimise any increase in the fees we charge to parents.
14. Investigating how we can increase the non-pupil income we generate.

Review of operational performance at The Leys

Pastorally, the key achievements for 2023-4 include:

A diversity and Inclusion focus on addressing issues around gender equality and promoting positive behaviour around school. We rolled out a school-wide programme of identifying and reinforcing 'Leys Values' and developed our mental health support for pupils, focusing especially on anxiety, school absence, ADHD and autism.

Within the Wider Curriculum, the key achievements for 2023-4 include the following:

We reviewed and analysed participation rates with the after-school activities programme, ensured the delivery of a wider curricular programme staffed with high quality people who enhance the pupil experience and continued our focus of improving facilities and communication. One particular highlight of the year is that an Old Leysian represented Great Britain in the Men's Hockey at the Paris Olympics. Outstandingly successful tours and trips took place, including the Southern Africa Expedition, our first overseas Girls' Cricket Tour – to Dubai – and a Boys' Rugby and Hockey Tour to South Africa.

Academically, the key achievements for 2023-4 include the following:

The new Head of Academic Scholarship is firmly embedded in post and is working well in supporting and stretching the most able in a bespoke way. Our Shape of the Day deliberations have concluded with the adoption of a New Leys Week from September 2024.

The Leys' reputation as a centre of excellence has been enhanced not least through strong academic results including excellent A Level and GCSE results. At A Level, the 2024 cohort of Year 13 pupils at The Leys received the best ever A Level results in the school's recorded history. More than 23% of all grades achieved were A* and 87% were graded A*-B. The overwhelming majority of Leysians succeeded in securing the grades they needed to go on to their first choice of university, and it is particularly impressive that in terms of pupil outcomes, 69% of this cohort of Leysians achieved at least ABB at A Level. In addition, The Leys pupils of 2024 achieved outstanding GCSE results. 71% of all grades received were 9, 8 or 7, 48% were graded 9 or 8, and 27% were graded 9, the highest mark possible. The proportion of 9s was particularly impressive – significantly up on pre-Covid results, and up on last year's results also. Value added across both A Levels and GCSEs was significantly positive, demonstrating that The Leys has successfully added value to the academic endeavours of its pupils in these vital public examinations.

In terms of the economic and financial context, we are continuing to prepare for the introduction of VAT on school fees. We have communicated with parents regularly throughout the academic year 2023-4. We have held multiple staff and governor meetings focusing on investigating how we reduce our operating costs, both staffing and non-staffing, to enable us to minimise any increase in the fees we charge to

parents and have continued to investigate how we can increase the non-pupil income we generate. This work is ongoing.

In terms of its overall success as a School, it is worth noting that The Leys was selected by the Sunday Times as its East Anglian Independent School of the Year for 2024. Headmaster, Martin Priestley, having announced his retirement from The Leys in August 2025, Dr Clare Ives, currently Deputy Head at Sevenoaks School, has been appointed to be the first female Head of The Leys; she will succeed Mr Priestley in September 2025, in what is the School's Sesquicentenary Year.

Objectives for the year for St Faith's

Review of the operational performance of St Faith's 2023-24

Last year, the following objectives for the year were identified:

1. To enhance pupils' **active listening**
2. To make **efficient and tailored use of digital tools** in accordance with our digital learning vision
3. To develop our **Wellbeing strategy** – including Equality, Diversity and Inclusion (EDI)
4. To review and refine our **reporting system** to parents
5. To review and streamline **Communications**
6. To continue to **prepare for ISI inspection** within the new ISI framework
7. To encourage children in their **behaviour, manners, presentation**
8. **Financial and operating efficiency**

1. To enhance pupils' active listening

Throughout the year, we developed pupils' listening skills with the aim that they:

- Give the speaker their full attention
- Think about what is being said
- Develop a deeper understanding in order to be able to work with greater independence
- Enhance their relationships with others

CPD was provided through Osiris training. Teachers and teaching support staff then set clear expectations about listening and made use of positive reinforcement. Lessons were planned to support pupils to demonstrate excellent listening skills e.g. cold calling, clarification pauses, chunking instructions and minimising possible distractions. Pupils were also encouraged to consider their best 'listening position'. This focus was followed up with staff through the Appraisal system, Learning walks and Teaching in Partnership programmes.

2. To make efficient and tailored use of digital tools

This was designed to build on the successful introduction of mobile technology in 2022-2023 and the initial lessons learned in the 2022-23 academic year. Specific targets included the following:

- To hone the use of iPads in Pre Prep, Year 3 and Year 7 to make best use of digital tools to support whole class and individual learning
- To embed the use of iPads in the Year 4 and Year 8 curriculums and explore how to make use of iPads to enhance pupils' creativity
- Identify how we can best provide mobile digital provision for Year 5 and 6 pupils in 2024-2025
- Provide high quality training for pupils, teachers and teaching support staff to enhance their digital skills

- Share examples of and advice and information about digital learning with parents
- Embed the Seesaw guidelines to provide consistency in posts shared, and embed the Digital Learning Committee and Digital Innovators Group
- Continue to explore how best to assess pupils' digital work and the use of AI

Digital strategy was extensively reviewed and updated by SMT throughout the year, including feedback from Heads of Department. Training proved to be an area in which Staff required additional support. The decision was made to use OneNote with Year 7 and 8 pupils, rather than a mix of OneNote and Teams. Set of odds was introduced for Years 5 and 6, and Microsoft based laptops were also trialled. Pre-prep also utilised seesaw for homework and provision of tailored feedback, as well as new age-appropriate Apps aligning with their curriculum such as Epic Books and White Rose Maths. Games and quizzes using platforms such as 'Kahoot' were also successful in engaging children and reinforcing their learning in an interactive way.

3. To develop our Wellbeing strategy – including Equality, Diversity and Inclusion (EDI)

Our new Wellbeing strategy was published, and several mental health first aiders among staff have now been trained. A new pupil mental health and well-being policy has now been developed. The role of the school counsellor has been enhanced and their support is being embedded in our wellbeing strategy. As part of our wellbeing and pastoral care arrangements, we are continuing to look at ways to establish an overview of each pupil's curricular and extra-curricular commitments and we continue to consider the impact of encroachments on pupil activity. We are also examining the distribution of workload for staff and considering the balance of the curriculum. Peer mentoring, the 'Girls on board' initiative and PSHCE also form an important part of pupil well-being. Staff wellbeing tools have also been shared with staff, including online resources, and these are regularly referenced in INSET training. The Parents' Association also held an event focussed on wellbeing at Easter for pupils, parents and staff. Pupils also completed an EDI survey and reflective exercise in the Michaelmas term, with feedback and reflective opportunities provided to pupils and staff, as well as key findings shared in an assembly. There has been a focus too on hearing and acting upon the pupil voice, including a new safeguarding platform called MyVoice. A 'quiet area' has also now been established in response to the School Council pupil voice exercise.

4. To review and refine our reporting system to parents

During the academic year, we continued to explore the following priorities:

- Develop recommendations for a new grading system to provide greater clarity to parents about their child's Attainment and Learning Habits in a way in which is manageable and sustainable.
- Establish timeline for introduction of revised grading system.
- Explore how pupil voice can be integrated into reporting for Year 7 and Year 8 pupils.
- Review how and when we assess pupils and how assessment data is used.

We made good progress towards these targets, and set up a new reporting template, with agreed statements for attainment and curriculum coverage, as well as examples. The new grading system was piloted with Year 8 in the Lent term. The feedback survey was completed by 10% of parents, and feedback was positive about the sue of language rather than letter/number descriptors. In the Summer term, the feedback from the pilot was shared with HODs and further trials of reporting to Years 4 and 7 are being undertaken during the Michaelmas Term 2024.

5. To review and streamline Communications

This involved a range of stakeholders and involved design and embedding of a whole school communication plan. This included greater use of MySchool
Portal for parental communication, to reduce email traffic, as well as a refined model for proofreading school communications. Communications around school trips now use software called "Evolve". Sharepoint is also a key platform for sharing documents and collaboration without email attachments. Parents have now received a Parent-School communication protocol outlining provisions and expectations of use.

6. To continue to prepare for ISI inspection within the new ISI framework

This has been a very important strategic priority for the whole school throughout the year, with the new framework now in place and an ISI Inspection expected in Michaelmas Term 2024. This has involved extensive training an preparation, including updating of ISI SharePoint and my school portal. We have also refined our mechanisms for ensuring the appropriate evidence is in place, as well as being rigorous in reviews around compliance. This has involved dedicated SMT and staff training sessions being scheduled regularly in the calendar. The summer term 2024, we engaged the services of two current ISI inspectors to review our inspection preparations and plans. Their assessment was was very positive and we have acted upon their helpful and constructive feedback. A member of SMT has now also completed their training as an ISI Team inspector which has also afforded valuable insights in our preparations.

7. To encourage children in their behaviour, manners, presentation

A clear focus on "being our best selves" continues throughout the school. Specifically this year, it has involved

- Continued focus on manners and behaviour through assemblies, tutor time and PSHCE
- Ongoing use of kindness certificates (and kindness stickers in the Pre Prep)
- Use of behaviour 'Merit' certificates linked to a new pastoral care monitoring system called Trackit Lights
- Continued focus on manners at lunch times and in the dining room, with positive reinforcement

Assemblies have also been used to communicate expectations to pupils, and our Uniform Policy has been updated and shared with pupils and parents.

8. Financial and operating efficiency

With challenges around the cost of living and VAT, the focus has been on financial and operational efficiency, as well as pupil recruitment and retention. Work is ongoing to review all budget areas to maximise efficiency and ensure alignment of both schools in the Foundation, as well as sustainability initiatives. St Faith's pupil retention at 11+ is increasingly challenging when local senior schools are now preferring to offer more places at 11+ rather than 13+. It is also increasingly important for St Faith's parents that the Senior School offering at The Leys has equal or more appeal than other local (day) schools, with many reporting that the long days and Saturday school make them consider alternative senior schools. Marketing and Recruitment strategies are ongoing and a new school website has been prepared for launch early in the Michaelmas Term 2024. It was agreed that the Foundation would remain in the Teacher Pension Scheme. This will be re-considered at the next re-evaluation (2027). This has involved revised salary arrangements to offset increases in employer contributions. This opportunity is appreciated by staff and is a very attractive feature for staff recruitment and retention.

FUND RAISING PERFORMANCE AT THE LEYS 2023/24

The Leys' Development team work closely with people across the wider Leysian community, from Old Leysians and Common Room past and present to parents, Governors and more. The Office is staffed by professionals who undergo continuous peer review and industry standard training. The School is registered with the Fundraising Regulator and staff are members of IDPE, which though not a regulated body does provide best practice for the industry and adhere to all ICO regulations. The activities and performance of the Office is monitored by the Headmaster and Governors. The school has not used any 3rd party fundraising organisations and there have been no complaints received about any fundraising activities.

The team has undergone changes in this year with the previous Director of Development finishing in June 2023 and their replacement starting in November 2023. The team currently consists of four core members, equivalent to three full time members of staff, and works closely with the OL Society Vice-President and the Archivist.

Responsibilities of the team broadly include alumni relations, managing The Community Fund and of course fundraising. The fundraising element includes a wide array of responsibilities from building and maintaining relationships, negotiating gifts, reporting on impact and more. The School only contacts those with a legitimate interest in the School, with vigorous GDPR processes in place and the option for our friends to opt-out of contact easily.

Below is a summary of fundraising income, to the nearest £10,000. We raise £36,000 per year for bursaries through regular giving:-

School Year	All bursaries (inc. GoE) and Unrestricted £'000s	All exc. legacies £'000s
2023/2024	170	340

135 donors gave during the 23/24 year, down on the previous year due to no Giving Day due to its biennial nature. As is to be expected, the interruption to the momentum of fundraising by the gap in and change of Directors has also had a knock-on effect on income, as has the loss of a major donor and the lack of a Giving Day.

Over this period the fundraising priority remained bursaries, and we are committed to the *Gift of Education* bursaries, still working towards the aspirational goal of funding two 110% bursaries in each year group of the School.

Our methods for cultivating relationships include our impact reporting, publications, increasing touchpoints at events and one-on-one relationship building. We contact prospects by telephone, email, mail and in-person meetings. We continue to be successful at securing permission to contact Leysians as they leave the School, maintaining a 100% opt-in rate for all Upper Sixth leavers in 2024. All data is held securely on our alumni and supporter database which is accessible to limited members of the school staff.

The Foundation has a Fundraising Policy in place which sets out the Foundation's approach to fundraising and to protect vulnerable people and other members of the public from behaviour which:

- is an unreasonable intrusion on a person's privacy
- is unreasonable persistent
- places undue pressure on a person to give money or other property

INVESTMENT PERFORMANCE AGAINST OBJECTIVES

The performance of the portfolio is compared to a bespoke Index, as a market comparator, which contains a 75% global equity weighting through the MSCI All World index, with the balance in cash, corporate and sovereign debt, and the Asset Risk Consultants (ARC) Charity Steady Growth Index, as a peer group measurement. On a rolling 3-year basis to July 2024, the net total rate of return of the fund was 7.7% compared with the bespoke benchmark of 18.3% and ARC Steady Growth Index of 8.0%. On a rolling 5-year basis the net total return of the fund was 33.8% compared to 32.2% for the bespoke benchmark and 22.9% for ARC. The net total rate of return of the fund from August 2023 to July 2024 was 12.6% compared with a movement in the bespoke benchmark of 14.7% and 10.5% for ARC.
In the round, during the year, across the individual asset classes, this proved a respectable period for the portfolio. Following on from the turbulence in FY 22/23, and the impact of the UK mini-budget on alternatives and fixed interest markets and subsequent impact on the rolling 3 year return, during FY 23/24 the Corporate debt and Gilts within the portfolio delivered a combined total return of 7.9%, useful ahead of the 5.7% movement in UK Gilts, and 4.4% in Corporate debt. The alternative investments, which include investments in property, infrastructure, renewables and private equity enjoyed a strong, positive and uncorrelated return of 6.5% - again ahead on the UK Gilt market return. The expectation is that both sections of the portfolio, which represent some 23% of overall investment, will continue to benefit against the backdrop of declining interest rates.

Equities account for 73% of the portfolio's invested assets, with an agreed and significant shift to a more globally reflective mix, predominantly centred on individual names. Domestic equities, at 14%, are still overweight relative to the market and this, despite useful outperformance (17.5% against 14% for the MSCI UK large and medium companies index) combined with a modest equity underweight compared to the market, constrained overall returns. US equities, at 40%, are now the largest single equity exposure as the portfolio continues to adopt an ever-increasing international posture. A return of 21.2% broadly matched the market return, which was a pleasing outcome given the dominance of the 'magnificence seven' throughout the investment period. Overall, the focus amongst the equities is now towards sector, rather than geography with significant returns from industrials (United Rentals, Experian), Financials (JP Morgan, Ares and Intermediate Capital), Information Technology (Dark Trace, Nvidia, Palo Alto and TSMC), and Communication Services (T Mobile, Walt Disney and Alphabet). These more than compensating for weakness from Energy, Materials and some sections of Consumer Discretionary and Staples.

Further afield, fund selection in Emerging Markets and Japan proved a frustration and in the case of Japan led to a reorganisation – this represents 3% of overall investment. Disappointment here was tempered by significant outperformance in Asia (4% of the portfolio) with a return of 21% almost 3 times that of the local market return.

During the year income levels remained broadly unchanged compared to those achieved in the previous period. The Fund delivered income of £395,061 (FY 22/23 £399,635), equivalent to a yield of 2.7%. The managers expect to see income levels at least maintained in the period ahead.

Looking forward the managers believe that the portfolio remains suitability resilient to withstand a reasonable level of capital volatility over the medium to long term but cannot exclude the challenges of maintaining real values in the short term. They remain committed to the long-term investment objective but continue to highlight that to incorporate the impact of elevated inflation in 2022 and 2023, that it be regarded as a 10 year, rather than 5-year, target. Overall, aside from the many macro and climatic challenges, they remain positive for the long-term prospects of the current investment strategy.

The Investment Committee continues to monitor the activities of the portfolio Managers and is satisfied with Quilter Cheviot's medium and longer-term performance.

ENVIRONMENTAL REPORT

The Foundation welcomes the opportunity to report on the work both schools have been involved in to reduce our impact on the environment and educate our pupils on the importance of acting in a sustainable manner. Both schools have committed a great deal of time and resources over recent years. St Faith's were the first Independent school winner of the Ashden Sustainability Award and have worked with a number of schools in the state and independent sectors to assist them with putting together sustainability action plans.

Total energy use and greenhouse emissions.

	Totals 2024	**Greenhouse Emissions (KgCO2) 2024**	*Totals 2023*	*Greenhouse Emissions (KgCO2) 2023*
Gas Usage	4,720,899 KwH	888,038	*4,823,125 KwH*	*886,828*
Electricity Usage	1,610,775 KwH	375,536	*1,678,816 KwH*	*391,399*
Transport	6,508 Litres	16,374	*7,930 Litres*	*19,919*
Total Greenhouse Emissions		1,279,949		*1,298,146*
Intensity ratio emissions per pupil	1,279,949 / 1,147 = 1,116		*1,298,146 / 1,142 = 1,137*	

The data has been derived from the energy monitoring systems at the schools and checked with the invoice information. The fuel consumption has been calculated from invoice data.

The intensity ratio looks at the emissions per pupil as the number of pupils is the main driver of our emissions. The ratio has decreased again this year which is what we were hoping and we are delighted about. Our aim is that by better educating our pupils we can drive the emissions per pupil down further and this could become a key target which would motive the pupils.

Specific actions by the schools

- Both schools are investigating how they should plan to put together net zero action plans for the school sites including considerations for renewable energy and building energy performance.
- Both schools have made significant steps towards reducing food production and plate waste has been seen as best practice within the Chartwells schools.
- St Faith's has been accredited at the highest level of the Eco Schools' Award scheme with an award of the Green Flag for the 8th time and with distinction.
- St Faith's has led with an initiative to collaborate with other schools in Cambridge through the formation of the Independent Schools' Travel Forum. One significant initiative has been the sharing of home to school transport routes between schools.

- Significant investment has been made in LED and lighting controls installations across the school site, and with the installation of solar panels to offset catering energy consumption.

- St Faith's housekeeping is now predominantly chemical free, which is both a cost reduction and a significant sustainability milestone. The Leys is looking to mirror the work at St Faith's.

- The Leys has invested in additional water fountains and water bottles for the pupils to eliminate the use of single use plastic bottles.

- The Leys invested in smart TRV's and software to enable the central control of all radiators throughout the school which will lead to a significant reduction in gas usage.

FINANCIAL REVIEW

Results for the year

The income generated by the Foundation increased by £1.3M from £28.7M to £30M. The most significant factor was an increase in school fee income, which increased by almost £2.7M. Both schools were close to capacity in terms of pupil numbers. Other educational income also rose significantly due to an increase in charges to parents as pupils were able to enjoy a full range of school trips and other activities which had been built up again following the impact of Covid. Lettings income also increase particularly from the Bell International School.

Reserves level, policy and financial viability

At the Balance Sheet date, the Foundation's total reserves were £49.1M (2023 £46M) including £4.5M (2023 £4.1M) of endowed funds, £4.3M (2023 £3.9M) of expendable endowed funds, £3.3M (2023 £2.9M) of restricted funds and £37M (2023 £35.1M) of unrestricted funds.

Within the unrestricted funds, £543k (2023 £428k) was designated to provide financial support for parents impacted by hardship and £1.1M (2023 £1.1M) was designated for the Gift of Education.

Ideally, the Governors would like free reserves equivalent to between 6 weeks (£3m) and 12 (£6m) weeks unrestricted expenditure to meet its immediate objectives and protect its current activities, including the provision of adequate working capital. For 2023/24 there were free reserves of £4.9m (2022/23 £2.9m) The significant increase is predominately due to the increase in advanced fee payments.

The Foundation monitors its cash flow carefully. There is a bank overdraft facility of £500K and an understanding with the bank that the facility can be increased to £1M if needed. A variety of scenarios have been modelled for 2024/25 and the Foundation has a number of mitigating actions that could be taken if required. The Governors feel confident that the Foundation will not have any cash flow challenges.

Going concern

At the time of approval of the Annual Report and Accounts, the current economic and political situation continues to evolve and the long-term impact on the Foundation, in common with other businesses, is unknown. The Governors have reviewed the position carefully taking into account the latest economic data, anticipated political decisions and have undertaken various scenario exercises, particularly in terms of the impact of VAT on school fees. The financial analysis demonstrates that even under the most pessimistic scenario the Foundation would not experience any significant financial problems and

would be able to manage the cash flow implications without having to take any further mitigating actions for the year. In looking ahead to July 2026, the most significant threat comes from the potential impact on pupil numbers due to the imposition of VAT on school fees. The Governors have carefully considered this threat and potential mitigating actions which The Foundation could take to improve the financial situation if required. There are currently significant cash balances and an investment portfolio should additional liquidity be required through this period of uncertainty to meet the liabilities as they fall due for the Foundation as a whole.

The Foundation has considered potential reductions in current and prospective pupil numbers in the financial modelling and forecasting. Accordingly, the Governors believe the Foundation's financial resources are sufficient to ensure the Foundation will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

PRINCIPAL RISKS AND UNCERTAINTIES

The Foundation's Governors are responsible for the management of the risks faced by the Foundation. Detailed considerations of risk are delegated to the individual school committees who are assisted by the senior management teams. Risks are identified, assessed and controls established throughout the year. The top ten risks facing the school is a standing item at all committee meetings. A full review of the charity's risk management process is undertaken on an annual basis at a full Governors' meeting.

The key controls used by the Foundation include formal agendas for all committee and board activity, comprehensive strategic planning, budgeting and management accounting, an established organisational structure and lines of reporting, formal written policies, clear authorisation and approval levels and vetting procedures as required by law for the protection of the vulnerable. Through the risk management process established by the Foundation, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The most significant risk facing the Foundation is the potential impact of VAT on school fees resulting in a fall in demand for places at the two schools. The schools do not anticipate a challenge coping with 2024/25 as they have planned for VAT being imposed during the academic year and are confident of the mitigations they have in place to support current parents. The real challenge will be from 2025/26. St Faith's has already seen a reduction in their expected numbers for 2024/25. Both schools are working hard to reduce their operating costs for 2025/26 to ensure the cost rise to parents (including VAT) is as low as it can be whilst still providing an outstanding service to parents. Both schools are also investing in their marketing and recruitment activities.

Another high-level risk is a security compromised by malware, a cyber-attack or social engineering exploit. The schools have a range of mitigations in place including workstation security policy, Microsoft and Sophos malware and email protection, firewall and NAC, MFA for conditional access, CE+/ISAME annual audits, cyber security training for staff, penetration testing, and phishing training for staff.

An increasing risk in recent years has been the challenge in recruiting high quality staff in both teaching and support roles. The schools have introduced a whole range of measure including a greater variety of

recruitment channels, the increasing use of social media platforms, the investment in an applicant tracking system, and a review of the remuneration packages for staff.

FUTURE PLANS

The Leys School priorities for 2024-25

Pastoral

- Increasing understanding of how being an international pupil can impact on a pupil's learning experience
- A focus on supporting pupils with needs related to neuro-diversity
- Helping pupils' understanding of how to look after their own wellbeing

Academic

- Show excellent value-added in public examinations.
- Develop individualised support for Academic Scholars, through the work of the Head of Academic Scholarship.
- Develop, implement and review and refine *Leys Learning* in Year 9.
- Increase the variety in, demand for, and uptake of, academic societies.

Wider Curricular

- Offer a wide **range of activities**, over a range of levels, which maintains inclusivity and encourages individuals to feel that there is something within the Wider Curriculum at The Leys at which they can shine.
- Develop our culture of **participation**
- Ensure sustainable staffing of the wider curriculum by colleagues who are skilful practitioners, who understand the value of their and pupils' participation by pupils in the Wider Curriculum.

Financial

- Continuing to plan for and communicate effectively about the imposition of VAT on school fees from January 2025.

St Faith's School Priorities for 2024-25

1. Implementation of the wellbeing strategy and continue to embed EDI
2. Effective assessment and feedback
3. Expectations of high standards of behaviour and conduct inside and outside the classroom
4. Review the rewards systems.
5. The improved the use of data for decision making.
6. Refinement of the School communications.
7. Financial and operational efficiency – VAT mitigation: recruitment and retention.
8. Compliance including: the new ISI framework and EDI

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Leys and St Faith's Schools Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees, the strategic report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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, 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 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

In so far as each of the Trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of The Leys and St Faith's Schools Foundation on 7th December 2024, including in their capacity as company directors approving the Strategic report contained therein, and is signed as authorised on its behalf by:

Sir Matthew Rycroft
Chair of the Governing Body

Dated 7th December 2024

Independent Auditor's Report to the Members of The Leys and St Faith's Schools Foundation

Opinion

We have audited the financial statements of The Leys and St Faith's Schools Foundation ('the charitable company') and its subsidiaries ('the group') for the year ended 31 July 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Foundation Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including 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 group's and the charitable company's affairs as at 31 July 2024 and of the group's 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 group 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 trustee's 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 or the group'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit

- the information given in the trustees' report, which includes the directors' report and the strategic 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 and proper accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees (who 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 trustees 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 trustees 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School

Standards) Regulations 2014, General Data Protection Regulation (GDPR), health and safety legislation, taxation legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

Nicola May
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

Date: 11 December 2024

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2024

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	Total Funds 2024 £'000	*Total Funds 2023 £'000*
Income and endowments from:						
Charitable Activities						
School fees (net)	2	28,111	-	-	**28,111**	*25,370*
Other educational income	3	2,568	-	-	**2,568**	*2,100*
Other activities	3	19	-	-	**19**	*29*
Voluntary income						
Grants and Donations	4	83	335	-	**418**	*449*
Investments						
Investment income		200	168	-	**368**	*405*
Bank and other interest		173	1	-	**174**	*57*
Other trading activities						
Non-ancillary trading income	5	375	-	-	**375**	*324*
Total income		**31,529**	**504**	**-**	**32,033**	*28,734*
Expenditure on:						
Raising funds						
Non-ancillary trading		309	-	-	**309**	*273*
Fundraising and Development		174	76	-	**250**	*254*
Financing costs under Advance Fee Contracts		272	-	-	**272**	*197*
Finance costs		69	-	-	**69**	*17*
Bank and Mortgage interest		132	-	-	**132**	*131*
Investment Management Fees		64	-	-	**64**	*61*
Total expenditure on raising funds	6	1,020	76	-	**1,096**	*933*
Charitable activities						
Education and grant making	6	28,995	255	-	**29,250**	*26,157*
Total expenditure		**30,015**	**331**	**-**	**30,346**	*27,090*
Net incoming funds from operations before transfers and investment gains		**1,514**	**173**	**-**	**1,687**	*1,644*
Investment Gains/(losses)	8	346	240	805	**1,391**	*(451)*
Transfer between funds	17			-	-	-
Net income		**1,860**	**413**	**805**	**3,078**	*1,193*
Fund balances at 1 August 2023		35,176	2,897	7,966	**46,039**	*44,846*
FUND BALANCES at 31 July 2024	14	**37,036**	**3,310**	**8,771**	**49,117**	*46,039*

The notes on pages 28 to 46 form part of these accounts.

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED AND FOUNDATION BALANCE SHEETS
AT 31 JULY 2024

	Notes	Group 2024 £'000	*Group 2023 £'000*	Foundation 2024 £'000	*Foundation 2023 £'000*
FIXED ASSETS					
Tangible fixed assets	7	**31,609**	*32,096*	**31,601**	*32,089*
Investments	8	**14,747**	*13,343*	**14,747**	*13,343*
		46,356	*45,439*	**46,348**	*45,432*
CURRENT ASSETS					
Stocks		**172**	*164*	**44**	*25*
Debtors payable within one year	9	**1,611**	*1,137*	**1,719**	*1,218*
Cash		**24,277**	*12,654*	**24,248**	*12,639*
		26,060	*13,955*	**26,011**	*13,882*
CREDITORS: payable within one year	10	**(16,009)**	*(11,448)*	**(15,962)**	*(11,378)*
NET CURRENT ASSETS		**10,051**	*2,507*	**10,049**	*2,504*
TOTAL ASSETS LESS CURRENT LIABILITIES		**56,407**	*47,946*	**56,397**	*47,936*
CREDITORS: due after more than one year					
Advance fees	12	**(6,090)**	*(607)*	**(6,090)**	*(607)*
Loans	11	**(1,200)**	*(1,300)*	**(1,200)**	*(1,300)*
TOTAL NET ASSETS	14	**49,117**	*46,039*	**49,107**	*46,029*
FUNDS					
PERMANENT ENDOWED FUNDS	15	**4,470**	*4,059*	**4,470**	*4,059*
EXPENDABLE ENDOWED FUNDS	16	**4,301**	*3,907*	**4,301**	*3,907*
RESTRICTED FUNDS	17	**3,310**	*2,897*	**3,310**	*2,897*
UNRESTRICTED FUNDS	18	**37,036**	*35,176*	**37,026**	*35,166*
		49,117	*46,039*	**49,107**	*46,029*

The net result for the financial year within the financial statements of the parent charity was a surplus of £1,687,000 (2023: £1,644,000).

These financial statements were approved and authorised for issue by the Governing Body on 7th December 2024 and were signed on its behalf by:

Sir Mathew Rycroft
Chair of the Governing Body

Mr S Peak
Hon. Treasurer

Company number 7748737

The notes on pages 28 to 46 form part of these accounts.

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2024

	Notes		2024 £'000	2023 £'000
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net cash provided by operating activities	23		**12,622**	*2,571*
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income receipts		**368**		*433*
Bank interest received		**174**		*57*
Purchase of tangible fixed assets		**(1,027)**		*(820)*
Purchase of investments		**(76)**		*-*
Net cash (used)/provided by investing activities			**(561)**	*(330)*
CASH FLOWS FROM FINANCING ACTIVITIES:				
Repayments of loans and mortgage borrowings		**(438)**		*(550)*
Net cash (used) financing activities			**(438)**	*(550)*
Change in cash and cash equivalents in the reporting period			**11,623**	*1,691*
Cash and cash equivalents at the beginning of the period			**12,654**	*10,963*
Cash and cash equivalents at the end of the reporting period			**24,277**	*12,654*

The notes on pages 28 to 46 form part of these accounts

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2024

1. Accounting Policies

The Foundation is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 22 August 2011 (company number: 7748737) and registered as a charity on 22 August 2011 (charity number: 1144035). The registered office of the Foundation is The Leys School, Trumpington Road, Cambridge, Cambridgeshire CB2 7AD.

The financial statements have been prepared on the historical cost basis of accounting, as modified by the revaluation of other investments, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006, the Charities SORP (FRS 102) and the accounting policies set out below.

Going concern

At the time of approval of the Annual Report and Accounts, the current economic situation continues to evolve and the long-term impact on the Foundation, in common with other businesses, is unknown. The Governors have reviewed the position carefully taking into account the latest economic data and have undertaken various scenario exercises, particularly in terms of the impact of rising costs and possible other factors that could impact charities. The financial analysis demonstrates that even under the most pessimistic scenario the Foundation would not experience any significant financial problems and would be able to manage the cash flow implications without having to take any further mitigating actions for the year. In looking ahead to July 2025 there are additional cost pressures which could impact the Foundation. The Governors have carefully considered these and potential mitigating actions which The Foundation could take to improve the financial situation if required. There are currently significant cash balances, and an investment portfolio should additional liquidity be required through this period of uncertainty to meet the liabilities as they fall due for the Foundation as a whole.

The Foundation does not anticipate any material reduction in prospective pupil numbers above that which the Foundation has used for the purposes of financial modelling and forecasting. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

The financial statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets comprising the consolidation of the School with its wholly owned subsidiary Leys Enterprises (Cambridge) Limited. No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006.

The Foundation has taken advantage of the exemption available to a qualifying entity in FRS102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.
The Foundation meets the definition of a public benefit entity under the guidance issued by the Charity Commission.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, 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 affected current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimated 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.

1.1 School fees

Fees receivables are stated after deducting allowances, scholarships and other remissions granted by the Schools, but include contributions received from Trust Funds.

1.2 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 Schools is considered probable. Donations received for the general purposes of the Schools are credited to unrestricted funds, to distinguish them from direct school income. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on The Foundation Trustees, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments, permanent or expendable according to the nature of the restriction. Grant income is recognised when there is evidence of entitlement, the receipt is probable, and the amount can be reliably measured. There were no performance related conditions attached to grant income received.

1.3 Investment Income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accrual's basis.

1.4 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

1.5 Intra-group

Intra-group sales and charges between the Foundation and its subsidiary are excluded from trading income and expenditure.

1.6 Pension costs

The School contributes to two pension schemes as follows:

(a) The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the Foundation's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

(b) Aviva Master Trust Scheme -This scheme is a multi-employer pension scheme which has been set up to give teachers an alternative to The Teachers Pension scheme. This scheme is currently active with no participants.

(c) The Foundation Group Personal Pension Plan – This is a defined contribution group personal pension plan for both The Leys and St Faith's schools non-teaching staff with Standard Life Assurance Company Limited. Employers' pensions costs are charged in the period in which the salaries to which they relate are payable.

1.7 Tangible fixed assets

All expenditure on individual tangible fixed assets over £2,000 is capitalised in the balance sheet at cost.

Other expenditure on equipment incurred in the normal day-to-day running of the two schools is charged to the Statement of Financial Activities as incurred.

1.8 Depreciation

Depreciation is provided on a straight-line basis at rates which are sufficient to write the tangible fixed assets down to their estimated residual value over their estimated useful lives. The depreciation rates are:

	Per Annum
Freehold land	Nil
Freehold buildings off site rebuild cost used for depreciation	2%
Freehold buildings on site new build cost used	2%
Freehold buildings on site total refurbishment	7 – 20 years
Buildings on leasehold land	Length of lease
Plant and machinery	10 - 20%
Fixtures, fittings and equipment	7 – 34%

1.9 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. Investment in the subsidiary is valued at cost less provision for impairment.

1.10 Stocks

Stocks have been valued at the lower of cost and estimated selling price less costs to sell/ estimated profit margin.

1.11 Advanced fee scheme

Amounts received under the school's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

1.12 Financial instruments

The Foundation has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows. Financial assets held at amortised cost comprise bank and cash in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans, trade and other creditors. Investments including cash held as part of the investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

1.13 Fund accounting

The charitable trust funds of the Foundation are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable.

Unrestricted income belongs to the Foundation's corporate reserves: spendable at the discretion of the Governors either to further the Foundation's Objects or to benefit the Schools' themselves 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.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the Foundation for its financial benefit (i.e., by investment). If the donor or the terms of an appeal has restricted the purpose for which the gift or any income from it is to be used, any part converted into income for spending will accrue to the appropriate restricted fund. The income

on the permanent endowed funds held is used to pay for scholarships and bursaries as per the wishes of the donors.

Expendable endowment funds are accounted for similarly, except that all capital can be converted into income for spending either at the Governors' own discretion or else upon the happening of some event contemplated by the donor.

1.14 Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term, even if the payments are not made on such a basis unless the rental payments are structured to increase in line with expected general inflation, in which case the Foundation/group recognises annual rent expense equal to amounts owed to the lessor. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

2. SCHOOL FEES

	2024 £'000	*2023 £'000*
Fees receivable consist of:		
School fees	**30,127**	*27,346*
Less: scholarships, bursaries and allowances	**(2,264)**	*(2,130)*
	27,863	*25,216*
Add back: Bursaries and other awards paid by restricted funds	**248**	*154*
	28,111	*25,370*

3. CHARITABLE ACTIVITIES - OTHER INCOME

	2024 £'000	*2023 £'000*
Other educational charitable activities		
Entrance and registration fees	**74**	*102*
Recharge extra-curricular activities	**1,197**	*844*
Pupil welfare	**52**	*44*
Courses and sub-lettings	**833**	*744*
Summer School	**412**	*366*
	2,568	*2,100*
Other activities		
School fees refund scheme commissions	**1**	*1*
Other	**18**	*28*
	19	*29*

4. GRANTS AND DONATIONS RECEIVABLE

2024	UNRESTRICTED £'000	RESTRICTED £'000	TOTAL £'000
Donations	**-**	**335**	**335**
Legacies	**83**	**-**	**83**
	83	**335**	**418**

2023	*UNRESTRICTED £'000*	*RESTRICTED £'000*	*TOTAL £'000*
Donations	*3*	*444*	*447*
Legacies	*2*	*-*	*2*
	5	*444*	*449*

5. OTHER TRADING ACTIVITIES

Trading income	2024 £'000	*2023 £'000*
Leys Enterprises (Cambridge) Ltd	**375**	*324*

6. ANALYSIS OF EXPENDITURE

2024	Staff Costs £'000	Other costs £'000	Depreciation £'000	Total £'000
Costs of raising funds:				
Non-ancillary trading	78	228	3	**309**
Fundraising and Development	130	120	-	**250**
Financing costs under advance fee contracts	-	272	-	**272**
Financing costs	-	69	-	**69**
Bank and mortgage interest	-	132	-	**132**
Investment managers charge		64	-	**64**
Total costs of raising funds	208	885	3	**1,096**
Charitable activities:				
Education and grant making				
Teaching	12,841	2,605	285	**15,731**
Welfare	1,300	2,529	72	**3,901**
Premises	1,056	3,192	1,154	**5,402**
Support costs and governance	2,415	1,444	-	**3,859**
Schools' operating costs	17,612	9,770	1,511	**28,893**
Grants, awards and prizes	-	357	-	**357**
Cost of charitable activities	17,612	10,127	1,511	**29,250**
Total expenditure	**17,820**	**11,012**	**1,514**	**30,346**

2023	*Staff Costs £'000*	*Other costs £'000*	*Depreciation £'000*	*Total £'000*
Costs of raising funds:				
Trading costs	*73*	*195*	*5*	*273*
Fundraising for voluntary resources	*134*	*120*	*-*	*254*
Financing costs under advance fee contracts	*-*	*197*	*-*	*197*
Financing costs	*-*	*17*	*-*	*17*
Bank and mortgage interest	*-*	*131*	*-*	*131*
Investment managers charge	*-*	*61*	*-*	*61*
Total costs of raising funds	*207*	*721*	*5*	*933*
Charitable activities				
Education and grant making				
Teaching	*11,817*	*2,102*	*230*	*14,149*
Welfare	*1,264*	*2,316*	*70*	*3,650*
Premises	*1,014*	*2,527*	*1,142*	*4,683*
Support costs and governance	*2,172*	*1,229*	*-*	*3,401*
Schools' operating costs	*16,267*	*8,174*	*1,442*	*25,883*
Grants, awards and prizes	*-*	*274*	*-*	*274*
Cost of charitable activities	*16,267*	*8,448*	*1,442*	*26,157*
Total expenditure	*16,474*	*9,169*	*1,447*	*27,090*

6. ANALYSIS OF EXPENDITURE (CONTINUED)

	2024	2023
Governance expenditure includes:	**£'000**	*£'000*
Auditors' remuneration for audit services	**35**	*30*
Reimbursement of personal expenses to Governors – travel costs	**1**	*-*
	36	*30*
Total staff costs comprised:		
The aggregated payroll costs for the year were as follows:		
Wages and salaries	**13,950**	*13,002*
Social security costs	**1,415**	*1,318*
Pension contributions	**2,455**	*2,154*
	17,820	*16,474*
Aggregate employee-benefits of key management personnel	**1,820**	*1,818*

The average number of the Foundation's employees during the year was 420 (2023 - 416) of whom 168 (2023 - 166) were teaching staff and the rest were support staff.

Five key management personnel have spouses or other relations who are employed at the school as teachers and as such receive salaries in accordance with the pay scale for all of the Foundation teachers the aggregate gross salary for the year ending on 31 July 2024 was £201,946 (2023: 188,803) they may also have children who are pupils at the school and pay fees in accordance with the normal fee rates for all pupils less any contractual discounts to which they are entitled.

Certain Trustees have children who are pupils at the school and pay fees in accordance with the normal fee rates for all pupils less any contractual discounts to which they are entitled.
The wife of Reverand Glass, Governor provided timetable consultancy services via their company J Glass for the Foundation in the year and invoiced accordingly totaling £6,450 (2023: £0), There were no amounts outstanding at the year end.

None of The Foundation Trustees received any remuneration, or other benefits from the schools or any connected organisation. During the year a total of £772.39 (2023 - £558.63) was reimbursed to 4 (2023 - 3) Foundation Trustees for travel expenses. The Foundation received £1,756 (2023 £2,232) in donations from its Trustees during the year which were for the specific purpose of the gift of education bursary.

The number of higher paid employees was:	2024	2023
Taxable emoluments bands:	**No.**	*No.*
£ 60,001 - £ 70,000	**28**	*18*
£ 70,001 - £ 80,000	**16**	*4*
£ 80,001 - £ 90,000	**-**	*1*
£ 90,001 - £100,000	**1**	*1*
£100,001 - £110,000	**1**	*-*
£130,001 - £140,000	**-**	*1*
£140,001 - £150,000	**-**	*1*
£150,001 - £160,000	**1**	*-*
£160,001 - £170,000	**1**	*-*
£180,001 - £190,000	**-**	*1*
£210,001 - £230,000	**1**	*-*
	49	*27*

The total employer pension contributions for higher paid staff were £584,486 (2023 £407,534). During the year there were no termination payments made of £Nil (2023 £48,939). There was nil outstanding at the year end.

7. TANGIBLE FIXED ASSETS

FOUNDATION AND GROUP

	Foundation				Subsidiary	
	Land and Buildings £'000	Plant and Machinery £'000	Fixtures, Fittings and Equipment £'000	**Foundation Total £'000**	Fixtures and Equipment £'000	**Group Total £'000**
Cost (or frozen valuation)						
1 August 2023	57,915	1,191	2,870	**61,976**	63	**62,039**
Additions	342	252	429	**1,023**	4	**1,027**
Assets no longer in use	-	(66)	(13)	**(79)**	(11)	**(90)**
As at 31 July 2024	**58,257**	**1,377**	**3,286**	**62,850**	**56**	**62,976**
Depreciation						
As at 1 August 2023	27,203	777	1,907	**29,887**	56	**29,943**
Charge for year	1,068	69	374	**1,511**	3	**1,514**
Assets no longer in use	-	(66)	(13)	**(79)**	(11)	**(90)**
As at 31 July 2024	**28,271**	**780**	**2,268**	**31,312**	**48**	**31,367**
Net book value						
31 July 2024	**29,986**	**597**	**1,018**	**31,601**	**8**	**31,609**
31 July 2023	*30,712*	*414*	*963*	*32,089*	*7*	***32,096***

Land and buildings at cost comprises the following at 31 July 2024.

	2024 £'000	*2023 £'000*
Freehold	**45,087**	*44,721*
Long lease (to 2119)	**13,100**	*13,100*
	58,187	*57,821*

The freehold and leasehold properties are insured for £152,984,066 (2023: £149,252,751).

Heritage Assets (The Foundation and its treasures)

The Foundation has a substantial endowment of assets gifted or bequeathed on trust for retention in perpetuity to form a permanent record of the Schools' history and which are required to be preserved for their educational value to the Schools and, through reasonable public access to them, as a contribution to the nation's culture and education both nationally and locally. These comprise a unique collection of paintings depicting The Leys School's previous eight heads since its founding in 1875, together with many other artefacts whose intrinsic value is also bound up with The Leys School's history. Most of these are irreplaceable originals to which no reliable value can be attributed. Accordingly, these assets are not capitalised in the financial statements.

8. INVESTMENTS
GROUP AND FOUNDATION

	Unrestricted	Restricted	Permanent Endowment/ Expendable Endowed	Total
	£'000	£'000	£'000	£'000
Balance 1 August 2023	3,171	2,465	7,707	13,343
Additions at cost	655	510	1,502	2,667
Disposal proceeds	(604)	(431)	(1,410)	(2,445)
Investment losses	346	240	805	1,391
Changes in cash awaiting investment	(52)	(37)	(120)	(209)
Closing market value 31 July 2024	**3,516**	**2,747**	**8,484**	**14,747**

	2024	*2023*
Investments comprise:	**£'000**	*£'000*
Investments in listed stocks	**14,396**	*12,774*
Cash	**168**	*377*
Other	**183**	*192*
	14,747	*13,343*

The investment holdings at the year-end were UK £5.7m and overseas £8.9m.

9. DEBTORS

	Group		**Foundation**	
	2024	*2023*	**2024**	*2023*
	£'000	*£'000*	**£'000**	*£'000*
Amounts falling due in less than one year:				
Fees	**529**	*365*	**529**	*365*
Sundry debtors	**527**	*424*	**446**	*363*
Prepayments	**555**	*348*	**553**	*346*
Due from subsidiary undertaking	**-**	*-*	**191**	*144*
	1,611	*1,137*	**1,719**	*1,218*

10. CREDITORS

	2024	*2023*	**2024**	*2023*
	£'000	*£'000*	**£'000**	*£'000*
Amounts falling due within one year				
Trade creditors	**331**	*374*	**313**	*323*
Taxation and social security	**369**	*349*	**351**	*339*
Loans and mortgages	**100**	*437*	**100**	*437*
Other creditors	**375**	*487*	**375**	*487*
Accruals	**486**	*245*	**475**	*236*
Deposits from parents	**1,944**	*1,741*	**1,944**	*1,741*
Deferred income - fees in advance of term	**451**	*425*	**451**	*425*
Deferred Income advance fees (see note 12)	**11,953**	*7,390*	**11,953**	*7,390*
	16,009	*11,448*	**15,962**	*11,378*

Pupil fees deposits – the total held in relation to fee deposits of £1,943,920 is included above. In the normal course of business, the expected repayment of these amounts will be £437,560 within one year and £1,506,360 after more than one year.

11. CREDITORS AMOUNTS FALL DUE AFTER MORE THAN ONE YEAR

	2024 £'000	2023 £'000
Amounts falling due after more than one year		
Deferred income – fees in advance scheme (see note 12)	**6,090**	*607*
Bank loan	**1,200**	*1,300*
	7,290	1,907

A mortgage was taken out in July 2017 over a period of 20 years secured on the Leys site to purchase a property to be used for staff accommodation.

12. ADVANCE FEE PAYMENTS

Parents may pay to The Foundation several years of tuition fees in advance. The money may be returned, subject to specific conditions on receipt of one term's notice. Advance fees are due to be applied as follows:

	2024 £'000	2023 £'000
After 5 years	**216**	-
Within 2 to 5 years	**3,081**	*193*
Within 1 to 2 years	**2,793**	*414*
	6,090	*607*
Within 1 year	**11,953**	*7,390*
	18,043	*7,997*
The movements during the year were as follows:		
At 1 August 2023	**7,997**	*8,318*
New contracts during the year	**17,797**	*7,397*
Amounts accrued to contracts	**272**	*198*
Amounts utilised in payment of fees to the school	**(8,023)**	*(7,916)*
Balance at 31 July 2024	**18,043**	*7,997*

13. OPERATING LEASES

The future minimum lease payments under non-cancellable operating leases are as follows:

Group and Foundation	**2024**	*2023*
	£'000	*£'000*
Within one year	**31**	*104*
Between one and five years	**95**	*143*
Over five years	**25**	*27*

The total lease payments recognised in the Statement of Financial Activities amounted to £72,531 (2023: £104,120).

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

The net assets are held for the various funds and advance fees as follows:

2024

	Fixed Assets £'000	Investments £'000	Net Current Assets/(liabilities) £'000	Long Term Liabilities £'000	**Total £'000**
Permanent endowment funds		4,331	139	-	**4,470**
Expendable endowed funds	-	4,153	148	-	**4,301**
Restricted funds		2,747	563	-	**3,310**
Unrestricted funds	31,609	600	6,027	(1,200)	**37,036**
	31,609	11,831	6,877	(1,200)	**49,117**
Advance fees	-	2,916	3,174	(6,090)	-
	31,609	14,747	10,051	(7,290)	**49,117**

2023

	Fixed Assets £'000	Investments £'000	Net Current Assets/(liabilities) £'000	Long Term Liabilities £'000	Total £'000
Permanent endowment funds	-	3,934	125	-	4,059
Expendable endowed funds	-	3,772	135	-	3,907
Restricted funds	-	2,466	431	-	2,897
Unrestricted funds	32,096	2,571	1,809	(1,300)	35,176
	32,096	12,743	2,500	(1,300)	46,039
Advance fees	-	600	7	(607)	-
	32,096	13,343	2,507	(1,907)	46,039

15. PERMANENT ENDOWED FUNDS

2024	*1 August 2023* £'000	Income £'000	Expenditure £'000	Investment Gains £'000	**31 July 2024 £'000**
Endowment	*4,059*	-	-	411	**4,470**

The Permanent Endowed funds were set up with shares donated by Thomas R Fern and monies from school fundraising. The endowments were further increased with a legacy from the late Gerald A France. The funds were set up to provide funding for scholarships. In 2007 a gift of £50,000 was received to establish an endowed fund 'The Suresh Karthingesu Fund' to provide annual bursary support. Only the income is drawn down which helps fund Bursaries.

2023	*1 August 2022* £'000	Income £'000	Expenditure £'000	Investment Loss £'000	31 July 2023 £'000
Endowment	*4,187*	-	-	(128)	4,059

16. EXPENDABLE ENDOWED FUNDS

2024	*1 August 2023* £'000	Income £'000	Expenditure £'000	Transfers and Investment Gains £'000	**31 July 2024 £'000**
Scholarships	*3,907*	-	-	394	**4,301**

The expendable endowed funds are made up of numerous donations the income from which is used to provide scholarships and bursaries. The bursary fund is to provide funds for the gift of education initiative.

2023	*1 August 2022* £'000	Income £'000	Expenditure £'000	Investment Loses £'000	31 July 2023 £'000
Scholarship	*4,029*	-	-	(122)	3,907

17. RESTRICTED FUNDS

2024	*1 August 2023* £'000	Income £'000	Expenditure £'000	Investment Gains/ Transfers £'000	**31 July 2024 £'000**
Wesley scholars fund	*12*	-	-	-	**12**
Scholarship	*38*	105	(105)	-	**38**
Ollie Feast	*50*	-	(7)	-	**43**
Development funds					
Great Hall	*8*	-	-	-	**8**
Chapel Centenary fund	*21*	-	-	-	**21**
The gift of education (bursary)	*2,052*	231	(143)	240	**2,380**
Bursaries (various)	*144*	-	-	-	**144**
Prize funds	*63*	-	-	-	**63**
Boat house redevelopment	*17*	-	-	-	**17**
Vision studio	*74*	-	-	-	**74**
Organ Scholarship fund	-	60			**60**
Other	*157*	3	-		**160**
Community fund	*261*	105	(76)		**290**
	2,897	504	(331)	240	**3,310**

All funds represent monies given for the specific purposes, but not yet expended. The Gift of education bursaries is an initiative with the Royal National Children's SpringBoard Foundation to provide transformative bursaries for disadvantaged and vulnerable children. All balances I the gains/transfer relate to gains.
The Community Fund is a new initiative linked to the Old Leysian Mission. The funds are to be used for charitable causes in the community. Charities apply for funds from the community fund

2023	*1 August 2022* £'000	Income £'000	Expenditure £'000	Transfers £'000	31 July 2023 £'000
Wesley scholars fund	*45*	-	(33)	-	12
Scholarship	*38*	115	(115)	-	38
Ollie Feast	*50*				50
Development funds					
Great Hall	*8*	-	-	-	8
Chapel Centenary fund	*21*	-	-		21
The gift of education (bursary)	*1,820*	326	-	(94)	2,052
Bursaries (various)	*137*	13	(6)	-	144
Prize funds	*63*	-	-	-	63
Boat house redevelopment	*17*	-	-	-	17
Vision studio	*114*	-	-	(40)	74
Other	*134*	64	-	(41)	157
Community Fund	*224*	111	(74)	-	261
	2,394	629	(228)	(175)	2,897

18. UNRESTRICTED FUNDS

2024	1 August 2023 £'000	Income £'000	Expenditure £'000	Transfers/ Investment Gains £'000	**31 July 2024 £'000**
Designated funds					
Gift of education	1,066	83	-	-	**1,149**
Funds for hardship bursaries	428	115	-	-	**543**
Unrestricted funds	33,682	31,331	(30,015)	346	**35,344**
Total Unrestricted Funds	35,176	31,529	(30,015)	346	**37,036**

The gift of education is expected to be fully utilised within 10 years, and the funds for helping parents impacted by the current economic situation (hardship bursaries) is expected to be fully utilised within 3-5 years.

2023	*1 August 2022 £'000*	*Income £'000*	*Expenditure £'000*	*Transfers/ Investment Gains £'000*	*31 July 2023 £'000*
Designated funds					
Gift of education	*1,064*	*2*	-	-	*1,066*
Funds for hardship bursaries	*313*	*115*	-	-	*428*
Unrestricted funds	*32,582*	*27,988*	*(26,862)*	*(26)*	*33,682*
Total unrestricted funds	*33,959*	*28,105*	*(26,862)*	*(26)*	*35,176*

19. CONTRACTS AND COMMITMENTS

St Faith's has no capital commitments, The Leys has the balance of the sports hall roof £331k as at the 31 July 2024 (2023: £165k).

20. RELATED PARTY TRANSACTIONS

The Foundation's trading subsidiary, Leys Enterprises (Cambridge) Limited makes a donation under gift aid to The Foundation of its taxable profits each year.

Included in Debtors of The Foundation is an amount of £191,142 due from the subsidiary.

The staff working for Leys Enterprises (Cambridge) Limited are employed by both The Leys School and Leys Enterprises (Cambridge) Limited. The salaries are processed through Leys School and transferred to Leys Enterprises (Cambridge) Limited. The transfer value of transaction charges for year ended July 2024 was £15,785 (2023 - £14,100).

21. PENSION SCHEME

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,949,321 (*2023: £1,687,903*) and at the year-end £ Nil (*2023 - £ Nil*) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation has valued the 'greater value' benefits for groups of relevant members.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

The contributions in respect of the support staff defined contribution scheme was £360,317 for The Leys, and £146,599 for St Faith's (2023: £336,524 and £130,244).

22. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2023	**Cash flows**	**31 July 2024**
	£'000	**£'000**	**£'000**
Cash in bank	*12,654*	11,623	**24,277**
Advance fee payments due within one year	*(9,131)*	(4,766)	**(13,897)**
Advance fee payments due after more than one year	*(607)*	(5,483)	**(6,090)**
Bank loans falling due within one year	*(100)*	-	**(100)**
Bank loans falling due after more than one year	*(1,300)*	100	**(1,200)**
Mortgages falling due within one year	*(338)*	338	**-**
Mortgages falling due after more than one year	-	-	**-**
Total borrowings	*(11,476)*	(9,811)	**(21,287)**
Net Debt	***1,178***	**1,812**	**2,990**

23. RECONCILIATION OF NET INCOME TO GROUP CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£'000	£'000
Net income for the reporting period (as per the statement of financial activities)	1,687	1,644
Adjustments for		
Depreciation charge	1,514	1,447
Investment income and interest	(542)	(462)
Investment managers fees	64	61
(Increase) in stocks	(8)	(40)
(Increase) in debtors	(474)	(108)
Increase in creditors (excluding advance fee movement)	132	270
Increase/(decrease) in fees in advance scheme creditors	10,046	(321)
Increase in parent deposits	203	80
Net cash provided by The Group's operating activities	12,622	2,571

24. FINANCIAL INSTRUMENTS

	Group	Group	Foundation	Foundation
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Financial assets measured at amortised cost (a)	25,319	13,443	25,402	13,511
Financial assets measured at fair value (b)	14,747	13,343	14,747	13,343
Financial liabilities measured at amortised cost (c)	(3,158)	(3,202)	(3,129)	(3,143)
Net financial assets measured at amortised cost	36,908	23,584	37,020	23,711

(a) Financial assets include cash, trade and fee debtors, staff loans, other debtors and accrued income.
(b) Financial assets held at fair value include assets held as investments.
(c) Financial liabilities include deposits, trade creditors and other creditors.

25. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITES - COMPARATIVE FIGURES BY FUND TYPE

Year ended 31 July 2023	Unrestricted Funds	Restricted Funds	Endowed Funds	Total Funds 2023
	£'000	£'000	£'000	£'000
Income and endowments from				
Charitable Activities				
School fees (net)	25,370	-	-	**25,370**
Other educational income	2,100	-	-	**2,100**
Other ancillary activities	29	-	-	**29**
Voluntary sources				
Donations	5	444	-	**449**
Investments				
Investment income	221	184	-	**405**
Bank and other interest	56	1	-	**57**
Other trading activities				
Non-ancillary trading income	324	-	-	**324**
Total income	**28,105**	**629**	**-**	**28,734**
Expenditure on				
Raising funds				
Non-ancillary trading	273	-	-	**273**
Fund-raising for voluntary resources	180	74	-	**254**
Financing costs under Advance Fee Contracts	197	-	-	**197**
Finance costs	17	-	-	**17**
Bank and Mortgage interest	131	-	-	**131**
Investment Management Fees	61	-	-	**61**
Total deductible costs	859	74	-	**933**
Charitable Activities				
Schools and grant making	26,003	154	-	**26,157**
Total expenditure	**26,862**	**228**	**-**	**27,090**
NET INCOME	**1,243**	**401**	**-**	**1,644**
Investment gains	(107)	(94)	(250)	(451)
Transfers between funds	81	(81)	-	-
NET MOVEMENT IN FUNDS	**1,217**	**226**	**(250)**	**1,193**
Fund balances at 1 August 2022	33,959	2,671	8,216	**44,846**
FUND BALANCES at 31 July 2023	**35,176**	**2,897**	**7,966**	**46,039**

26. LEYS ENTERPRISES (CAMBRIDGE) LIMITED

The Foundation owns the whole of the share capital of a trading company Leys Enterprises (Cambridge) Limited company number 2016905, with the Foundation receiving taxable surpluses earned by the company as a donation under gift aid.

	2024 £'000	*2023 £'000*
BALANCE SHEET		
Tangible fixed assets	**8**	*7*
CURRENT ASSETS		
Stock	**128**	*139*
Debtors	**80**	*62*
Cash	**29**	*15*
	237	*216*
CREDITORS: amounts falling due within one year	**(238)**	*(214)*
Net current liabilities	**(1)**	*2*
TOTAL NET ASSETS	**7**	*10*
CAPITAL AND RESERVES		
Called up share capital	**-**	*-*
Profit and loss account	**7**	*10*
	7	*10*

(The Company has £2 share capital which after rounding to the nearest £1,000, becomes £nil)

PROFIT AND LOSS ACCOUNT	20224 £'000	*2023 £'000*
Turnover	**324**	*324*
Cost of Sales	**(249)**	*(249)*
Gross profit	**75**	*75*
Administration	**(24)**	*(24)*
Net profit	**51**	*51*
Donation to Parent under gift aid	**(51)**	*(51)*
Retained profit for period	**-**	*-*

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION

England & Wales - Charity number 1144035

Accounts

Company Number: 7748737
Registered in England
Registered Charity Number: 1144035

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT
AND GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS

GOVERNORS AND CHARITY TRUSTEES

The Governors of The Leys and St Faith's Schools Foundation, "The Foundation" are the Foundation's Trustees under Charity Law and the Directors of the Charitable Company. The members of the Governing Body who served office as Governors during the year and subsequently are detailed below:

Elected by the Life Donors

Mr A Barrett	
Mrs A Brunner	Chair of St Faith's Committee
The Rev'd Canon Thomas Buchanan	Chair of Governors – Resigned 03/10/2022
Mrs W Challen	
Mrs J Clarke	
Mr M Elliott	Retired 10/12/22
Mr C Fairey	Hon. Secretary
Ms J Fenn	
Mr J Gladwin	Chair of The Leys Committee 06/09/2022
Mrs E Hooley	
Mr C Kidman	Retired 10/12/22
Mr C Kirker	
Mrs S Loft	
Mr J May	
Mr I McCaig	Retired 31/08/23
Mr T Moore	
Mr S Peak	Hon. Treasurer
Mrs H Renfrew-Knight	Acting Chair of Governors 10/12/22
Miss L Sales	
Mr A Silverton	
Mr R Webster	Retired 10/12/22

Elected by The Leys Common Room

Mr M Brown

Elected by St Faith's Common Room

Mr R Mitchell

Appointed by the Methodist Council

Ms J Fenn	
Rev'd. Dr P Glass	
Mr D Humphreys	Retired 10/12/22
Rev'd J Pursehouse	

Ex Officio Members

Mrs Jo de Grey	
Mr N Lloyd	Retired 10/12/22

Governors elected by Life Donors and the Common Rooms are appointed for a term of five years and can be re-elected for a further term. Governors who are appointed as officers can serve a further term. Governors elected by the Methodist Council serve until they retire. The President of the Old Leysian Society is an ex officio member and serves for the period of their presidency and for a further year.

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS

EXECUTIVE OFFICERS

The Headmaster	- The Leys School	M Priestley MA
	- St Faith's School	C Hyde-Dunn MA
The Bursar of The Leys School and Clerk to the Governors		P McKeown BA
The Bursar of St Faith's School		R Brent MBE MA MSc BEng

ADDRESSES

The Leys School
Trumpington Road
Cambridge
CB2 7AD

St Faith's School
Trumpington Road
Cambridge
CB2 8AG

Registered Office as above

Websites: www.theleys.net
www.stfaiths.co.uk

ADVISERS

Bankers

Svenska Handelsbanken AB (publ)
Byron House
Cambridge Business Park
Milton Road
Cambridge, CB4 0WZ

Solicitors

Birketts LLP
22 Station Road
Cambridge
CB1 2JD

Farrer & Co
66 Lincoln's Inn Fields
London, WC2A 3LH

Auditors

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Investment Advisers

Quilter Cheviot Investment Management
Senator House
85 Queen Victoria Street
London, EC4V 4AB

Insurance Brokers

Assured Partners Hettle Andrews
Eleven Brindley Place
2 Brunswick Square
Birmingham, B1 2LP

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2022

The Governors of The Leys and St Faith's Schools Foundation who are also Directors of the Charitable Company for the purposes of the Companies Act present their annual report for the year ended 31 July 2022 under the Companies Act 2006 ("the Act"), together with the audited Financial Statements for the year, and confirm that the latter comply with the requirements of the Act, the Memorandum and Articles of Association and the Charities SORP (FRS102).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity was founded in 1875 and was registered with the Charity Commission under charity number 311436. In 2011, the Governors reviewed the legal status of the Foundation and decided the charity should become a Company Limited by Guarantee. This process was completed in December 2011. The Charity Number is 1144035 and the Company Number is 7748737. The Governors, Executive Officers and principal addresses of the Charity are listed on pages 1 and 2. Particulars of the Charity's professional advisers are given on page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Foundation is administered under a scheme established in December 2011 when the legal status of the charity changed.

Governing Bodies

The structure of The Foundation consists of a single Governing Body which is responsible for the two schools. The details of the Governing Body are explained on page 1 together with information on how the members are appointed.

Recruitment and Training of Governors

The Foundation's elected Governors are appointed at a meeting of the Life Donors based on nominations received, taking into account eligibility, personal competence, specialist skills and local availability. New Governors are inducted into the workings of the Charity and its schools including Board policy and procedures at an induction day specifically arranged for them by the Clerk to the Governors. Established Governors are then provided with training opportunities including workshops and seminars organised by the Association of Governing Bodies of Independent Schools, the Boarding School Association and other professional organisations. Additional training and information are provided at Governor meetings to ensure Governors are updated on current issues and regulatory requirements.

Organisational Management

The Board of Governors as Trustees of the Charity and Directors of the Charitable Company are legally responsible for the overall management and control of both The Leys and St Faith's Schools and meet as a board at least three times a year. The work of implementing key policies is carried out by the members of the various committees. These are The Leys School Committee, The St Faith's School Committee, The Foundation Executive Committee and The Finance and Audit Committee. These committees meet at least once a term and then report to the Full Board meeting at the end of that term.

The Leys Committee deals with issues that are directly relevant to The Leys School. The St Faith's Committee deals with issues that are directly relevant to St Faith's School. The Foundation Executive Committee oversees the strategic planning for the Foundation and considers major issues which impact on either school. This Committee also has responsibility to oversee the regulatory compliance of the

Foundation. The Finance and Audit Committee is responsible for dealing with financial issues affecting both schools.

In addition to these Committees there is also an Investment Committee which meets once a year to review the activities of the Investment advisers. A Nominations Committee meets at least once a year to assist with succession planning for officers and the recruitment of new Governors. The Governors also meet once a year for an away day to discuss strategic issues. Ad hoc committees are established to look at specific issues.

The day-to-day running of the schools is delegated to the respective school Headmasters and Bursars. They are also supported by their Senior Management Teams and together this group are the key management personnel. The Headmasters and Bursars attend meetings of the above committees.

The remuneration of key management personnel is set by the board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the Foundation's success. The policy is reviewed annually and appropriate benchmarking data is used to ensure the Foundation considers the broader issues of pay and employment conditions.

Delivery of the Foundation's charitable vision and purpose is primarily dependent on the key management personnel and staff under the direction of the Governors.

To ensure that the Foundation is following best practice, Governors benchmarked the work of the charity against the latest Charity Governance Code produced by the Charity Commission. The Governors benchmarked against the seven principles, particularly looking at the key outcomes, and identified a few areas where the Foundation could improve the way it operates. Action has been taken to ensure that these improvements are implemented.

Group structure and relationships

Leys Enterprises (Cambridge) Limited was incorporated in 1986 in England and with its registered office at The Leys School, Trumpington Road Cambridge, Cambridgeshire CB2 7AD. The principal activities of the company are the running of the school shops for both The Leys and St Faith's schools. In addition, the company runs the school's Balgarnie's cafe and the organisation of the summer school staff at The Leys School. All surplus income is donated to the Foundation under the gift aid scheme.

Employment Policy

The Foundation is an equal opportunities employer. We celebrate diversity and do not discriminate based on race, religion, colour, national origin, sex, sexual orientation, age, disability status or any other applicable characteristics protected by law.

The Foundation's employment policy gives full and fair consideration of applications for employment made by disabled persons, having regard to their aptitudes and abilities; The Foundation provides training, career development and promotion of disabled persons and would aim to continue the employment of employees who become disabled.

The Foundation regularly provides relevant information on the progress of the schools to all staff. The Headmasters at both schools communicate with the teaching staff at the end of each term following the Full Board meetings and at the start of each term. Both schools have established Staff Consultative Committees who meet every term and are provided with relevant information about the schools. The two Bursars also make a presentation to all the support staff following the Full Board meetings.

Relationships

The Foundation actively supports the attainment of the highest standards in the independent schools' sector, partly through networking with other major schools and partly through peer group studies for the evaluation of quality and performance improvement methods.
Both schools co-operate with many charities and other local bodies in their endeavours to widen public access to the schools and to optimise the use of their cultural and sporting facilities.

The Foundation also benefits from the generosity of a thriving network of Old Leysians, and Old Fidelians, whose close support the Schools greatly appreciate and gladly acknowledge.

The Foundation works with a whole range of suppliers, many of whom have long standing relationships with the schools. We greatly value those relationships and work hard to foster a genuine sense of partnership.

Statement on compliance with s172(1) Companies Act 2006

The Governors, as Directors, of The Leys and St Faith's Foundation consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Foundation for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1) (a-f) of the Act) in the decisions taken during the year ended 31st July 2022 as set out above.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects of The Foundation

The Foundation has two objects:

a) The provision of high-quality education, in particular by the conduct of the two Schools known as The Leys School and St Faith's School.

b) The use of the facilities of the Schools, when not required for education, for other charitable purposes, for the benefit of the local community and the wider public.

The religious teaching in the Schools shall be in accordance with that of the Methodist Conference.

Mission Statement for The Leys

The purpose of The Leys is to play our part in changing the world for the better. We do this by making a positive difference to the lives, values and prospects of Leysians, by being professional, caring and rewarding in developing and managing our staff, by being a responsive and trusted partner to our parents, and by making a beneficial and sustainable contribution to the wider community.

Aims

By foundation and structure, The Leys is a boarding community. We also place great value on being a "big, small school" embedded in the heart of Cambridge, and on giving Leysians a rich and rewarding academic and wider school experience – one they find valuable both intrinsically and in preparing for their futures. We seek, in the spirit of our Methodist founders and our Christian values, to send Leysians out into the world ready – academically, culturally, morally, physically, spiritually and socially – to live fulfilling lives which will make a positive contribution to society.

In order to achieve our Purpose, we aim to deliver an education which:

1. Is built on three foundation stones: pastoral, academic and wider curricular. Whilst interconnected, 'pastoral' is accepted as pre-eminent, because pupils who feel supported and confident are able to flourish in all areas of the life of the school.
2. Gives Leysians an engaging, rewarding and valuable academic and wider school experience, enriched by our boarding structure and our unique location.
3. Nurtures, within a community which is Christian in its core values, open and liberal in its world view and diverse in its intake, young people who: display kindness to those around them; have sound values on which they can base their lives; can think for themselves; are able to make the most of the many opportunities on offer; express themselves with articulacy; can perform resiliently under pressure; and become responsible and engaged citizens.
4. Builds mutually supportive and trusting partnerships with our stakeholders including Governors, parents and Old Leysians so that they can help us to be the best that we can be.
5. Manages and rewards our staff in a way that builds purposeful, trusting and cohesive teams which are able to work at their best, feeling valued, motivated and able to contribute directly to the success of the School and its pupils.
6. Ensures, through our charitable, bursarial and partnership work, that The Leys is seen as a force for good in the local and wider community.

Vision

The combination of our distinctive ethos and world-class location makes The Leys unique. We seek constantly to improve, learning from best practice in academic, pastoral and wider curricular provision, to be the best that we can be in bringing these enduring aims to life. Thus, by the time of our 150th Anniversary in 2025, our ambition is to be recognised as an outstanding city boarding school which lives by its core values and which succeeds in delivering on its purpose.

Mission for St Faith's

St Faith's seeks to be a happy, inclusive and a supportive community which welcomes families from all religious and cultural backgrounds. Underpinned by Christian values, we nurture every child as an infinitely valuable and uniquely gifted member of the St Faith's family. We aim to cultivate strength of character, distinguished inter-personal qualities, distinctive leadership ability and a keen sense of social responsibility. Our innovative and future-focused education builds on a strong academic heritage and promotes excellence in all areas.

Values

The School was originally founded to educate the children of Fellows of The University of Cambridge Colleges; it subsequently formed a joint foundation with The Leys, an established Methodist school. St Faith's thus enjoys a unique, dual heritage resulting in an education characterised by academic excellence and innovation that is underpinned by a foundation of Christian values and principles.

At St Faith's all members of the School community are:

- **Infinitely Valuable** – we promote respect for each other; encouraging integrity of character
- **Uniquely gifted** - we promote high expectations, encouraging individual excellence
- **Mutually dependent** - we promote an attitude of service, encouraging personal initiative
- **Continually learning** - we promote a spirit of forgiveness, encouraging perseverance

The Foundation's Public Benefit

In meeting the first of its objects the Foundation's Public Benefit aim is to provide an environment where each pupil can develop and fulfil his or her potential, thus, to help build self-confidence and inculcate a desire to contribute to the wider community and the wider public.

The second object provides the opportunity for the Foundation to play an important role within the local community.

In the furtherance of these aims the Foundation Governors, as the Charity Trustees, have complied with the duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the Public Benefit requirement under the Act.

A specified Governor has a responsibility to oversee the public benefit activities of the Schools. An annual report for all Governors is produced to summarise the activities that have been undertaken to benefit the local community and wider public.

The awarding of bursaries for the needy is a measurable means of providing public benefit. The Foundation takes the view that bursaries awarded to those who would not otherwise be able to afford the fees are important, but not to the exclusion of the much wider benefit that the schools provide within the community. This year, the schools awarded £1,316k in Bursary Awards or scholarships. Over 179 pupils received some financial assistance. Within this provision means-tested awards based on a sliding scale according to financial circumstances totalling £1,034k were awarded to 70 pupils.

The Leys has continued to move forward with the 'Gift of Education', a project aimed at transforming young lives through boarding bursaries. The project was launched in May 2021 and the ambition is for the school to support two pupils in each year group on 110% boarding bursaries. The program is provided in partnership with Royal Springboard, the U.K.'s largest boarding school bursary charity. The overall target is to raise £6 million. In 2022-23 we had 4 pupils on the scheme with one leaving having done very well in her A Levels and going on to her first choice university. For 2023-24 we have 4 pupils on the scheme.

The Community Fund at the Leys is an initiative between The Leys and St Faith's Schools Foundation and Wesley's Chapel and Leysian Mission. It has been established through the support of one major donor plus additional donations from across the Leysian community. The Fund supports charity projects in the Cambridge area and in the local community around City Road in East London. For 2022-23 The community fund spent £65,605 on 21 different projects.

In 2022 The Foundation built on a partnership with Abby People Food Hub which supports families in the most deprived ward in Cambridge. They work closely with local schools to identify families who desperately need the support.

Rowan is a Cambridge based charity which improves the lives of people with disabilities through the provision of services and meaningful activities. The Foundation has supported them by hosting an exhibition and by pupils producing paintings which were then sold to raise funds for the charity.

The Foundation provided financial support to Burrell Green Primary School with the refurbishment of the swimming pool. The pool was officially opened on May 6, which enable the children at the school to be able to swim twice a week and the community to use the facilities.

The Leys continued its partnership with Great Abington Primary School with specialist coaching in rugby, hockey, cricket and now netball. Three Shakespeare workshops were held for Year 6 pupils which ended with a wonderful performance for parents and staff. In addition The Leys also provided funding to enable

the construction of an outdoor learning space for pupils at the school which has been a wonderful addition to the facilities at the school.

At Newham Croft Primary School two year 13 girls continue to give weekly maths support to their most able pupils. In addition a class set of iPads was donated to primary schools in Swavesey, Hemingford Gray and Albury.

After several years of adaptive provision, The Leys were able to offer a full Oli Feast Summer Camp. This enabled 40 pupils from the local partnership schools: Trumpington Community College, North Cambridge Academy, Parkside Community College, and Chesterton Community College to participate in the Camp. The aim of the Camp is to provide young people with new challenges, skill developments, relationship building, and to broaden horizons and aspirations. The Camp was a great success.

The school continues to share teaching resources with local state schools. The Mathematics and German Departments shared their resources to 6th Form pupils in the state sector to facilitate online learning assessment. The Computer Science Department shared their resources freely with several local secondary schools. The Spanish Department offered a two-week teacher training placement with the purpose of observing lessons, collaborating, and sharing ideas.

St Faith's linked with pupils from Park Street School, Shirley Primary School, Harston Primary School and Newbury Primary School by inviting them to a series of author talks organised by the librarian. The visiting pupils were then set creative writing challenges with prizes of books and vouchers for the winners and their school.

Another initiative saw 26 Year 6 pupils and two members of staff from Park Street School join St Faith's pupils for an afternoon of hockey coaching and friendly matches providing an opportunity the visiting pupils had not experienced before.

The Maths Department organised the Maths Challenge event for Year 4 and Year 6 pupils throughout Cambridgeshire, inviting almost 30 local primary school to take part, providing opportunities for the most able mathematicians.

Jamie Mitchell, Head of Computing, continued to run courses for teachers from primary schools across the country, and Nicky Hoyle, Head of Engineering, continued to support schools looking to introduce Engineering.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Review of 2022/23

Both schools began 2022/23 with higher pupil numbers than budgeted which was very encouraging. The Leys also generated more income for the Bell International School than had been budgeted. During the year both schools coped very well with the inflationary challenges and therefore the end of year surpluses before projects was higher than had been budgeted.

Both schools undertook more significant project work over the summer holidays then in recent years and both managed to complete all the projects in the planned timescales.

The schools are very pleased with their overall financial performance for 2022/23.

Planning for 2023/24

For 2023/24 the schools took a cautious approach to budgeted pupil numbers due to the UK economic situation and the continued impact of the war in Ukraine. It was assumed that lettings income would continue to recover from the impact of covid. On the cost side the Foundation planned for a very substantial rise in utility costs as a 3-year contract ended in September 23. It was also assumed that inflation would continue to be hight and impact operating costs especially catering, insurance and raw material costs. A contingency was included in case rate relief ended. A salary rise of 5% was budgeted for all staff.

The schools planned for an increase in capital spending in 2023/24 which was linked to the master planning work at both schools.

Actual performance for 2023/24

On the income side, both schools have begun the new academic year with higher pupil numbers than budgeted. On the cost side, the utility cost increase was substantially lower than feared. The Governors decided to review the decision on the salary rise to take account of the Government's decision to increase the salaries of teachers in the maintained sector by 6.5%. They decide that the salary rise should be in line with the maintained sector and it was increased from 5% to 6.5%. This was affordable because the increase in utility costs was lower than had been budgeted and income was higher due to pupil numbers exceeding the budgeted numbers.

The schools have reviewed the key covenant conditions for the bank loan and mortgages and there are no concerns about achieving them.

Planning for 2024/25

Looking ahead to 2024/25 the most significant financial threat is from a new Labour Government which has committed to impose VAT on school fees and remove rate relief for Independent Schools. The current economic situation is also a challenge with slow growth, high inflation and high interest rates. The schools have found it difficult to recruit staff in both teaching and support staff roles and we do not see this improving significantly in the near future. The schools have begun detailed investigation into how they can plan for their sites to become carbon neutral and are aware this will need a significant financial investment. The strategic planning for the schools also takes into account that competition in the sector could increase, that the demand for boarding, particularly from UK based parents will reduce and the world economy will not flourish. On a positive note, Cambridge is expected to continue to prosper.

The schools have put together a number of scenarios and considered mitigating actions they could consider. Detailed work continues on these actions as the precise details of the individual threats and the potential impact on the schools becomes more apparent.

Objectives for the year for The Leys

Review of the operational performance of The Leys 2022-23

Last year, the following objectives for the year were identified:

1. Continue our focus to ensure that The Leys is recognised as a centre of excellence for two core academic objectives: the quality of the continued professional development of our academic staff and the quality of teaching and learning at The Leys.

2. Continue to offer a wide range of extra-curricular activities and aspire to high standards both in the wider curriculum and in the all-round personal development of the pupils.

3. Continue to build links with feeder schools in the independent and maintained sectors and develop our marketing strategies to keep the school full.

4. Continue to strengthen the positive impact of the school in terms of benefit to the wider community, not least through the partnership with the Royal National Children's SpringBoard Foundation to drive social mobility through the provision of fully-funded places at The Leys.

5. Continue to develop the use of Information Technology both as a teaching tool and to enhance the administration of the Foundation as a whole.

6. Continue to focus on the future development of the campus through the implementation of a master plan for the site.

7. Continue to develop and enhance our reputation for excellent pastoral care.

Review of operational performance at The Leys

1. The Leys' reputation as a centre of excellence has been enhanced not least through strong academic results including excellent A Level and GCSE results. At A Level, just short of 80% of grades achieved were at A*-B (up on 2022) and more than 54% were graded A*-A (again, up on 2022). These increases at A*-A and A*-B in 2023 are particularly pleasing against the national context of falling top grades and, reflecting on the disruption that this year group went through during the pandemic in the very formative years of their school career, it is particularly impressive that in terms of pupil outcomes, 62% of this cohort of Leysians achieved at least AAB at A Level.

   At GCSE, we were extremely proud of the GCSE results this cohort has achieved – they represent arguably our best ever GCSE results. (Last year's, whilst examined, were still inflated above pre-Covid levels.) The top level grade percentages were all above the final percentages of 2019 – 2019 was not only the last examination year not impacted by COVID, but our best GCSE results on record at that time. Over25% of grades awarded were at Grade 9 – compared to 5% nationally, and 54% of grades were graded 8-9 – a whopping 12.8% up on 2019. Almost 75% of all grades received were 9, 8 or 7. So with the national picture now adjusted to pre-pandemic levels, these results are the highest in the school's recorded history when compared with those received pre-2020.

2. The range of extra-curricular activities offered during the School week has returned to its enviable pre-pandemic level and pupils continue to achieve high standards in sport, art, drama, music, the Combined Cadet Force, the Duke of Edinburgh Scheme and in a vast array of other clubs and activities. Our sporting teams were very successful throughout 2022-23, with our pupils showing great enthusiasm and considerable success, both collective and individual. For instance, one pupil was awarded a professional cricket contract before the end of his time at The Leys. A wide range of plays, concerts and productions was staged throughout the year and the End-of-Year Concert at Saffron Hall was an outstanding showcase for our music. The School continues to treasure and nurture the wider curriculum which plays a vital role in the all-round personal development of the pupils.

3. We continue to build links with feeder schools in the independent and maintained sectors and to develop our marketing strategies to keep the school full. Events for feeder schools have resumed successfully; Open Days and other feeder events are full or oversubscribed. A new school website has been completed. The School's Marketing team was recently acknowledged by being shortlisted for "Independent School of the Year" for "Marketing Award for Effective Brand Communication".

4. We have done a huge amount of outreach and partnership work through the newly-established Community Fund, managed by our Development Office, through which we partner with a number of local charities to have a positive impact on the wider community. In addition, our work with the Royal National Children's SpringBoard Foundation continues to gain momentum. As one example of our public benefit, we were delighted, after several years of adapted provision due to the pandemic, successfully to deliver a full, in-person 'Ollie Feast Summer Camp' at The Leys in July 2023. This aims to provide local young people with new challenges, skills development, relationship building, and broadening horizons and aspirations, and the camp was a great success. By engaging in physical and mental endeavours together, the participants learnt to work as a team, to lead, to communicate effectively. Throughout the camp, we witnessed personal triumphs, growing confidence, exemplary teamwork, emerging leaders, and the formation of lasting friendships. The participants were able to engage in a variety of activities such as canoeing on the river Cam, outdoor wall climbing, archery, bushcraft, obstacle courses, team-building exercises, and leadership command tasks. On the final day, we were honoured to have GB Paralympic Blind Footballer, Roy Turnham, as our guest speaker who delivered an inspirational talk and also led a taster 'blind football' session for the students. We firmly believe that the Ollie Feast Summer Camp has made a significant impact on the lives of another 40 young individuals from our local partnership schools (Trumpington Community College, North Cambridge Academy, Parkside Community College, Chesterton Community College). For many of them, the skills and experiences gained during the camp will have a lasting impact beyond their time spent at The Leys. As ever, it has been immensely rewarding to be a part of the initiative. We have received excellent feedback from the partner schools and their pupils' parents. Nine of our Sixth Formers volunteered their time during the summer holidays, undertaking various roles over the duration of the camp. The feedback from staff at the partner schools and activity instructors reinforced what brilliant ambassadors they were for our school.

5. We continue to develop the use of Information Technology both as a teaching tool and to enhance the administration of the Foundation as a whole. A full-scale review of our school IT infrastructure is complete and major investment in hardware, software and training is planned in the coming years.

6. The master planning process for the site continues apace. A number of projects were completed during the summer of 2023 in readiness for the new academic year.

7. We continue to develop and enhance our reputation for excellent pastoral care. In 2022-23, we continued our strong focus on racism awareness training for pupils, and also on inclusiveness and diversity awareness.

In terms of its overall success as a School, it is worth noting that The Leys received a very successful inspection from the Independent Schools Inspectorate in late 2022. The inspection report confirms that the ISI team was impressed with the achievements and progress made by Leysian pupils. In summary, the School not only achieved full regulatory compliance but also secured a finding of "Excellent" in both the main inspection headings: for the quality of the pupils' academic and other achievements, and the quality of the pupils' personal development. This was a resoundingly positive outcome and one of which all stakeholders can rightly be proud. These are the highest findings available (the regulatory section is by design more binary, with standards for compliance either "Met" or "Not Met") but to read so many superlatives in the body of the Educational Quality Inspection was heart-warming and indicative of the School's strong progress in recent years.

Objectives for the year for St Faith's

Review of the operational performance of St Faith's during 2022-23 against the objectives set at the start of the academic year 2022-23: year:

The following school priorities were identified for the academic year 2022-23:

1. To provide an appropriately **balanced, broad and rigorous St Faith's education**, including curricular and wider-curricular opportunities.
2. To continue to focus on the **health, safety and wellbeing** of the school community.
3. To embed **proof-of-concept for mobile devices** and **digital strategy.**
4. To deliver **tailored education** to each child, with precision and a focus on top-down excellence.
5. To reinforce **high expectations of behaviour** in children.
6. To **maximise financial and operational efficiencies**.

1. Curriculum and wider curricular opportunities

Pupils throughout the school have enjoyed a tremendous variety of opportunities this year, with year 8 pupils achieving entry to a range of senior schools with a total of 38 scholarships and awards. Pupils across all year groups have continued to undertake assessments and projects so that progress can be tracked and targets set. Pupils have excelled in music, drama and sport, as well as participating successfully national competitions for subjects such as mathematics and coding. The largest school concert since 2019 was held at West Road Hall, and we were delighted to welcome Sir Michael Morpurgo as our Prizegiving speaker this year. Pupils have raised funds for a range of charities this year, and also enjoyed opportunities to engage with leadership responsibilities such as the School Council and the Eco Committee. Residential and overseas trips have been extremely popular, and pupils of all ages enjoyed a range of activities around the Coronation.

2. Health safety and wellbeing

We have successfully achieved this aim and we are continuing to develop our wellbeing strategy for staff and pupils this academic year. We have had a focus on equality, diversity and inclusion (EDI), which will continue into the new academic year and is highlighted by the preparation of our new EDI statement and INSET training for staff. With respect to health, whilst we have still had a number of Covid cases throughout the year, resulting in pupil and staff absences, there has been no need to isolate year groups or major disruption. There have been occasional seasonal outbreaks of gastrointestinal upsets and 'Strep throat', but advice and communications from our health centre have minimised large scale issues.

3. Proof of concept in digital strategy

The proof of concept using iPads in particular year groups has been extremely successful. All of our Year 7 pupils have had access to an iPad keyboard and stylus on a one to one basis throughout the year. We have also expanded the banks of iPads in the Pre Prep and Year 3, and have successfully introduced an interactive software called 'See-saw' for our younger pupils, which allows parents to view and participate in activities and some lessons. Feedback from parents and pupils has been excellent and this year our current Year 8 will continue using iPads and iPads will also be introduced to the new Year 7 pupils. Pupils are developing important and valuable skills in software such as OneNote for organising work in a digital manner. This year's focus will be on embedding the iPads into our curriculum and

providing ongoing training. This work is overseen by our Digital Learning Committee and Digital Innovators Group.

4. Tailored education

Tailored education has continued to be a defining feature of a St Faiths education. As previously described it is built upon a range of key principles including pupil profiling and tracking people choice setting clear targets using digital technology and appropriate training as well as seeking input from a range of different stakeholders to tailor the educational experience for each child. Our approach is becoming more widely recognised it has been written about in the educational press and is also emphasised in our news school video available on our website. Discussions with governors around enhancing tailored education at St Faith's have been very positive and the vocabulary associated with tailored education is being embedded in conversations that staff have with parents. A new Director of Teaching and Learning has been appointed, beginning in January 2024 which will allow tailored education to be enhanced even further.

5. High behavioural expectations

Pupils at St Faith's have continued to display excellent behaviour and this has been supported by tutor time, assembly and Personal Social Health and Citizenship PSHCE lessons. This is evidenced by the regular awarding of Kindness certificates and as well as comments from visitors to the school and school trip hosts. Behaviour can also now be tracked using a system called 'Track it Light' which was piloted this year with Year 4, and is now being rolled out to other year groups for the academic year 2023 - 2024. The Girls Onboard pastoral care initiative has also proven helpful and popular this year in assisting pupils as they manage and maintain friendship groups and relationships between the ages of 10-13.

6. Financial and operation efficiency

With the current cost of living affecting staff and parents it has been particularly important to ensure we achieve financial and operational efficiency. Inflation still remains at a high level. This is primarily based on ensuring pupil numbers are healthy, reducing wastage by increasing operational efficiency, and ensuring that we are careful with resources. Pupil numbers have been maintained at a high level of 575 with entry being academically selective. This excellent pupils number on roll has contributed significantly to enabling budgets to be met and has helped to facilitate a cost of living pay rise for all staff across the Foundation being approved by the Governors. Key aspects of maintaining pupil numbers this year have included appealing to prospective parents with our focus on tailored education and the use of open days and tours for prospective parents. Energy costs have risen sharply, although not as much as feared, and this year these utility contracts have been renegotiated for maximum benefit. LED lighting has reduced energy bills in certain areas of the school such as the sports hall, a focus on minimising food waste, and the reduced use of paper thanks to our digital initiatives has also helped to reduce outgoings. These initiatives will be carried forward into the next academic year. In addition to assisting the school to manage finances effectively, our energy saving and efficiency initiatives are an important part of the school's response to the climate emergency and a key aspect of our sustainability journey, with St Faith's successfully maintaining its certification as an Eco School.

FUND RAISING PERFORMANCE AT THE LEYS 2022/23

We are, as ever, very grateful for the support from our Leysian Community of Old Leysians, parents, staff, former staff and other friends of the School.

All fundraising is carried out through the Development Office. This is in the form of telephone campaigns, direct mail, Giving Days and individual solicitation. The Office is staffed by professionals who undergo continuous peer review and industry standard training. The School is registered with the Fundraising Regulator and staff are members of IDPE, which though not a regulated body does provide best practice for the industry and adhere to all ICO regulations. The activities and performance of the Office is monitored by the Headmaster and Governors.

The Office saw a number of staff changes during the year with Kerry Chapman and Liz Walden joining as Senior Development Officer and Development Office Administrator respectively. Donna Thomas-Watson left her role as Director of Development at the end of the academic year.

The School only contacts those with a genuine connection with The Leys and does not cold call/mass market. We screen people for TPS when conducting telephone fundraising and exclude as appropriate. All those aged over 80 are excluded from fundraising activity unless they opt in, as are those under the age of 25. All those that request no further contact are marked such, and no further communications are sent. All other communications are measured and appropriate given the individual's relationship with the School.

The second Leys Giving Day was held on 24 March 2023. The Giving Day raised a total of £27,500 (£27,300 in 2022) towards the Gift of Education (£24,250) and the Community Fund (£3,250). There were 71 donors (131 in 2022).

During the year 2022/23 the Development Office raised £425k in philanthropic gifts from 212 donors, with both overall funds raised and the number of donors decreasing from last year. The drop in number of donors is attributable to a reduction in donor numbers for the Giving Day, and a loss of 14 regular donors during the year. However, funds raised in regular giving increased to £37,300. This, along with the outcome of the Giving Day, reflects the national trend of fewer people giving, but those that do give, giving more.

The School is committed to its transformational bursary programme, the Gift of Education, which provides 110% boarding bursary places to children from challenging backgrounds. Following the launch of the campaign in May 2021, to date we have received £1.53million in new funds raised and are raising £36k per year in regular giving. This is against a target of £6million new funds raised and £50k annual regular giving. The long-term aspiration remains to support two transformational bursary places in each year group of the School.
Like many other educational institutions, we are relying on a combination of "legitimate interest" and consent to contact members of our community by post, telephone and email. We are increasingly successful in obtaining consent to contact by email through a variety of channels, once again this year obtaining contact details from 100% of the 2023 Upper Sixth Leavers. We currently have 2157 OLs with consent to contact by email. All data is held securely on our alumni and supporter database which is accessible to limited members of the school staff. All staff in the Development Office have access to the database and have undertaken appropriate industry standard data protection training.

INVESTMENT PERFORMANCE AGAINST OBJECTIVES

The Governors' objective is to achieve a total rate of return that generates a reasonable level of income while maintaining or growing the capital value of the portfolio. Monitoring the success of the portfolio in meeting the Foundation's investment objectives is done through comparison to three benchmarks. This allows the Governors to maintain perspective over the long-term objective (generating a reasonable level income and capital preservation), as well monitoring the investment manager's performance against both the markets and industry 'peer' group. Historically the WM Survey was used to achieve this comparison, however, the Survey ceased to exist in April 2016 and performance is now compared to a composite Index which incorporates a global equity component, as the market comparator and the Asset Risk Consultants (ARC) Charity Steady Growth Index, as a peer group measurement. The long term objective remains inflation (as measured by CPI) plus 3.5%, net of fees. On a rolling 3 year basis to July 2023, the net total rate of return of the fund was 16.7% compared with the composite benchmark of 21.1%, ARC Steady Growth Index of 16.0% and CPI+3.5% of 30.8%. On a rolling 5 year basis the net total return of the fund was 29.3% compared to 21.8% for the benchmark, 17.5% for ARC and 42.4% for CPI+3.5%. The net total rate of return of the fund from August 2022 to July 2023 was -0.5% compared with a movement in the benchmark of 3.5%, 0.6% for ARC and 10.4% for CPI+3.5%.

During the year, across the individual asset classes, this proved somewhat of a curate's egg for the portfolio – good in parts. Little comfort is taken from the relative outperformance of Gilts which declined by 17% during the period, against a decline of 10% for the portfolio's fixed interest exposure. However, the significant movement in rates has provided fresh opportunities in fixed interest that have been absent for over a decade. Exposure in the asset class has increased from 6% to 14% over the period. Overseas equities account for 49.5% of the portfolio's invested assets, with the US (35%) remaining the largest single equity component as the portfolio continues to emphasize an international posture, as against the traditional UK biased portfolio of yester-year, with a greater focus on sector over geography. In the later months, equity markets witnessed notable revisions on future earnings, with upgrades in the US and Japan while the UK and Emerging Markets were downgraded. More resilient consumer spending and a rising oil price has led to upgrades for consumer discretionary and energy. Overall, valuations remain near their long-term average. The so-called "magnificent seven" (Alphabet, Amazon, Apple, Meta, Microsoft, NVIDIA and Tesla) are still seen as key drivers of US market performance, with the degree of concentration of returns at a benchmark level at a multi-year high. In other words, index returns are currently heavily dependent on the performance of these seven stocks. A naturally underweight position to the seven impacted returns in the final two months, leading, along with weakness in alternatives, to overall underperformance for the year. Reorganisation of the Emerging Market exposure proved beneficial, although Asian funds suffered through growing concerns over the strength of the Chinese economy. After continued success in the first half of 2022, The alternatives (13% of assets at 31 July), which include investments in property, infrastructure, renewables and private equity were, save for Doric Nimrod, hard hit by the speed and movement in interest rates. Whilst share price performance has been weak, in the round, the infrastructure and renewables have seen resilience in underlying net asset values which should hopefully see them return to favour once it is clear that interest rates have peaked in the current cycle.

The managers highlight that rising oil prices and the possibility of more supply disruption this winter in natural gas - the Russia/Ukraine war shows little sign of ceasing - pose a threat which could contribute to another round of energy-related inflationary pressures after recent encouragement in this regard. Thus far, economies have held up better than feared to the aggressive tightening of monetary policy and UK growth surprised to the upside in the second quarter, as GDP increased 0.2% quarter-on-quarter, better

than consensus. Similarly supportive data in the US has raised hope that central banks will manage to pull off a "soft" landing, although the potential for further energy shocks remain a risk, suggesting it is still too early to declare victory on high inflation. The managers remain wary of consensus.

They believe that the portfolio, following on from the agreed move to a more focused list, remains suitability resilient to withstand a reasonable level of capital volatility over the medium to long term, but cannot exclude the challenges of maintaining real values in the short term. They remain committed to a CPI+3.5% investment objective but highlight that to incorporate the impact of elevated inflation in 2022 and 2023, that it be regarded as a 10 year, rather than 5 year, target. Overall, aside from the many macro and climatic challenges, they remain positive for the long-term prospects of the current investment strategy and believe that we are approaching the peak of the current interest rate cycle, which in turn should prove beneficial to the alternative investments."

The Investment Committee continues to monitor the activities of the portfolio Managers and excepting the challenges posed by the rampant inflation of the last 18 months, is satisfied with Quilter Cheviot's performance.

ENVIRONMENTAL REPORT

The Foundation welcomes the opportunity to report on the work both schools have been involved in to reduce our impact on the environment and educate our pupils on the importance of acting in a sustainable manner. Both schools have committed a great deal of time and resources over recent years. St Faith's were the first Independent school winner of the Ashden Sustainability Award and have worked with a number of schools in the state and independent sectors to assist them with putting together sustainability action plans.

Total energy use and greenhouse emissions.

	Totals 2023	Greenhouse Emissions (KgCO2)	Greenhouse Emissions (KgCO2) 2022
Gas Usage	4,823,125 KwH	886,828	957,829
Electricity Usage	1,678,816 KwH	391,399	355,103
Transport	7,930 Litres	19,919	17,862
Total Greenhouse Emissions		1,298,146	1,330,794
Intensity ratio emissions per pupil	1,298,146 / 1,142 = 1,137		1,330,794 / 1,142 = 1,165

The data has been derived from the energy monitoring systems at the schools and checked with the invoice information. The fuel consumption has been calculated from invoice data.

The intensity ratio looks at the emissions per pupil as the number of pupils is the main driver of our emissions. The ratio has reduced, and the schools' aim is that by better educating our pupils we can drive the emissions per pupil down and this could become a key target which would motive the pupils.

Specific actions by the schools

- Both schools have continued to develop their long-term sustainability strategies to cover curriculum and non-curriculum aspects of the schools' operation. It has been more difficult to implement new initiatives due to the pandemic.

- Both schools are investigating how they should plan to put together net zero action plans for the school sites including considerations for renewable energy and building energy performance.

- The Leys has appointed a member of the teaching staff to take on the role as Head of Sustainability and given her a time allocation to enable her to drive forward initiatives.

- St Faith's pupils have continued to energise the Green Action Plan and have focused on energy and waste reduction.

- St Faith's has focused on sustainable transport with the introduction of a home to school transport service, an app to reduce car journeys and a plan to introduce Great Cambridge partnership travel initiatives.

St Faith's has continued to mentor other schools in certain redirection campaigns as part of the Ashden's School programme.

FINANCIAL REVIEW

Results for the year

The income generated by the Foundation increased by £2.1M from £26.6M to £28.7M. The most significant factor was an increase in school fee income, which increased by almost £1.25M. Both schools were close to capacity in terms of pupil numbers. Other educational income also rose significantly due to an increase in charges to parents as pupils were fully able to enjoy school trips and other activities which had been reduced during Covid times. Lettings income also increase particularly from the Bell International School.

Reserves level, policy and financial viability

At the Balance Sheet date, the Foundation's total reserves were £46M (2022 £44.8M) including £4.1M (2022 £4.2M) of endowed funds, £3.9M (2022 £4M) of expendable endowed funds, £2.9M (2022 £2.7M) of restricted funds and £35.1M (2022 £33.9M) of unrestricted funds.

Within the unrestricted funds, £428k (2022 £313k) was designated to provide financial support for parents impacted by hardship and £1.1M (2022 £1.1M) was designated for the Gift of Education.

Ideally, the Governors would like a General Fund of free reserves equivalent to 6 weeks unrestricted expenditure to meet its immediate objectives and protect its current activities, including the provision of adequate working capital. For 2022/23 there were free reserves of £509k which is lower than ideal but The Governors are confident they have mitigation plans in place and therefore the lack of free reserves is not a significant issue.

The Foundation monitors its cash flow carefully. There is a bank overdraft facility of £500K and an understanding with the bank that the facility can be increased to £1M if needed. A variety of scenarios have been modelled for 2023/24 and the Foundation has a number of mitigating actions that could be taken if required. The Governors feel confident that the Foundation will not have any cash flow challenges.

Going concern

At the time of approval of the Annual Report and Accounts, the current economic situation continues to evolve and the long-term impact on the Foundation, in common with other businesses, is unknown. The Governors have reviewed the position carefully taking into account the latest economic data and have undertaken various scenario exercises, particularly in terms of the impact of rising costs. The financial analysis demonstrates that even under the most pessimistic scenario the Foundation would not experience any significant financial problems and would be able to manage the cash flow implications without having to take any further mitigating actions for the year. In looking ahead to July 2025 there are additional financial threats which will impact the Foundation. The Governors have carefully considered these and potential mitigating actions which The Foundation could take to improve the financial situation if required. There are currently significant cash balances and an investment portfolio should additional liquidity be required through this period of uncertainty to meet the liabilities as they fall due for the Foundation as a whole.

The Foundation does not anticipate any material reduction in prospective pupil numbers above that which the Foundation has used for the purposes of financial modelling and forecasting. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

PRINCIPAL RISKS AND UNCERTAINTIES

The Foundation's Governors are responsible for the management of the risks faced by the Foundation.
Detailed considerations of risk are delegated to the individual school committees who are assisted by the senior management teams. Risks are identified, assessed and controls established throughout the year. The top ten risks facing the school is a standing item at all committee meetings. A full review of the charity's risk management process is undertaken on an annual basis at a full Governors' meeting.

The key controls used by the Foundation include formal agendas for all committee and board activity, comprehensive strategic planning, budgeting and management accounting, an established organisational structure and lines of reporting, formal written policies, clear authorisation and approval levels and vetting procedures as required by law for the protection of the vulnerable. Through the risk management process established by the Foundation, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The most significant risks come from the current economic and political situation. The schools have considered several different scenarios and assumptions and are confident that they have strong mitigating actions in place. Both schools have started 2023/24 close to capacity and with encouraging interest from prospective parents for 2024/25. The schools are not complacent and will continue to monitor the current economic situation and any potential impacts on the schools.

FUTURE PLANS

The Leys School Priorities 2023-24

Pastorally, the key actions for the coming year include:

1. Diversity and Inclusion: addressing issues around gender equality and promoting positive behaviour around school.
2. A focus on consistency of tutoring across all year groups.
3. Developing mental health support for pupils with a focus on anxiety, ADHD and autism.

Within the Wider Curriculum, the key actions for the coming year include:

1. To review and analyse participation rates with the after-school activities programme
2. Work towards a wider curricular programme that continues to be staffed with high quality people who enhance the pupil experience.
3. Continued improvement of facilities and communication of decisions

Academically, the top priorities for 2023-24 are:

1. To embed the new Head of Academic Scholarship to help support and stretch the most able.
2. To Bring our deliberations on the Shape of the Day to a successful conclusion
3. To develop a clear vision for our academic position and how we want to be perceived academically by pupils and parents
4. To Embed a culture of excellence in T&L by seeking positive value-added and outstanding outcomes across the Common Room and sharing approaches, including the reimplementation of the 'observation without judgement' done before Covid.
5. To develop a framework/approach to department reviews/appraisals to include the appropriate use of pupil voice.

In terms of the economic and financial context, we are considering how we will cope and adjust if, as seems very likely, VAT is placed on school fees. Our key actions for 2023/24 in this area include:

1. Understanding the impact on both current and prospective parents of the proposal to introduce VAT on fees.
2. Investigating how we reduce our operating costs, both staffing and non-staffing, to enable us to minimise any increase in the fees we charge to parents.
3. Investigating how we can increase the non-pupil income we generate.

St Faith's School Priorities 2023-24

1. To enhance pupils' active listening
2. To make efficient and tailored use of digital tools in accordance with our digital learning vision
3. To develop our Wellbeing strategy – including Equality, Diversity and Inclusion (EDI)
4. To review and refine our reporting system to parents
5. To review and streamline Communications
6. To continue to prepare for ISI inspection within the new ISI framework
7. To encourage children in their behaviour, manners, presentation
8. Financial and operating efficiency

These priorities have been discussed and agreed by the Senior Management Team and were shared with all staff at the September 2023 INSET.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Leys and St Faith's Schools Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees, the strategic report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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, 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 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

In so far as each of the Trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of The Leys and St Faith's Schools Foundation on 10th December 2022, including in their capacity as company directors approving the Strategic report contained therein, and is signed as authorised on its behalf by:

Sir Matthew Rycroft
Chair of the Governing Body

Dated 9th December 2023

Independent Auditor's Report to the Members of The Leys & St Faith's Schools Foundation

Opinion

We have audited the financial statements of The Leys & St Faith's Schools Foundation ('the charitable company') and its subsidiaries ('the group') for the year ended 31 July 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Foundation Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including 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 group's and the charitable company's affairs as at 31 July 2023 and of the group's 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 group 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 trustee's 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 or the group'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit

- the information given in the trustees' report, which includes the directors' report and the strategic 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 and proper accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees (who 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 trustees 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 trustees 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), health and safety legislation, taxation legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2023

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	Total Funds 2023 £'000	*Total Funds 2022 £'000*
Income and endowments from:						
Charitable Activities						
School fees (net)	2	25,370	-	-	**25,370**	*24,123*
Other educational income	3	2,100	-	-	**2,100**	*1,261*
Other activities	3	29	-	-	**29**	*22*
Voluntary sources						
Grants and Donations	4	5	444	-	**449**	*393*
Investments						
Investment income		221	184	-	**405**	*546*
Bank and other interest		56	1	-	**57**	*5*
Other trading activities						
Non-ancillary trading income	5	324	-	-	**324**	*279*
Total income		**28,105**	**629**	**-**	**28,734**	*26,629*
Expenditure on:						
Raising funds						
Non-ancillary trading		273	-	-	**273**	*251*
Fundraising and Development		180	74	-	**254**	*277*
Financing costs under Advance Fee Contracts		197	-	-	**197**	*191*
Finance costs		17	-	-	**17**	*32*
Bank and Mortgage interest		131	-	-	**131**	*96*
Investment Management Fees		61	-	-	**61**	*63*
Total deductible costs	6	859	74	-	**933**	*910*
Charitable activities						
Education and grant making	6	26,003	154	-	**26,157**	*23,526*
Total expenditure		**26,862**	**228**	**-**	**27,090**	*24,436*
Net incoming funds from operations before transfers and investment loses		**1,243**	**401**	**-**	**1,644**	*2,193*
Investment (losses)	8	(107)	(94)	(250)	**(451)**	*(895)*
Transfer between funds	17	81	(81)	-	**-**	*-*
Net income and capital inflow		**1,217**	**226**	**(250)**	**1,193**	*1,298*
Fund balances at 1 August 2022		33,959	2,671	8,216	**44,846**	*43,548*
FUND BALANCES at 31 July 2023	14	**35,176**	**2,897**	**7,966**	**46,039**	*44,846*

The notes on pages 27 to 45 form part of these accounts.

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED AND FOUNDATION BALANCE SHEETS
AT 31 JULY 2023

	Notes	**Group 2023 £'000**	*Group 2022 £'000*	**Foundation 2023 £'000**	*Foundation 2022 £'000*
FIXED ASSETS					
Tangible fixed assets	7	**32,096**	*32,723*	**32,089**	*32,712*
Investments	8	**13,343**	*13,771*	**13,343**	*13,771*
		45,439	*46,494*	**45,432**	*46,483*
CURRENT ASSETS					
Stocks		**164**	*124*	**25**	*28*
Debtors payable within one year	9	**1,137**	*1,029*	**1,218**	*1,118*
Cash		**12,654**	*10,963*	**12,639**	*10,919*
		13,955	*12,116*	**13,882**	*12,065*
CREDITORS: payable within one year	10	**(11,448)**	*(11,161)*	**(11,378)**	*(11,109)*
NET CURRENT ASSETS		**2,507**	*955*	**2,504**	*956*
TOTAL ASSETS LESS CURRENT LIABILITIES		**47,946**	*47,449*	**47,936**	*47,439*
CREDITORS: due after more than one year					
Advance fees	12	**(607)**	*(865)*	**(607)**	*(865)*
Loans	11	**(1,300)**	*(1,738)*	**(1,300)**	*(1,738)*
TOTAL NET ASSETS	14	**46,039**	*44,846*	**46,029**	*44,836*
FUNDS					
PERMANENT ENDOWED FUNDS	15	**4,059**	*4,187*	**4,059**	*4,187*
EXPENDABLE ENDOWED FUNDS	16	**3,907**	*4,029*	**3,907**	*4,029*
RESTRICTED FUNDS	17	**2,897**	*2,671*	**2,897**	*2,671*
UNRESTRICTED FUNDS	18	**35,176**	*33,959*	**35,166**	*33,949*
		46,039	*44,846*	**46,029**	*44,836*

The net result for the financial year within the financial statements of the parent charity was a surplus of £1,644,000 (2022: £2,193,000).

These financial statements were approved and authorised for issue by the Governing Body on 9th December 2023 and were signed on its behalf by:

Sir Mathew Rycroft
Chair of the Governing Body

Mr S Peak
Hon. Treasurer

Company number 7748737

The notes on pages 27 to 45 form part of these accounts.

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2023

	Notes		2023 £'000	2022 £'000
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net cash provided by operating activities	23		**2,571**	*2,994*
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income receipts		**433**		*334*
Bank interest received		**57**		*5*
Purchase of tangible fixed assets		**(820)**		*(177)*
Purchase of investments		**-**		*(1,695)*
Net cash (used)/provided by investing activities			**(330)**	*(1,533)*
CASH FLOWS FROM FINANCING ACTIVITIES:				
Repayments of loans and mortgage borrowings		**(550)**		*(1,427)*
Net cash (used) financing activities			**(550)**	*(1,427)*
Change in cash and cash equivalents in the reporting period			**1,691**	*34*
Cash and cash equivalents at the beginning of the period			**10,963**	*10,929*
Cash and cash equivalents at the end of the reporting period			**12,654**	*10,963*

The notes on pages 27 to 45 form part of these accounts

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2023

1. Accounting Policies

The Foundation is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 22 August 2011 (company number: 7748737) and registered as a charity on 22 August 2011 (charity number: 1144035). The registered office of the Foundation is The Leys School, Trumpington Road, Cambridge, Cambridgeshire CB2 7AD.

The financial statements have been prepared on the historical cost basis of accounting, as modified by the revaluation of other investments, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006, the Charities SORP (FRS 102) and the accounting policies set out below.

At the time of approval of the Annual Report and Accounts, the current economic situation continues to evolve and the long-term impact on the Foundation, in common with other businesses, is unknown. The Governors have reviewed the position carefully taking into account the latest economic data and have undertaken various scenario exercises, particularly in terms of the impact of rising costs and possible other factors that could impact charities. The financial analysis demonstrates that even under the most pessimistic scenario the Foundation would not experience any significant financial problems and would be able to manage the cash flow implications without having to take any further mitigating actions for the year. In looking ahead to July 2025 there are additional cost pressures which could impact the Foundation. The Governors have carefully considered these and potential mitigating actions which The Foundation could take to improve the financial situation if required. There are currently significant cash balances, and an investment portfolio should additional liquidity be required through this period of uncertainty to meet the liabilities as they fall due for the Foundation as a whole.

The Foundation does not anticipate any material reduction in prospective pupil numbers above that which the Foundation has used for the purposes of financial modelling and forecasting. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

The financial statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets comprising the consolidation of the School with its wholly owned subsidiary Leys Enterprises (Cambridge) Limited. No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006.

The Foundation has taken advantage of the exemption available to a qualifying entity in FRS102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.
The Foundation meets the definition of a public benefit entity under the guidance issued by the Charity Commission.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, 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 affected current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimated 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.

1.1 School fees

Fees receivables are stated after deducting allowances, scholarships and other remissions granted by the Schools, but include contributions received from Trust Funds.

1.2 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 Schools is considered probable. Donations received for the general purposes of the Schools are credited to unrestricted funds, to distinguish them from direct school income. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on The Foundation Trustees, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments, permanent or expendable according to the nature of the restriction. Grant income is recognised when there is evidence of entitlement, the receipt is probable, and the amount can be reliably measured. There were no performance related conditions attached to grant income received.

1.3 Investment Income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accrual's basis.

1.4 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

1.5 Intra-group

Intra-group sales and charges between the Foundation and its subsidiary are excluded from trading income and expenditure.

1.6 Pension costs

The School contributes to two pension schemes as follows:

(a) The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the Foundation's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

(b) Aviva Master Trust Scheme -This scheme is a multi-employer pension scheme which has been set up to give teachers an alternative to The Teachers Pension scheme. This scheme is currently active with no participants.

(c) The Foundation Group Personal Pension Plan – This is a defined contribution group personal pension plan for both The Leys and St Faith's schools non-teaching staff with Standard Life Assurance Company Limited. Employers' pensions costs are charged in the period in which the salaries to which they relate are payable.

1.7 Tangible fixed assets

All expenditure on individual tangible fixed assets over £2,000 is capitalised in the balance sheet at cost.

Other expenditure on equipment incurred in the normal day-to-day running of the two schools is charged to the Statement of Financial Activities as incurred.

1.8 Depreciation

Depreciation is provided on a straight-line basis at rates which are sufficient to write the tangible fixed assets down to their estimated residual value over their estimated useful lives. The depreciation rates are:

	Per Annum
Freehold land	Nil
Freehold buildings off site rebuild cost used for depreciation	2%
Freehold buildings on site new build cost used	2%
Freehold buildings on site total refurbishment	7 – 20 years
Buildings on leasehold land	Length of lease
Plant and machinery	10 - 20%
Fixtures, fittings and equipment	7 – 34%

1.9 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. Investment in the subsidiary is valued at cost less provision for impairment.

1.10 Stocks

Stocks have been valued at the lower of cost and estimated selling price less costs to sell/ estimated profit margin.

1.11 Advanced fee scheme

Amounts received under the school's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

1.12 Financial instruments

The Foundation has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows. Financial assets held at amortised cost comprise bank and cash in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans, trade and other creditors. Investments including cash held as part of the investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

1.13 Fund accounting

The charitable trust funds of the Foundation are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable.

Unrestricted income belongs to the Foundation's corporate reserves: spendable at the discretion of the Governors either to further the Foundation's Objects or to benefit the Schools' themselves. 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.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the Foundation for its financial benefit (i.e., by investment). If the donor or the terms of an appeal has restricted the purpose for which the gift or any income from it is to be used, any part converted into income for spending will accrue to the appropriate restricted fund. The income

on the permanent endowed funds held is used to pay for scholarships and bursaries as per the wishes of the donors.

Expendable endowment funds are accounted for similarly, except that all capital can be converted into income for spending either at the Governors' own discretion or else upon the happening of some event contemplated by the donor.

1.14 Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term, even if the payments are not made on such a basis unless the rental payments are structured to increase in line with expected general inflation, in which case the Foundation/group recognises annual rent expense equal to amounts owed to the lessor. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

2. SCHOOL FEES

	2023	2022
	£'000	£'000
Fees receivable consist of:		
School fees	**27,346**	25,804
Less: scholarships, bursaries and allowances	**(2,130)**	(1,838)
	25,216	23,966
Add back: Bursaries and other awards paid by restricted funds	**154**	157
	25,370	24,123

3. CHARITABLE ACTIVITIES - OTHER INCOME

	2023	2022
	£'000	£'000
Other educational charitable activities		
Entrance and registration fees	**102**	70
Recharge extra-curricular activities	**844**	329
Pupil welfare	**44**	3
Courses and sub-lettings	**744**	649
Summer School	**366**	210
	2,100	1,261
Other activities		
School fees refund scheme commissions	**1**	8
Other	**28**	14
	29	22

4. GRANTS AND DONATIONS RECEIVABLE

2023	UNRESTRICTED	RESTRICTED	TOTAL
	£'000	**£'000**	**£'000**
Donations	**3**	**444**	**447**
Legacies	**2**	**-**	**2**
	5	**444**	**449**

2022	UNRESTRICTED	RESTRICTED	TOTAL
	£'000	£'000	£'000
Donations	4	326	330
Donations for bursaries re Wesley Scholars	-	34	34
Legacies	25	-	15
Furlough grant	4	-	4
	33	360	393

5. OTHER TRADING ACTIVITIES

Trading income	2023	2022
	£'000	£'000
Leys Enterprises (Cambridge) Ltd	**324**	279

6. ANALYSIS OF EXPENDITURE

2023	Staff Costs £'000	Other costs £'000	Depreciation £'000	Total £'000
Costs of raising funds:				
Non-ancillary trading	73	195	5	**273**
Fundraising and Development	134	120	-	**254**
Financing costs under advance fee contracts	-	197	-	**197**
Financing costs	-	17	-	**17**
Bank and mortgage interest	-	131	-	**131**
Investment managers charge		61	-	**61**
Total costs of raising funds	207	721	5	**933**
Charitable activities:				
Education and grant making				
Teaching	11,817	2,102	230	**14,149**
Welfare	1,264	2,316	70	**3,650**
Premises	1,014	2,527	1,142	**4,683**
Support costs and governance	2,172	1,229	-	**3,401**
Schools' operating costs	16,267	8,174	1,442	**25,883**
Grants, awards and prizes	-	274	-	**274**
Cost of charitable activities	16,267	8,448	1,442	**26,157**
Total expenditure	**16,474**	**9,169**	**1,447**	**27,090**

2022	*Staff Costs £'000*	*Other costs £'000*	*Depreciation £'000*	*Total £'000*
Costs of raising funds:				
Trading costs	*70*	*176*	*5*	*251*
Fundraising for voluntary resources	*131*	*146*	*-*	*277*
Financing costs under advance fee contracts	*-*	*191*	*-*	*191*
Financing costs	*-*	*32*	*-*	*32*
Bank and mortgage interest	*-*	*96*	*-*	*96*
Investment managers charge	*-*	*63*	*-*	*63*
Total costs of raising funds	*201*	*704*	*5*	*910*
Charitable activities				
Education and grant making				
Teaching	*11,041*	*1,592*	*107*	*12,740*
Welfare	*1,167*	*2,016*	*74*	*3,257*
Premises	*915*	*2,235*	*1,137*	*4,287*
Support costs and governance	*1,961*	*1,022*	*-*	*2,983*
Schools' operating costs	*15,084*	*6,865*	*1,318*	*23,267*
Grants, awards and prizes	*-*	*259*	*-*	*259*
Cost of charitable activities	*15,084*	*7,124*	*1,318*	*23,526*
Total expenditure	*15,285*	*7,828*	*1,323*	*24,436*

6. ANALYSIS OF EXPENDITURE (CONTINUED)

	2023	2022
Governance expenditure includes:	**£'000**	*£'000*
Auditors' remuneration for audit services	**30**	*27*
	30	*27*
Total staff costs comprised:		
The aggregated payroll costs for the year were as follows:		
Wages and salaries	**13,002**	*11,997*
Social security costs	**1,318**	*1,203*
Pension contributions	**2,154**	*2,085*
	16,474	*15,285*
Aggregate employee-benefits of key management personnel	**1,818**	*1,761*

The average number of the Foundation's employees during the year was 416 (2022 - 415) of whom 166 (2022 - 168) were teaching staff and the rest were support staff.

Certain Trustees have spouses or other relations who are employed at the school as teachers and as such receive salaries in accordance with the pay scale for all of the Foundation teachers. These Trustees do not vote at Trustee meetings on any matters relating to teachers' remuneration. During the year 2022/23 there was one Trustee with a spouse employed whose aggregate gross salary for the year ending on 3rd October 2023 was £9,893.25 (2022: £41,243). Certain Trustees also have children who are pupils at the school and pay fees in accordance with the normal fee rates for all pupils less any contractual discounts to which they are entitled.

Five key management personnel have spouses or other relations who are employed at the school as teachers and as such receive salaries in accordance with the pay scale for all of the Foundation teachers the aggregate gross salary for the year ending on 31 July 2023 was £188,803 (2021: 152,467) they may also have children who are pupils at the school and pay fees in accordance with the normal fee rates for all pupils less any contractual discounts to which they are entitled.

None of The Foundation Trustees received any remuneration, or other benefits from the schools or any connected organisation. During the year a total of £558.63 (2022 - £188.45) was reimbursed to 3 (2022 - 2) Foundation Trustees for travel expenses.

The Foundation received £2,232 (2022 £2,199) in donations from its Trustees during the year which were for the specific purpose of the gift of education bursary.

The number of higher paid employees was:	2023	2022
Taxable emoluments bands:	**No.**	*No.*
£ 60,001 - £ 70,000	**18**	*15*
£ 70,001 - £ 80,000	**4**	*-*
£ 80,001 - £ 90,000	**1**	*1*
£ 90,001 - £100,000	**1**	*1*
£120,001 - £130,000	**-**	*1*
£130,001 - £140,000	**1**	*-*
£140,001 - £150,000	**1**	*1*
£150,001 - £180,000	**-**	*-*
£180,001 - £190,000	**1**	*1*
	27	*20*

The total employer pension contributions for higher paid staff were £407,534 (2022 - £313,789). During the year there were 4 termination payments made of £48,939 (2022 £17,307). There was nil outstanding at the year end.

7. TANGIBLE FIXED ASSETS

FOUNDATION AND GROUP

	Foundation				Subsidiary	
	Land and Buildings £'000	Plant and Machinery £'000	Fixtures, Fittings and Equipment £'000	**Foundation Total £'000**	Fixtures and Equipment £'000	**Group Total £'000**
Cost (or frozen valuation)						
1 August 2022	57,821	934	2,482	**61,237**	62	**61,299**
Additions	94	257	468	**819**	1	**820**
Assets no longer in use	-	-	(80)	**(80)**	-	**(80)**
As at 31 July 2023	**57,915**	**1,191**	**2,870**	**61,976**	**63**	**62,039**
Depreciation						
As at 1 August 2022	26,161	713	1,651	**28,525**	51	**28,576**
Charge for year	1,042	64	336	**1,442**	5	**1,447**
Assets no longer in use	-	-	(80)	**(80)**	-	**(80)**
As at 31 July 2023	**27,203**	**777**	**1,907**	**29,887**	**56**	**29,943**
Net book value						
31 July 2023	**30,712**	**414**	**963**	**32,089**	**7**	**32,096**
31 July 2022	*31,660*	*221*	*831*	*32,712*	*11*	***32,723***

Land and buildings at cost comprises the following at 31 July 2023.

	2023 £'000	*2022 £'000*
Freehold	**44,721**	*44,721*
Long lease (to 2119)	**13,194**	*13,100*
	57,915	*57,821*

The freehold and leasehold properties are insured for £149,252,751 (2022: £138,196,992).

Heritage Assets (The Foundation and its treasures)

The Foundation has a substantial endowment of assets gifted or bequeathed on trust for retention in perpetuity to form a permanent record of the Schools' history and which are required to be preserved for their educational value to the Schools and, through reasonable public access to them, as a contribution to the nation's culture and education both nationally and locally. These comprise a unique collection of paintings depicting The Leys School's previous eight heads since its founding in 1875, together with many other artefacts whose intrinsic value is also bound up with The Leys School's history. Most of these are irreplaceable originals to which no reliable value can be attributed. Accordingly, these assets are not capitalised in the financial statements.

8. INVESTMENTS
GROUP AND FOUNDATION

	Unrestricted	Restricted	Permanent Endowment/ Expendable Endowed	Total
	£'000	£'000	£'000	£'000
Balance 1 August 2022	3,273	2,507	7,991	13,771
Additions at cost	931	694	2,134	3,759
Disposal proceeds	(908)	(629)	(2,126)	(3,663)
Investment losses	(107)	(94)	(250)	(451)
Changes in cash awaiting investment	(18)	(13)	(42)	(73)
Closing market value 31 July 2023	**3,171**	**2,465**	**7,707**	**13,343**

	2023	*2022*
Investments comprise:	**£'000**	*£'000*
Investments in listed stocks	**12,774**	*13,109*
Cash	**377**	*450*
Other	**192**	*212*
	13,343	*13,771*

The investment holdings at the year-end were UK £6.5m and overseas £6.8m.

9. DEBTORS

	Group		**Foundation**	
	2023	*2022*	**2023**	*2022*
	£'000	*£'000*	**£'000**	*£'000*
Amounts falling due in less than one year:				
Fees	**365**	*453*	**365**	*453*
Sundry debtors	**424**	*205*	**363**	*165*
Prepayments	**348**	*371*	**346**	*369*
Due from subsidiary undertaking	**-**	-	**144**	*131*
	1,137	*1,029*	**1,218**	*1,118*

10. CREDITORS

	2023	*2022*	**2023**	*2022*
	£'000	*£'000*	**£'000**	*£'000*
Amounts falling due within one year				
Trade creditors	**374**	*306*	**323**	*271*
Taxation and social security	**349**	*327*	**339**	*317*
Loans and mortgages	**437**	*550*	**437**	*550*
Other creditors	**487**	*267*	**487**	*267*
Accruals	**245**	*297*	**236**	*290*
Deposits from parents	**1,741**	*1,661*	**1,741**	*1,661*
Deferred income - fees in advance of term	**425**	*300*	**425**	*300*
Deferred Income advance fees (see note 12)	**7,390**	*7,453*	**7,390**	*7,453*
	11,448	*11,161*	**11,378**	*11,109*

Pupil fees deposits – the total held in relation to fee deposits of £1,740,772 is included above. In the normal course of business, the expected repayment of these amounts will be £379,083 within one year and £1,361,689 after more than one year.

11. CREDITORS AMOUNTS FALL DUE AFTER MORE THAN ONE YEAR

	2023 £'000	*2022 £'000*
Amounts falling due after more than one year		
Deferred income – fees in advance scheme (see note 12)	**607**	*865*
Bank loan and mortgage*	**1,300**	*1,738*
	1,907	2,603

* The Bank loan is for the building of Great Hall, a total of £4.5m has been drawn down from Svenska Handelsbanken, also secured on The Leys site. The repayment period is over 10 years from November 2013. A mortgage was taken out in July 2017 over a period of 20 years secured on the Leys site to purchase a property to be used for staff accommodation.

12. ADVANCE FEE PAYMENTS

Parents may pay to The Foundation several years of tuition fees in advance. The money may be returned, subject to specific conditions on receipt of one term's notice. Advance fees are due to be applied as follows:

	2023 £'000	*2022 £'000*
After 5 years	**-**	*-*
Within 2 to 5 years	**193**	*328*
Within 1 to 2 years	**414**	*537*
	607	*865*
Within 1 year	**7,390**	*7,453*
	7,997	*8,318*
The movements during the year were as follows:		
At 1 August 2022	**8,318**	*7,989*
New contracts during the year	**7,397**	*7,509*
Amounts accrued to contracts	**198**	*190*
Amounts utilised in payment of fees to the school	**(7,916)**	*(7,370)*
Balance at 31 July 2023	**7,997**	*8,318*

13. OPERATING LEASES

The future minimum lease payments under non-cancellable operating leases are as follows:

Group and Foundation	**2023**	*2022*
	£'000	*£'000*
Within one year	**104**	*87*
Between one and five years	**143**	*113*
Over five years	**27**	*24*

The total lease payments recognised in the Statement of Financial Activities amounted to £104,120. (2022: £138,949).

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

The net assets are held for the various funds and advance fees as follows:

2023

	Fixed Assets £'000	Investments £'000	Net Current Assets/(liabilities) £'000	Long Term Liabilities £'000	**Total £'000**
Permanent endowment funds	-	3,934	125	-	**4,059**
Expendable endowed funds	-	3,772	135	-	**3,907**
Restricted funds	-	2,466	431	-	**2,897**
Unrestricted funds	32,096	2,571	1,809	(1,300)	**35,176**
	32,096	12,743	2,500	(1,300)	**46,039**
Advance fees	-	600	7	(607)	**-**
	32,096	13,343	2,507	(1,907)	**46,039**

2022

	Fixed Assets £'000	Investments £'000	Net Current Assets/(liabilities) £'000	Long Term Liabilities £'000	Total £'000
Permanent endowment funds	-	4,079	108	-	4187
Expendable endowed funds	-	3,911	118	-	4,029
Restricted funds	-	2,507	164	-	2,671
Unrestricted funds	32,723	2,422	552	(1,738)	33,959
	32,723	12,919	942	(1,738)	44,846
Advance fees	-	852	13	(865)	-
	32,723	13,771	955	(2,603)	44,846

15. PERMANENT ENDOWED FUNDS

2023	*1 August 2022* *£'000*	Income £'000	Expenditure £'000	Investment Losses £'000	**31 July 2023 £'000**
Endowment	*4,187*	-	-	(128)	**4,059**

The Permanent Endowed funds were set up with shares donated by Thomas R Fern and monies from school fundraising. The endowments were further increased with a legacy from the late Gerald A France. The funds were set up to provide funding for scholarships. In 2007 a gift of £50,000 was received to establish an endowed fund 'The Suresh Karthingesu Fund' to provide annual bursary support. Only the income is drawn down which helps fund Bursaries.

2022	*1 August 2021* *£'000*	Income £'000	Expenditure £'000	Investment Gains £'000	31 July 2022 £'000
Endowment	*4,454*	-	-	(267)	4,187

16. EXPENDABLE ENDOWED FUNDS

2023	*1 August 2022* *£'000*	Income £'000	Expenditure £'000	Transfers and Investment Losses £'000	**31 July 2023 £'000**
Scholarships	*4,029*	-	-	(122)	**3,907**

The expendable endowed funds are made up of numerous donations the income from which is used to provide scholarships and bursaries. The bursary fund is to provide funds for the gift of education initiative.

2022	*1 August 2021* *£'000*	Income £'000	Expenditure £'000	Investment Gains £'000	31 July 2022 £'000
Scholarship	*4,285*	-	-	(256)	4,029

17. RESTRICTED FUNDS

2023	*1 August 2022* £'000	Income £'000	Expenditure £'000	Investment Losses/ Transfers £'000	**31 July 2023 £'000**
Wesley scholars fund	*45*	-	(33)	-	**12**
Scholarship	*38*	115	(115)	-	**38**
Ollie Feast	*50*	-	-	-	**50**
Development funds					
Great Hall	*8*	-	-	-	**8**
Chapel Centenary fund	*21*	-	-	-	**21**
The gift of education (bursary)	*1,820*	326	-	(94)	**2,052**
Bursaries (various)	*137*	13	(6)	-	**144**
Prize funds	*63*	-	-	-	**63**
Boat house redevelopment	*17*	-	-	-	**17**
Vision studio	*114*	-	-	(40)	**74**
Other	*134*	64	-	(41)	**157**
Community fund	*224*	111	(74)		**261**
	2,671	629	(228)	(175)	**2,897**

All funds represent monies given for the specific purposes, but not yet expended.
The Gift of education bursaries is a initiative with the Royal National Children's SpringBoard Foundation to provide transformative bursaries for disadvantaged and vulnerable children. The Community Fund is a new initiative linked to the Old Leysian Mission. The funds are to be used for charitable causes in the community. Charities apply for funds from the community fund. The transfer of £81,000 was to reimburse the unrestricted fund for expenditure incurred on behalf of the restricted fund in respect of the vision studio and DT upgrade.

2022	*1 August 2021* £'000	Income £'000	Expenditure £'000	Transfers £'000	31 July 2022 £'000
Wesley scholars fund	*43*	34	(32)	-	45
Scholarship	*38*	98	(98)	-	38
Ollie Feast	*50*				50
Development funds					
Great Hall	*8*	-	-	-	8
Chapel Centenary fund	*21*	-	-	-	21
The gift of education (bursary)	*1,620*	351	(1)	(150)	1,820
Bursaries (various)	*158*	5	(26)	-	137
Prize funds	*62*	1	-	-	63
Boat house redevelopment	*17*	-	-	-	17
Vision studio	*54*	114	-	(54)	114
Other	*123*	11	-	-	134
Community Fund	*200*	106	(82)	-	224
	2,394	720	(239)	(204)	2,671

18. UNRESTRICTED FUNDS

2023	1 August 2022 £'000	Income £'000	Expenditure £'000	Transfers/ Investment Losses £'000	**31 July 2023 £'000**
Designated funds					
Gift of education	1,064	2	-	-	**1,066**
Funds for hardship bursaries	313	115	-	-	**428**
Unrestricted funds	32,582	27,988	(26,862)	(26)	**33,682**
Total Unrestricted Funds	33,959	28,105	(26,862)	(26)	**35,176**

The gift of education is expected to be fully utilised within 10 years, and the funds for helping parents impacted by the current economic situation (hardship bursaries) is expected to be fully utilised within 3-5 years.

2022	*1 August 2021 £'000*	*Income £'000*	*Expenditure £'000*	*Transfers/ Investment Gains £'000*	*31 July 2022 £'000*
Designated funds					
Gift of education	*1,039*	*25*	-	-	*1,064*
Funds for COVID-19 /hardship bursaries	*223*	*90*	-	-	*313*
Unrestricted funds	*31,153*	*25,897*	*(24,300)*	*(168)*	*32,582*
Total unrestricted funds	*32,415*	*26,012*	*(24,300)*	*(168)*	*33,959*

19. CONTRACTS AND COMMITMENTS

St Faith's have capital commitments of £75k for the playground and £90k for the rest of the LED lighting project (2022: Nil). The Leys has no capital commitments for either school as at the 31 July 2023 (2022: Nil).

20. RELATED PARTY TRANSACTIONS

The Foundation's trading subsidiary, Leys Enterprises (Cambridge) Limited makes a donation under gift aid to The Foundation of its taxable profits each year.

Included in Debtors of The Foundation is an amount of £144,016 due from the subsidiary.

The staff working for Leys Enterprises (Cambridge) Limited are employed by both The Leys School and Leys Enterprises (Cambridge) Limited. The salaries are processed through Leys School and transferred to Leys Enterprises (Cambridge) Limited. The transfer value of transaction charges for year ended July 2023 was £14,100 (2022 £10,575).

21. PENSION SCHEME

The Foundation participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,687,903 (*2022: £1,662,597*) and at the year-end £ Nil (*2022 - £Nil*) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

The contributions in respect of the support staff defined contribution scheme was £336,524 for The Leys, and £130,244 for St Faith's (2022: £287,367 and £131,199).

22. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2022	**Cash flows**	**31 July 2023**
	£'000	**£'000**	**£'000**
Cash in bank	*10,963*	1,691	**12,654**
Advance fee payments due within one year	*(9,114)*	(17)	**(9,131)**
Advance fee payments due after more than one year	*(865)*	258	**(607)**
Bank loans falling due within one year	*(100)*	-	**(100)**
Bank loans falling due after more than one year	*(1,400)*	100	**(1,300)**
Mortgages falling due within one year	*(450)*	112	**(338)**
Mortgages falling due after more than one year	*(338)*	338	**-**
Total borrowings	*(12,267)*	791	**(11,476)**
Net Debt	***(1,304)***	**2,482**	**1,178**

23. RECONCILIATION OF NET INCOME TO GROUP CASH FLOW FROM OPERATING ACTIVITIES

	2023	*2022*
	£'000	*£'000*
Net income for the reporting period (as per the statement of financial activities)	**1,644**	*2193*
Adjustments for		
Depreciation charge	**1,447**	*1,323*
Investment income and interest	**(462)**	*(551)*
Investment managers fees	**61**	*63*
(Increase) in stocks	**(40)**	*(5)*
(Increase) in debtors	**(108)**	*(412)*
Increase/(decrease) in creditors (excluding advance fee movement)	**270**	*(135)*
(Decrease)/increase in fees in advance scheme creditors	**(321)**	*329*
Increase/(decrease) in parent deposits	**80**	*189*
Net cash provided by The Group's operating activities	**2,571**	*2,994*

24. FINANCIAL INSTRUMENTS

	Group	*Group*	**Foundation**	*Foundation*
	2023	*2022*	**2023**	*2022*
	£'000	*£'000*	**£'000**	*£'000*
Financial assets measured at amortised cost (a)	**13,443**	*11,621*	**13,511**	*11,668*
Financial assets measured at fair value (b)	**13,343**	*13,559*	**13,343**	*13,559*
Financial liabilities measured at amortised cost (c)	**(3,202)**	*(3,042)*	**(3,143)**	*(3,000)*
Net financial assets measured at amortised cost	**23,584**	*22,138*	**23,711**	*22,227*

(a) Financial assets include cash, trade and fee debtors, staff loans, other debtors and accrued income.
(b) Financial assets held at fair value include assets held as investments.
(c) Financial liabilities include deposits, trade creditors and other creditors.

25. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITES - COMPARATIVE FIGURES BY FUND TYPE

Year ended 31 July 2022	Unrestricted Funds	Restricted Funds	Endowed Funds	Total Funds 2022
	£'000	£'000	£'000	£'000
Income and endowments from				
Charitable Activities				
School fees (net)	24,123	-	-	**24,123**
Other educational income	1,261	-	-	**1,261**
Other ancillary activities	22	-	-	**22**
Voluntary sources				
Donations	33	360	-	**393**
Investments				
Investment income	187	359	-	**546**
Bank and other interest	4	1	-	**5**
Other trading activities				
Non-ancillary trading income	279	-	-	**279**
Total income	**25,909**	**720**	**-**	**26,629**
Expenditure on				
Raising funds				
Non-ancillary trading	251	-	-	**251**
Fund-raising for voluntary resources	195	82	-	**277**
Financing costs under Advance Fee Contracts	191	-	-	**191**
Finance costs	32	-	-	**32**
Bank and Mortgage interest	96	-	-	**96**
Investment Management Fees	63	-	-	**63**
Total deductible costs	828	82	-	**910**
Charitable Activities				
Schools and grant making	23,369	157	-	**23,526**
Total expenditure	**24,197**	**239**	**-**	**24,436**
NET INCOME	**1,712**	**481**	**-**	**2,193**
Investment gains	(222)	(150)	(523)	(895)
Transfers between funds	54	(54)	-	-
NET MOVEMENT IN FUNDS	**1,544**	**277**	**(523)**	**1,298**
Fund balances at 1 August 2021	32,415	2,394	8,739	**43,548**
FUND BALANCES at 31 July 2022	**33,959**	**2,671**	**8,216**	**44,846**

26. LEYS ENTERPRISES (CAMBRIDGE) LIMITED

The Foundation owns the whole of the share capital of a trading company Leys Enterprises (Cambridge) Limited company number 2016905, with the Foundation receiving taxable surpluses earned by the company as a donation under gift aid.

	2023 £'000	*2022 £'000*
BALANCE SHEET		
Tangible fixed assets	**7**	*11*
CURRENT ASSETS		
Stock	**139**	*96*
Debtors	**62**	*42*
Cash	**15**	*44*
	216	*182*
CREDITORS: amounts falling due within one year	**(214)**	*(182)*
Net current liabilities	**2**	*-*
TOTAL NET ASSETS	**10**	*10*
CAPITAL AND RESERVES		
Called up share capital	**-**	*-*
Profit and loss account	**10**	*10*
	10	*10*

(The Company has £2 share capital which after rounding to the nearest £1,000, becomes £nil)

PROFIT AND LOSS ACCOUNT	**20223 £'000**	*2022 £'000*
Turnover	**324**	*278*
Cost of Sales	**(249)**	*(229)*
Gross profit	**75**	*49*
Administration	**(24)**	*(22)*
Net profit	**51**	*27*
Donation to Parent under gift aid	**(51)**	*(27)*
Retained profit for period	**-**	**-**

Opinion

We have audited the financial statements of The Leys & St Faith's Schools Foundation ('the charitable company') and its subsidiaries ('the group') for the year ended 31 July 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Foundation Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including 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 group's and the charitable company's affairs as at 31 July 2023 and of the group's 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 group 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 trustee's 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 or the group'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit

- the information given in the trustees' report, which includes the directors' report and the strategic 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 and proper accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees (who 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 trustees 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 trustees 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), health and safety legislation, taxation legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

14 December 2023

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION

England & Wales - Charity number 1144035

Accounts

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

Company Number: 7748737
Registered in England
Registered Charity Number: 1144035

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT
AND GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS

GOVERNORS AND CHARITY TRUSTEES

The Governors of The Leys and St Faith's Schools Foundation, "The Foundation" are the Foundation's Trustees under Charity Law and the Directors of the Charitable Company. The members of the Governing Body who served office as Governors during the year and subsequently are detailed below:

Elected by the Life Donors

Mr A Barrett	
Mrs A Brunner	Chair of St Faith's Committee
The Rev'd Canon Thomas Buchanan	Chair of Governors – Resigned 03/10/2022
Mrs W Challen	
Mrs J Clarke	
Mr M Elliott	
Mr C Fairey	
Mr J Gladwin	Chair of The Leys Committee 06/09/2022
Mrs E Hooley	
Mr C Kidman	Hon. Secretary
Mr C Kirker	
Mrs S Loft	
Mr J May	
Mr I McCaig	
Mr T Moore	
Mr S Peak	
Mrs H Renfrew Knight	Vice Chair of Governors
Miss L Sales	
Mr A Silverton	
Mr R Webster	Hon. Treasurer

Elected by The Leys Common Room

Mr M Brown

Elected by St Faith's Common Room

Mr R Mitchell

Appointed by the Methodist Council

Mrs P Graves	Retired 30/06/22
Mr D Humphreys	
Rev'd J Pursehouse	
Rev'd A Walker	Retired 30/04/22

Ex Officio Members

Mr N Lloyd	Past President OLS

Governors elected by Life Donors and the Common Rooms are appointed for a term of five years and can be re-elected for a further term. Governors who are appointed as officers can serve a further term.
Governors elected by the Methodist Council serve until they retire. The President of the Old Leysian Society is an ex officio member and serves for the period of their presidency and for a further year.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS

EXECUTIVE OFFICERS

The Headmaster	- The Leys School	M Priestley MA
	- St Faith's School	C Hyde-Dunn MA
The Bursar of The Leys School and Clerk to the Governors		P McKeown BA
The Bursar of St Faith's School		R Brent MBE MA MSc BEng

ADDRESSES

The Leys School
Trumpington Road
Cambridge
CB2 7AD

St Faith's School
Trumpington Road
Cambridge
CB2 8AG

Registered Office as above

Websites: www.theleys.net
www.stfaiths.co.uk

ADVISERS

Bankers
Svenska Handelsbanken AB (publ)
Byron House
Cambridge Business Park
Milton Road
Cambridge, CB4 0WZ

Solicitors
Birketts LLP
22 Station Road
Cambridge
CB1 2JD

Farrer & Co
66 Lincoln's Inn Fields
London, WC2A 3LH

Auditors
Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Investment Advisers
Quilter Cheviot Investment Management
Senator House
85 Queen Victoria Street
London, EC4V 4AB

Insurance Brokers
Hettle Andrews
Eleven Brindley Place
2 Brunswick Square
Birmingham, B1 2LP

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2022

The Governors of The Leys and St Faith's Schools Foundation who are also Directors of the Charitable Company for the purposes of the Companies Act present their annual report for the year ended 31 July 2022 under the Companies Act 2006 ("the Act"), together with the audited Financial Statements for the year, and confirm that the latter comply with the requirements of the Act, the Memorandum and Articles of Association and the Charities SORP (FRS102).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity was founded in 1875 and was registered with the Charity Commission under charity number 311436. In 2011, the Governors reviewed the legal status of the Foundation and decided the charity should become a Company Limited by Guarantee. This process was completed in December 2011. The Charity Number is 1144035 and the Company Number is 7748737. The Governors, Executive Officers and principal addresses of the Charity are listed on pages 1 and 2. Particulars of the Charity's professional advisers are given on page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Foundation is administered under a scheme established in December 2011 when the legal status of the charity changed.

Governing Bodies

The structure of The Foundation consists of a single Governing Body which is responsible for the two schools. The details of the Governing Body are explained on page 1 together with information on how the members are appointed.

Recruitment and Training of Governors

The Foundation's elected Governors are appointed at a meeting of the Life Donors based on nominations received, taking into account eligibility, personal competence, specialist skills and local availability. New Governors are inducted into the workings of the Charity and its schools including Board policy and procedures at an induction day specifically arranged for them by the Clerk to the Governors. Established Governors are then provided with training opportunities including workshops and seminars organised by the Association of Governing Bodies of Independent Schools, the Boarding School Association and other professional organisations. Additional training and information are provided at Governor meetings to ensure Governors are updated on current issues and regulatory requirements.

Organisational Management

The Board of Governors as Trustees of the Charity and Directors of the Charitable Company are legally responsible for the overall management and control of both The Leys and St Faith's Schools and meet as a board at least three times a year. The work of implementing key policies is carried out by the members of the various committees. These are The Leys School Committee, The St Faith's School Committee, The Foundation Executive Committee and The Finance and Audit Committee. These committees meet at least once a term and then report to the Full Board meeting at the end of that term.

The Leys Committee deals with issues that are directly relevant to The Leys School. The St Faith's Committee deals with issues that are directly relevant to St Faith's School. The Foundation Executive Committee oversees the strategic planning for the Foundation and considers major issues which impact on either school. This Committee also has responsibility to oversee the regulatory compliance of the

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

Foundation. The Finance and Audit Committee is responsible for dealing with financial issues affecting both schools.

In addition to these Committees there is also an Investment Committee which meets once a year to review the activities of the Investment advisers. A Nominations Committee meets at least once a year to assist with succession planning for officers and the recruitment of new Governors. The Governors also meet once a year for an away day to discuss strategic issues. Ad hoc committees are established to look at specific issues.

The day-to-day running of the schools is delegated to the respective school Headmasters and Bursars. They are also supported by their Senior Management Teams and together this group are the key management personnel. The Headmasters and Bursars attend meetings of the above committees.

The remuneration of key management personnel is set by the board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the Foundation's success. The policy is reviewed annually and appropriate benchmarking data is used to ensure the Foundation considers the broader issues of pay and employment conditions.

Delivery of the Foundation's charitable vision and purpose is primarily dependent on the key management personnel and staff under the direction of the Governors.

To ensure that the Foundation is following best practice, Governors benchmarked the work of the charity against the latest Charity Governance Code produced by the Charity Commission. The Governors benchmarked against the seven principles, particularly looking at the key outcomes, and identified a few areas where the Foundation could improve the way it operates. Action has been taken to ensure that these improvements are implemented.

Group structure and relationships

Leys Enterprises (Cambridge) Limited was incorporated in 1986 in England and with its registered office at The Leys School, Trumpington Road Cambridge, Cambridgeshire CB2 7AD. The principal activities of the company are the running of the school shops for both The Leys and St Faith's schools. In addition, the company runs the school's Balgarnie's café and the organisation of the summer school staff at The Leys School. All surplus income is donated to the Foundation under the gift aid scheme.

Employment Policy

The Foundation is an equal opportunities employer. We celebrate diversity and do not discriminate based on race, religion, colour, national origin, sex, sexual orientation, age, disability status or any other applicable characteristics protected by law.

The Foundation's employment policy gives full and fair consideration of applications for employment made by disabled persons, having regard to their aptitudes and abilities; The Foundation provides training, career development and promotion of disabled persons and would aim to continue the employment of employees who become disabled.

The Foundation regularly provides relevant information on the progress of the schools to all staff. The Headmasters at both schools communicate with the teaching staff at the end of each term following the Full Board meetings and at the start of each term. Both schools have established Staff Consultative Committees who meet every term and are provided with relevant information about the schools. The two Bursars also make a presentation to all the support staff following the Full Board meetings.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

Relationships

The Foundation actively supports the attainment of the highest standards in the independent schools' sector, partly through networking with other major schools and partly through peer group studies for the evaluation of quality and performance improvement methods.
Both schools co-operate with many charities and other local bodies in their endeavours to widen public access to the schools and to optimise the use of their cultural and sporting facilities.

The Foundation also benefits from the generosity of a thriving network of Old Leysians, and Old Fidelians, whose close support the Schools greatly appreciate and gladly acknowledge.

The Foundation works with a whole range of suppliers, many of whom have long standing relationships with the schools. We greatly value those relationships and work hard to foster a genuine sense of partnership.

Statement on compliance with s172(1) Companies Act 2006

The Governors, as Directors, of The Leys and St Faith's Foundation consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Foundation for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1) (a-f) of the Act) in the decisions taken during the year ended 31st July 2022 as set out above.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects of The Foundation

The Foundation has two objects:

a) The provision of high-quality education, in particular by the conduct of the two Schools known as The Leys School and St Faith's School.

b) The use of the facilities of the Schools, when not required for education, for other charitable purposes, for the benefit of the local community and the wider public.

The religious teaching in the Schools shall be in accordance with that of the Methodist Conference.

Mission Statement for The Leys

The purpose of The Leys is to play our part in changing the world for the better. We do this by making a positive difference to the lives, values and prospects of Leysians, by being professional, caring and rewarding in developing and managing our staff, by being a responsive and trusted partner to our parents, and by making a beneficial and sustainable contribution to the wider community.

Aims

By foundation and structure, The Leys is a boarding community. We also place great value on being a "big, small school" embedded in the heart of Cambridge, and on giving Leysians a rich and rewarding academic and wider school experience – one they find valuable both intrinsically and in preparing for their futures. We seek, in the spirit of our Methodist founders and our Christian values, to send Leysians out into the world ready – academically, culturally, morally, physically, spiritually and socially – to live fulfilling lives which will make a positive contribution to society.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

In order to achieve our Purpose, we aim to deliver an education which:

1. Is built on three foundation stones: pastoral, academic and wider curricular. Whilst interconnected, 'pastoral' is accepted as pre-eminent, because pupils who feel supported and confident are able to flourish in all areas of the life of the school.
2. Gives Leysians an engaging, rewarding and valuable academic and wider school experience, enriched by our boarding structure and our unique location.
3. Nurtures, within a community which is Christian in its core values, open and liberal in its world view and diverse in its intake, young people who: display kindness to those around them; have sound values on which they can base their lives; can think for themselves; are able to make the most of the many opportunities on offer; express themselves with articulacy; can perform resiliently under pressure; and become responsible and engaged citizens.
4. Builds mutually supportive and trusting partnerships with our stakeholders including Governors, parents and Old Leysians so that they can help us to be the best that we can be.
5. Manages and rewards our staff in a way that builds purposeful, trusting and cohesive teams which are able to work at their best, feeling valued, motivated and able to contribute directly to the success of the School and its pupils.
6. Ensures, through our charitable, bursarial and partnership work, that The Leys is seen as a force for good in the local and wider community.

Vision

The combination of our distinctive ethos and world-class location makes The Leys unique. We seek constantly to improve, learning from best practice in academic, pastoral and wider curricular provision, to be the best that we can be in bringing these enduring aims to life. Thus, by the time of our 150th Anniversary in 2025, our ambition is to be recognised as an outstanding city boarding school which lives by its core values and which succeeds in delivering on its purpose.

Mission for St Faith's

St Faith's seeks to be a happy, inclusive and a supportive community which welcomes families from all religious and cultural backgrounds. Underpinned by Christian values, we nurture every child as an infinitely valuable and uniquely gifted member of the St Faith's family. We aim to cultivate strength of character, distinguished inter-personal qualities, distinctive leadership ability and a keen sense of social responsibility. Our innovative and future-focused education builds on a strong academic heritage and promotes excellence in all areas.

Values

The School was originally founded to educate the children of Fellows of The University of Cambridge Colleges; it subsequently formed a joint foundation with The Leys, an established Methodist school. St Faith's thus enjoys a unique, dual heritage resulting in an education characterised by academic excellence and innovation that is underpinned by a foundation of Christian values and principles.

At St Faith's all members of the School community are:

- **Infinitely Valuable** – we promote respect for each other; encouraging integrity of character
- **Uniquely gifted** - we promote high expectations, encouraging individual excellence
- **Mutually dependent** - we promote an attitude of service, encouraging personal initiative
- **Continually learning** - we promote a spirit of forgiveness, encouraging perseverance

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

The Foundation's Public Benefit

In meeting the first of its objects the Foundation's Public Benefit aim is to provide an environment where each pupil can develop and fulfil his or her potential, thus, to help build self-confidence and inculcate a desire to contribute to the wider community and the wider public.

The second object provides the opportunity for the Foundation to play an important role within the local community.

In the furtherance of these aims the Foundation Governors, as the Charity Trustees, have complied with the duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the Public Benefit requirement under the Act.

A specified Governor has a responsibility to oversee the public benefit activities of the Schools. An annual report for all Governors is produced to summarise the activities that have been undertaken to benefit the local community and wider public.

The awarding of bursaries for the needy is a measurable means of providing public benefit. The Foundation takes the view that bursaries awarded to those who would not otherwise be able to afford the fees are important, but not to the exclusion of the much wider benefit that the schools provide within the community. This year, the schools awarded £1,071,476 in Bursary Awards or scholarships. Over 267 pupils received some financial assistance. Within this provision means-tested awards based on a sliding scale according to financial circumstances totalling £861,819 were awarded to 68 pupils.

The Leys has continued to move forward with the 'Gift of Education', a project aimed at transforming young lives through boarding bursaries. The project was launched in May 2021 and the ambition is for the school to support two pupils in each year group on 110% boarding bursaries. The program is provided in partnership with Royal Springboard, the U.K.'s largest boarding school bursary charity. The overall target is to raise £6 million. The first Gift of Education pupil joined The Leys in September 2020 and left in July 2022. She significantly outperformed her A-level predictions and is now taking up a place at Kings College London. In September 2022 four Gift of Education pupils will join The Leys.

The Community Fund at the Leys is an initiative between The Leys and St Faith's Schools Foundation and Wesley's Chapel and Leysian Mission. It has been established through the support of one major donor plus additional donations from across the Leysian community. The Fund supports charity projects in the Cambridge area and in the local community around City Road in East London. For 2021-22, £87,000 was awarded to a whole range of charities. In late 2021 the Fund approved a grant to partner with Cambridge City Council to support children of low-income families to take part in sport and physical activity. During the year the Fund also helped LGBTQ+ young people in Cambridgeshire to travel to access groups, provided equipment for Cherry Hinton Scouts, supported a mentoring group for vulnerable young people, provided funds to Rowan, a charity for adults with learning difficulties and enabled Cambridge Acorn Project to provide enrichment sessions for pupils from disadvantaged backgrounds.

The Leys has also continued to work with local schools; at Great Abington School primary school there was a Shakespeare workshop and sports coaching in netball and cricket. At Newnham Croft primary school, The Leys provided mentoring in maths and at North Cambridge Academy transitional support was provided for Year 6 pupils. Looking to the future additional work has been planned on the wider curriculum with an outdoor learning project proposed with both Great Abington primary school and Waterbeach primary school. In addition, the partnership with the Red Balloon Learning Centre continues. This school, which supports the most vulnerable, has benefited from the expertise of one designated member of staff who has continued to work closely with small groups and individuals providing them with respite, 1:1 mentoring, coaching, trampolining, swimming, and climbing wall experiences. The Leys

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

also provided them with thirty-two recycled iPads, two laptops and on-going technical IT support and training of staff to ensure effective and safe deployment of the technology.

St Faith's welcomed pupils from local primary schools to a STEM day. The pupils enjoyed designing, building and testing rocket cars in engineering and taking part in the Robot Olympics in computing with the Year 7 and 8 Pupils from St Faith's. St Faith's also supported the work of Age UK by making over 200 Christmas cards and 70 wrapped presents which were then distributed to the lonely and isolated older members of the local community.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Review of 2021/22

Both schools began 2021/22 with higher pupil numbers than budgeted. The Leys was particularly pleased that the number of boarders was higher than forecasted. A decision was made to manage spending very carefully and delay project spending in the first term until there was more certainty about any further impact from Covid-19.

Fortunately, the impact of COVID-19 was extremely limited and the schools remained fully open for all 3 terms and did not lose any pupils. The income from letting activities recovered significantly and, for the first time for 3 years, the Bell International School ran a summer holiday programme at The Leys.

Both schools undertook some limited project spending over the summer holidays although both struggled to complete all the planned projects due to challenges with obtaining raw materials and engaging contractors to carry out works.

The schools are very pleased with their overall financial performance for 2021/22.

Planning for 2022/23

For 2022/23 Governors took account of the potential impact of the Ukraine war and assumed that the impact of Covid-19 would diminish. Budget planning assumed conservative pupil numbers and a recovery in lettings income. The staff salary increase was set at the same level as anticipated inflation.

Actual performance for 2022/23

On the income side, both schools have begun the new year with higher pupil numbers than budgeted. On the cost side, the estimated operational costs have been revised to take account of the higher level of inflation than was assumed during budget planning. Two detailed scenarios have been put together. The schools are also considering additional financial support for the lowest paid staff and the potential impact of the current economic crisis on both current parents and prospective parents.

The schools have reviewed the key covenant conditions for the bank loan and mortgages and there are no concerns about achieving them.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

Planning for 2023/24

Looking ahead to 2023/24 the greatest financial risk to the schools is the potential increase in operating costs and the fee rise which the schools may need to charge to cover these increased costs. The Foundation's current utility contract expires in September 2023 and the new contract will mean a significant increase in costs. The school is working with brokers and aims to start negotiations in April 2023 on a new contract. There is a concern that salary costs could also increase significantly if inflation continues to rise and there is a substantial pay award in the Maintained Sector. There is also a concern about the level of inflation in 2023/24. The schools have considered a range of mitigating actions to limit the impact of the potential cost rises so that the fee rise for 2023/24 can be kept at a sensible level.

The economic situation could also impact both potential and prospective parents. The Schools are putting together various scenarios and mitigations they could implement.

Objectives for the year for The Leys

In last year's Trustees' Report, the following objectives were identified for the next five years:

1. Continue our focus to ensure that The Leys is recognised as a centre of excellence for two core academic objectives: the quality of the continued professional development of our academic staff and the quality of teaching and learning at The Leys.

2. Continue to offer a wide range of extra-curricular activities and aspire to high standards both in the wider curriculum and in the all-roun d personal development of the pupils.

3. Continue to build links with feeder schools in the independent and maintained sectors and develop our marketing strategies to keep the school full.

4. Continue to strengthen the positive impact of the school in terms of benefit to the wider community, not least through the future provision of fully funded places for the most disadvantaged children.

5. Continue to develop the use of Information Technology both as a teaching tool and to enhance the administration of the Foundation as a whole.

6. Continue to focus on the future development of the campus through the implementation of a master plan for the site.

7. Continue to develop and enhance our reputation for excellent pastoral care.

Review of the operational performance of The Leys 2021-22

1. The Leys' reputation as a centre of excellence has been enhanced not least through strong academic results including, after some solid A Level results, the best examined GCSE results in the School's history. According to a number of criteria, they were even higher than those produced by Teacher Assessed Grades (TAGs) and Centre Assessed Grades (CAGs) in 2020 and 2021. An impressive 79% of all grades awarded were 9, 8 or 7, and 36% were graded 9, the highest mark possible. Top performing pupils included Guy A, Alexandra B, Clara de S,

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

Emily H and Harry TB, all of whom obtained straight 9 grades. The percentage of 9s, more than a third of all the grades awarded for this cohort, is the best it has ever been in the school's history, which is truly outstanding. This success is testament to the focus in recent years on the quality of the continued professional development of our academic staff and the quality of teaching and learning at The Leys.

2. As the School has recovered from the restrictions of lockdowns and Covid mitigations have gradually been withdrawn, the range of extra-curricular activities offered during the school week has returned to its enviable pre-pandemic level and pupils continue to achieve high standards in sport, art, drama, music, the Combined Cadet Force, the Duke of Edinburgh Scheme and in a vast array of other clubs and activities. Our public speaking team, for instance, remained unbeaten throughout the academic year and would have competed at the national finals at the NEC but for the cancellation of that event a result of Covid disruptions in other regions of the UK. Our sporting teams were very successful throughout 2021-22, with our pupils showing great enthusiasm for the resumption of a full sporting programme. A wide range of plays, concerts and productions were staged throughout the year and the End-of-Year Concert at Saffron Hall was very strong for our musicians. Similarly, our Summer Cabaret was a wonderful showcase of the ability of our pupils in the performing arts. The School continues to see the wider curriculum as playing a vital role in the all-round personal development of the pupils.

3. We continue to build links with feeder schools in the independent and maintained sectors and to develop our marketing strategies to keep the school full. Events for feeder schools have resumed successfully post-lockdowns and Covid restrictions. A new Head of Marketing has been appointed and work is underway on a new school website. The School roll remains very full for the forthcoming academic year. After a Covid-related hiatus in 2020 and 2021, we were delighted with the successful re-introduction of the longstanding Leysian tradition, the 24-Hour Visit, at the end of the Lent Term 2022. This is an event for next year's incoming Year 9 (and pupils from Year 8 in Moulton moving up into new Houses) to mix and get to know each other, the School campus, and us, especially in their House groups. They amazed us – in a very positive way.

4. We have done a huge amount of outreach and partnership work through the newly established Community Fund, managed by our Development Office, through which we partner with a number of local charities to have a positive impact on the wider community. In addition, our work with the Royal National Children's SpringBoard Foundation continues to gain momentum, and our first SpringBoard 'graduate' from The Leys left with A*,A,B at A Level– an exceptional achievement and a wonderful demonstration of what this work can do to encourage social mobility through the provision of extraordinary opportunities to young people. Fundraising for this programme continues, and a number of new SpringBoarders will join the School in September 2022.

5. We continue to develop the use of Information Technology both as a teaching tool and to enhance the administration of the Foundation as a whole. Some elements of our Covid adaptations (for example, online parents' evenings) have been retained to enhance our provision in the 'new normal' and the rollout of Augmented Reality and Virtual Reality has continued thanks to the generous donation of a Leysian parent benefactor, with VR and AR facilities now available to departments throughout the Clapham Building. A full-scale review of our school IT infrastructure is underway.

6. Post-Covid, there is a renewed focus on the future development of the campus through the implementation of a master plan for the site. A number of projects were completed during the summer of 2022 in readiness for the new academic year.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

7. We continue to develop and enhance our reputation for excellent pastoral care. In 2021-22, we had a strong focus on racism awareness training for pupils, and we also had a focus on inclusiveness and diversity awareness. All boys in Years 8-13 have now received a talk on masculinity from 'Beyond Equality'. All pupils in Year 9 and in the Lower Sixth completed a three-hour session on anti-racism awareness training. Our 'sex and relationships' courses within the PHSE programme were revised at the start of the academic year in light of the various pieces of legislation that were brought in over the last two years. This year we have worked with the Kite Trust around LGBT issues with Years 10 and the Lower Sixth, and Dhiverse, a local sexual health clinic, have spoken to Years 11, Lower and Upper Sixth. The Upper Sixth were given a chance in small groups to discuss sexual health, consent, STIs and accessing help in the community – this is something we felt was very important for them prior to their departure for university. We have also passed our first section towards the Kite Trust Rainbow Award and submitted work for the next two sections. This award is intended formally to recognise our work towards greater LGBT+ awareness in the School and its community. Pupil-led initiatives included the pupil group "We are Everyone", which has met weekly to allow the Sixth Form to discuss a range of topics, and the Veg Patch has flourished under the auspices of the Wellbeing Prefect who ran it as a relaxing opportunity for Sixth Formers.

Objectives for the year for St Faith's

In last year's Trustees' Report, the following objectives were identified for the next five years:

1. Continue to provide an excellent all-round education with a future-focus and strong academic core.

2. Continue to ensure that pupils' personal development is excellent, providing them with a strong foundation on which to build in the future.

3. Maintain the current school roll.

4. Continue to develop good links with the community, including partnerships with maintained schools.

5. Continue to increase the provision of means-tested bursaries.

6. Lead the introduction and development of Engineering as a curriculum subject across maintained and independent schools in the UK and abroad

Review of the operational performance of St Faith's 2021/22

1. The first two terms of the academic year were characterised by Covid-related challenges and adaptations, with the lifting of restrictions in March 2022 enabling a focus on re-introduction of school events and rebuilding community. The school continued to provide a broad, future-focused and rigorous education throughout the year, despite the ongoing disruptions caused by the pandemic. This was independently verified during an Educational Quality and Regulatory Compliance Inspection by the Independent Schools Inspectorate (ISI) in October 2021, which reached the following conclusions:

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

- The school is fully compliant.
- The quality of the pupils' academic and other achievements is ***excellent.***
- The quality of the pupils' personal development is ***excellent***

These are the highest possible inspection ISI judgement outcomes and affirm the excellent all-round quality of education and pastoral care provided at St Faith's.

In addition, a record number of scholarships and awards (a total of 38) to senior schools were awarded, across the curriculum.

2. As recognised by the ISI Inspection, a focus on pupils' personal development continued, with initiatives such as the Eco Committee, the School Council, the Buddy system and charity fundraising all being prominent, alongside regular assemblies. Kindness certificates have been awarded across all year groups and the ISI recognised the exemplary behaviour of the pupils.

3. The school roll has been maintained and despite significant challenges associated with the cost of living, the demand for places remains very high. At the start of the academic year in September, we have 571 pupils on roll and this number will increase to 575 pupils on roll in January, which is the highest number in St Faith's history. A Year 3 Open Morning (aged 7+ is a main point of entry) is being introduced this Michaelmas Term to ensure demand is maintained, with a focus on the 'tailored' education offered by St Faith's.

4. The school has continued to promote its links with local maintained schools and the community wherever possible, for example inter-school Maths and Chess competitions, despite the physical challenges of the pandemic. This focus will continue into the 2022-23 academic year.

5. The increase in provision for means-tested bursaries in the Summer of 2020, to take into account the potential impact of Covid on parents, has been maintained in recognition of the increase in cost of living and the impact this will have on family disposable income. We have noted that a small number of families have declined school place offers for financial reasons.

6. Engineering continues to be a distinctive feature of the St Faith's curriculum and we have continued to deliver curricular training and resources on this subject throughout the year.

Future planning for the academic year has also been informed by a whole school survey (pupils, parents and staff) by RSAcademics in the Summer of 2021. Generally, the results of this were very positive and affirming.

Future focus areas were highlighted, including:

- Value for money
- Face to face meetings and feedback
- Academic stretch
- Teacher work-life balance

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

FUND RAISING PERFORMANCE AT THE LEYS 2021/22

We are, as ever, very grateful for the support from our Leysian Community of Old Leysians, parents, staff, former staff and other friends of the School.

All fundraising is carried out through the Development Office. This is in the form of telephone campaigns, direct mail, Giving Days and individual solicitation. The Office is staffed by professionals who undergo continuous peer review and industry standard training. The School is registered with the Fundraising Regulator and staff are members of IDPE, which though not a regulated body does provide best practice for the industry and adhere to all ICO regulations. The activities and performance of the Office is monitored by the Headmaster and Governors.

The Office saw a number of staff changes during the year with both Senior Development Officer and Development Office Administrator leaving their roles. Both positions have been filled, and both new staff members began their roles at the start of the 2022-23 financial year.

The School only contacts those with a genuine connection with The Leys and does not cold call/mass market. We screen people for TPS when conducting telephone fundraising and exclude as appropriate. All those aged over 80 are excluded from fundraising activity unless they opt in, as are those under the age of 25. All those that request no further contact are marked such, and no further communications are sent. All other communications are measured and appropriate given the individual's relationship with the School.

The main addition to the fundraising programme during the year was the first Leys Giving Day held on 23 March 2022. The Giving Day raised a total of £27,300 towards the Gift of Education, the Community Fund and House Charities. There were 131 donors, including 53 first time donors.

During the year 2021/22 the Development Office raised just under £600k from 260 donors in philanthropic gifts. While overall funds raised decreased from last year, the total number of donors increased by 30. This increase in donors is entirely attributable to the Leys Giving Day.

The School is committed to its transformational bursary programme, the Gift of Education, which provides 110% boarding bursary places to vulnerable and disadvantaged children. Following the launch of the campaign in May 2021, to date we have received £1.48million in new funds raised and are raising £34k per year in regular giving. This is against a target of £6million new funds raised and £50k annual regular giving. The long-term aspiration remains to support two transformational bursary places in each year group of the School.

Like many other educational institutions, we are relying on a combination of "legitimate interest" and consent to contact members of our community by post, telephone and email. We are increasingly successful in obtaining consent to contact by email through a variety of channels, this year obtaining contact details from 100% of the 2022 Upper Sixth Leavers for the first time. To date we have over 2,700 consents to send the OL News electronically. All data is held securely on our alumni and supporter database which is accessible to limited members of the school staff. All staff in the Development Office have access to the database and have undertaken appropriate industry standard data protection training.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

INVESTMENT PERFORMANCE AGAINST OBJECTIVES

The Governors' objective is to achieve a total rate of return target that is equivalent to the median of the Wealth Management (WM) index for Charities judged on a 3 year rolling basis. The Survey ceased to exist in April 2016 and performance is now compared to the MSCI WMA Balanced Index, as a market comparator and the Asset Risk Consultants (ARC) Charity Steady Growth Index, as a peer group measurement. On a rolling 3 year basis to July 2022, the net total rate of return of the fund was 19.4% compared with the MSCI WMA benchmark of 11.3% and ARC Steady Growth Index of 10.5%. On a rolling 5 year basis the net total return of the fund was 45.2% compared to 26.8% for the MSCI WMA benchmark and 23.1% for ARC. The net total rate of return of the fund from August 2021 to July 2022 was -3.9% compared with a movement in the MSCI WMA Balanced benchmark of -0.4% and -2.7% for ARC.

During the year, across the individual asset classes, save for the alternative investments, this proved a challenging period for the portfolio. Even ahead of the UK mini-budget, fixed interest markets proved challenging, with cold comfort taken from the relative outperformance of Gilts which declined by 14.3% during the period, against -10% for the portfolio's limited fixed interest exposure. Overseas equities account for 46.5% of the portfolio's invested assets, with the US (27.4%) now the largest single equity exposure as the portfolio continues to adopt an ever increasing international posture. Amongst the equities, this was only section to deliver positive returns, with significant returns from Chevron, Pfizer, Pepsico and Apple offsetting weakness amongst industrials, such as Xylem and Trane Technologies. Within the domestic UK market (22%), although the focus is international, the skewed nature of returns during the period, with energy stocks surging in response to the invasion of Ukraine, led to underperformance. Domestically, a total return of -3.9% compared to a 7.4% return from the MSCI United Kingdom large and medium companies index. Further afield after, in the round, a pleasing performance in the prior year – we lagged behind local market indices, most of this attributable from an abrupt rotation in style at the start of the calendar year as value orientated companies came back into favour. The alternatives (18%), which include investments in property, infrastructure, renewables and private equity enjoyed a strong, positive and uncorrelated return of over 2.5% - usefully ahead of the decline in Gilts, real estate and total return strategies.
The managers expect to experience further turbulence in all markets in the short term, however they believe that the portfolio remains suitability resilient to withstand a reasonable level of capital volatility over the medium to long term, but cannot exclude the challenges of maintaining real values in the short term when faced with double digit inflation and rising bond yields. The managers expect that the ongoing impact of the Ukraine conflict, ongoing supply chain constraints, persistent inflation, squeezed incomes, the cost of living crisis and the prospect of central bank policy errors will all continue to contribute to market volatility in the year ahead. Overall, though, they remain positive for the long-term prospects of the current investment strategy and believe that we are towards the bottom of the current cycle. Whilst resilience and a cheerful disposition will be required to live through the next 12 months, they believe that prospects for investors are set to improve by mid 2023.

The Investment Committee continues to monitor the activities of the portfolio Managers and is satisfied with Quilter Cheviot's performance.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

ENVIRONMENTAL REPORT

The Foundation welcomes the opportunity to report on the work both schools have been involved in to reduce our impact on the environment and educate our pupils on the importance of acting in a sustainable manner. Both schools have committed a great deal of time and resources over recent years. St Faith's were the first Independent school winner of the Ashden Sustainability Award and have worked with a number of schools in the state and independent sectors to assist them with putting together sustainability action plans. The pandemic has impacted on actions that were originally planned for 2021/22. The aim is to move forward with these initiatives in 2022/23.

Total energy use and greenhouse emissions.

	Totals 2022	Greenhouse Emissions (KgCO2)	Greenhouse Emissions (KgCO2) 2021
Gas Usage	5,209,274 KwH	957,829	849,093
Electricity Usage	1,523,132 KwH	355,103	353,340
Transport	7,123 Litres	17,862	12,573
Total Greenhouse Emissions		1,330,794	1,215,186
Intensity ratio emissions per pupil	1,330,794 / 1,142 = 1,165		1,215,186 / 1,143 = 1,063

The data has been derived from the energy monitoring systems at the schools and checked with the invoice information. The fuel consumption has been calculated from invoice data.

The intensity ratio looks at the emissions per pupil as the number of pupils is the main driver of our emissions. The ratio has risen from last year but this is explained by the fact that the schools were open for all 3 terms whereas in 2020/21 they were closed for 1 term. Our aim is that by better educating our pupils we can drive the emissions per pupil down and this could become a key target which would motive the pupils.

Specific actions by the schools

- Both schools have continued to develop their long-term sustainability strategies to cover curriculum and non-curriculum aspects of the schools' operation. It has been more difficult to implement new initiatives due to the pandemic.

- Both schools are investigating how they should plan to put together net zero action plans for the school sites including considerations for renewable energy and building energy performance.

- The Leys has appointed a member of the teaching staff to take on the role as Head of Sustainability and given her a time allocation to enable her to drive forward initiatives.

- St Faith's pupils have continues to energise the Green Action Plan and have focused on energy and waste reduction.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

- St Faith's has focused on sustainable transport with the introduction of a home to school transport service, an app to reduce car journeys and a plan to introduce Great Cambridge partnership travel initiatives.

- St Faith's has continued to mentor other schools in certain redirection campaigns as part of the Ashden's School programme.

FINANCIAL REVIEW

Results for the year

The income generated by the Foundation increased by £1M from £25.5M to £26.6M. The most significant factor was an increase in school fee income, which increased by almost £2M. Both schools were close to capacity and unlike last year the schools remained open for the full year and therefore did not have to refund any of the fees. Other educational income also rose significantly due to an increase in charges to parents (as pupils were able to enjoy school trips and other activities which had been reduced during Covid), an increase in lettings income and the reintroduction of the Bell International School. The amount received in donations and grants reduced significantly as last year included a significant legacy donation. The surplus generated by The Foundation was £2.2M.

Reserves level, policy and financial viability

At the Balance Sheet date, the Foundation's total reserves were £44.8M (2021 £43.5M) including £4.2M (2021 £4.1M) of endowed funds, £4.5M (2021 £4.3M) of expendable endowed funds, £2.7M (2021 £2.4M) of restricted funds and £33.9M (2021 £32.4M) of unrestricted funds.

Within the unrestricted funds, £331k (2021 £223k) was designated to provide financial support for parents impacted by hardship and £1.1M (2021 £1M) was designated for the Gift of Education.

Ideally, the Governors would like a General Fund of free reserves equivalent to 6 weeks unrestricted expenditure to meet its immediate objectives and protect its current activities, including the provision of adequate working capital. Due to the fact that the Governors decided to pay off one of the mortgages early, at a cost of £900k, it was not possible to generate this level of free reserves The Governors are confident they have mitigation plans in place and therefore the lack of free reserves is not a significant issue.

The Foundation monitors its cash flow carefully. There is a bank overdraft facility of £500K and an understanding with the bank that the facility can be increased to £1M if needed. A variety of scenarios have been modelled for 2023/24 and the Foundation has a number of mitigating actions that could be taken if required. The Governors feel confident that the Foundation will not have any cash flow challenges.

Going concern

At the time of approval of the Annual Report and Accounts, the current economic situation continues to evolve and the long-term impact on the Foundation, in common with other businesses, is unknown. The Governors have reviewed the position carefully taking into account the latest economic data and have undertaken various scenario exercises, particularly in terms of the impact of rising costs. The

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

financial analysis demonstrates that even under the most pessimistic scenario the Foundation would not experience any significant financial problems and would be able to manage the cash flow implications without having to take any further mitigating actions for the year. In looking ahead to July 2024 there are additional cost pressures which will impact the Foundation. The Governors have carefully considered these and potential mitigating actions which The Foundation could take to improve the financial situation if required. There are currently significant cash balances and an investment portfolio should additional liquidity be required through this period of uncertainty to meet the liabilities as they fall due for the Foundation as a whole.

The Foundation does not anticipate any material reduction in prospective pupil numbers above that which the Foundation has used for the purposes of financial modelling and forecasting. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

PRINCIPAL RISKS AND UNCERTAINTIES

The Foundation's Governors are responsible for the management of the risks faced by the Foundation. Detailed considerations of risk are delegated to the individual school committees who are assisted by the senior management teams. Risks are identified, assessed and controls established throughout the year. The top ten risks facing the school is a standing item at all committee meetings. A full review of the charity's risk management process is undertaken on an annual basis at a full Governors' meeting.

The key controls used by the Foundation include formal agendas for all committee and board activity, comprehensive strategic planning, budgeting and management accounting, an established organisational structure and lines of reporting, formal written policies, clear authorisation and approval levels and vetting procedures as required by law for the protection of the vulnerable. Through the risk management process established by the Foundation, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Unlike the last two years, the Governors do not consider the potential impact of the Covid-19 as the major risk facing the Foundation. The most significant risks come from the current economic situation. The schools have considered several different scenarios and assumptions and are confident that they have strong mitigating actions in place. Both schools coped exceptionally well with the challenges during 2021/22 and have started 2022/23 close to capacity and with encouraging interest from prospective parents for 2023/24. The schools are not complacent and will continue to monitor the current economic situation and any potential impacts on the schools.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

FUTURE PLANS

The Leys began a fundamental review of its Strategic Plan in May 2021 and has now produced a plan for 2022-27. In the plan The Leys has committed its resources and energies over the next 5 years to ensuring to enhance its position as an 'Alpha' boarding school for the East of England and a Tier 1 International Boarding School. The term 'Alpha boarding school' describes those boarding schools that will remain strong within a UK boarding market which is increasingly regional, and in which some leading schools will remain or become the 'go-to' regional hub boarding school of choice. Alpha school characteristics include being strong academically, being able to attract both traditional independent school parents and first-time buyers, and providing strong individualised care (academic, pastoral). The term 'Tier 1' boarding school within the international boarding market describes those leading boarding schools that will remain reputationally secure and highly regarded within the international boarding market, with well-established and trusted links to international parents.

In addition, the operational plan for The Leys includes the following:

1. Continue our focus to ensure that The Leys is recognised as a centre of excellence for two core academic objectives: the quality of the continued professional development of our academic staff and the quality of teaching and learning at The Leys.

2. Continue to offer a wide range of extra-curricular activities and aspire to high standards both in the wider curriculum and in the all-round personal development of the pupils.

3. Continue to build links with feeder schools in the independent and maintained sectors and develop our marketing strategies to keep the school full.

4. Continue to strengthen the positive impact of the school in terms of benefit to the wider community, not least through the partnership with the Royal National Children's SpringBoard Foundation to drive social mobility through the provision of fully funded places at The Leys.

5. Continue to develop the use of Information Technology both as a teaching tool and to enhance the administration of the Foundation as a whole.

6. Continue to focus on the future development of the campus through the implementation of a master plan for the site.

7. Continue to develop and enhance our reputation for excellent pastoral care.

8. To share and raise awareness of our newly developed 'Values Statement' for all staff. The values identified were as follows: we put the pupils at the heart of everything we do; we are one community; we aim to get better all the time; we do "All The Good We Can"; we take responsibility.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

St Faith's School objectives for the academic year 2022-2023:

1. To provide an appropriately balanced, broad and rigorous St Faith's education, including curricular and wider-curricular opportunities.
2. To continue to focus on the health, safety and wellbeing of the school community.
3. To embed proof-of-concept for mobile devices and digital strategy.
4. To deliver education tailored to each child, with precision and a focus on top-down excellence.
5. To reinforce high expectations of behaviour in children.
6. To maximise financial and operational efficiencies.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Leys and St Faith's Schools Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees, the strategic report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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, 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 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

In so far as each of the Trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of The Leys and St Faith's Schools Foundation on 10th December 2022, including in their capacity as company directors approving the Strategic report contained therein, and is signed as authorised on its behalf by:

DocuSigned by:
Helena Renfrew Knight
7DC121C1EFBC496...

Mrs Helena Renfrew Knight
Vice Chair of the Governing Body

Dated 10th December 2022

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

Independent Auditor's Report to the Members of The Leys and St Faith's Schools Foundation

Opinion

We have audited the financial statements of The Leys and St Faith's Schools Foundation ('the charitable company') and its subsidiaries ('the group') for the year ended 31 July 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Foundation Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including 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 group's and the charitable company's affairs as at 31 July 2022 and of the group's 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 group 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 trustee's 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 or the group'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit

- the information given in the trustees' report, which includes the directors' report and the strategic 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

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 and proper accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees (who 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 trustees 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 trustees 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

Standards) Regulations 2014, General Data Protection Regulation (GDPR), health and safety legislation, taxation legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

15 December 2022

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2022

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	Total Funds 2022 £'000	*Total Funds 2021 £'000*
Income and endowments from:						
Charitable Activities						
School fees (net)	2	24,123	-	-	**24,123**	*22,162*
Other educational income	3	1,261	-	-	**1,261**	*519*
Other activities	3	22	-	-	**22**	*112*
Voluntary sources						
Grants and Donations	4	33	360	-	**393**	*2,130*
Investments						
Investment income		187	359	-	**546**	*312*
Bank and other interest		4	1	-	**5**	*4*
Other trading activities						
Non-ancillary trading income	5	279	-	-	**279**	*252*
Total income		**25,909**	**720**	**-**	**26,629**	*25,491*
Expenditure on:						
Raising funds						
Non-ancillary trading		251	-	-	**251**	*244*
Fundraising and Development		195	82	-	**277**	*170*
Financing costs under Advance Fee Contracts		191	-	-	**191**	*141*
Finance costs		32	-	-	**32**	*42*
Bank and Mortgage interest		96	-	-	**96**	*106*
Investment Management Fees		63	-	-	**63**	*38*
Total deductible costs	6	828	82	-	**910**	*741*
Charitable activities						
Education and grant making	6	23,369	157	-	**23,526**	*21,820*
Total expenditure		**24,197**	**239**	-	**24,436**	*22,561*
Net incoming funds from operations before transfers and investment gains		**1,712**	**481**	**-**	**2,193**	*2,930*
Investment (losses)/gains	8	(222)	(150)	(523)	**(895)**	*2,117*
Transfer between funds	17	54	(54)	-	**-**	*-*
Net income and capital inflow		**1,544**	**277**	**(523)**	**1,298**	*5,047*
Fund balances at 1 August 2021		32,415	2,394	8,739	**43,548**	*38,501*
FUND BALANCES at 31 July 2022	14	**33,959**	**2,671**	**8,216**	**44,846**	*43,548*

The notes on pages 27 to 46 form part of these accounts.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED AND FOUNDATION BALANCE SHEETS
AT 31 JULY 2022

	Notes	**Group 2022 £'000**	*Group 2021 £'000*	**Foundation 2022 £'000**	*Foundation 2021 £'000*
FIXED ASSETS					
Tangible fixed assets	7	**32,723**	*33,869*	**32,712**	*33,852*
Investments	8	**13,771**	*12,822*	**13,771**	*12,822*
		46,494	*46,691*	**46,483**	*46,674*
CURRENT ASSETS					
Stocks		**124**	*119*	**28**	*17*
Debtors payable within one year	9	**1,029**	*617*	**1,118**	*699*
Cash		**10,963**	*10,929*	**10,919**	*10,917*
		12,116	*11,665*	**12,065**	*11,633*
CREDITORS: payable within one year	10	**(11,161)**	*(10,607)*	**(11,109)**	*(10,568)*
NET CURRENT ASSETS		**955**	*1,058*	**956**	*1,065*
TOTAL ASSETS LESS CURRENT LIABILITIES		**47,449**	*47,749*	**47,439**	*47,739*
CREDITORS: due after more than one year					
Advance fees	12	**(865)**	*(1,036)*	**(865)**	*(1,036)*
Loans	11	**(1,738)**	*(3,165)*	**(1,738)**	*(3,165)*
TOTAL NET ASSETS	14	**44,846**	*43,548*	**44,836**	*43,548*
FUNDS					
PERMANENT ENDOWED FUNDS	15	**4,187**	*4,454*	**4,187**	*4,454*
EXPENDABLE ENDOWED FUNDS	16	**4,029**	*4,285*	**4,029**	*4,285*
RESTRICTED FUNDS	17	**2,671**	*2,394*	**2,671**	*2,394*
UNRESTRICTED FUNDS	18	**33,959**	*32,415*	**33,949**	*32,405*
		44,846	*43,548*	**44,836**	*43,538*

The net result for the financial year within the financial statements of the parent charity was a surplus of £2,193,000 (2021: £2,930,000).

These financial statements were approved and authorised for issue by the Governing Body on 10th December 2022 and were signed on its behalf by:

DocuSigned by:
Helena Renfrew Knight
7DC121C15FBC496...
Mrs Helena Renfrew Knight
Vice Chair of the Governing Body

DocuSigned by:
R B Webster
4BF9D743A2E84C7...
Mr R Webster
Hon. Treasurer

Company number 7748737

The notes on pages 27 to 46 form part of these accounts.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2022

	Notes		**2022**	*2021*
			£'000	*£'000*
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net cash provided by operating activities	23		**2,994**	*6,350*
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income receipts		**334**		*312*
Bank interest received		**5**		*4*
Purchase of tangible fixed assets		**(177)**		*(162)*
Purchase of investments		**(1,695)**		*(48)*
Net cash (used)/provided by investing activities			**(1,533)**	*106*
CASH FLOWS FROM FINANCING ACTIVITIES:				
Repayments of loans and mortgage borrowings		**(1,427)**		*(640)*
Net cash (used) financing activities			**(1,427)**	*(640)*
Change in cash and cash equivalents in the reporting period			**34**	*5,816*
Cash and cash equivalents at the beginning of the period			**10,929**	*5,113*
Cash and cash equivalents at the end of the reporting period			**10,963**	*10,929*

The notes on pages 27 to 46 form part of these accounts

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2022

1. Accounting Policies

The Foundation is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 22 August 2011 (company number: 7748737) and registered as a charity on 22 August 2011 (charity number: 1144035). The registered office of the Foundation is The Leys School, Trumpington Road, Cambridge, Cambridgeshire CB2 7AD.

The financial statements have been prepared on the historical cost basis of accounting, as modified by the revaluation of other investments, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006, the Charities SORP (FRS 102) and the accounting policies set out below.

At the time of approval of the Annual Report and Accounts, the current economic situation continues to evolve and the long-term impact on the Foundation, in common with other businesses, is unknown. The Governors have reviewed the position carefully taking into account the latest economic data and have undertaken various scenario exercises, particularly in terms of the impact of rising costs. The financial analysis demonstrates that even under the most pessimistic scenario the Foundation would not experience any significant financial problems and would be able to manage the cash flow implications without having to take any further mitigating actions for the year. In looking ahead to July 2024 there are additional cost pressures which will impact the Foundation. The Governors have carefully considered these and potential mitigating actions which The Foundation could take to improve the financial situation if required. There are currently significant cash balances, and an investment portfolio should additional liquidity be required through this period of uncertainty to meet the liabilities as they fall due for the Foundation as a whole.

The Foundation does not anticipate any material reduction in prospective pupil numbers above that which the Foundation has used for the purposes of financial modelling and forecasting. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

The financial statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets comprising the consolidation of the School with its wholly owned subsidiary Leys Enterprises (Cambridge) Limited. No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006.

The Foundation has taken advantage of the exemption available to a qualifying entity in FRS102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.
The Foundation meets the definition of a public benefit entity under the guidance issued by the Charity Commission.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, 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

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

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 affected current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimated 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.

1.1 School fees

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the Schools, but include contributions received from Trust Funds.

1.2 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 Schools is considered probable. Donations received for the general purposes of the Schools are credited to unrestricted funds, to distinguish them from direct school income. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on The Foundation Trustees, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments, permanent or expendable according to the nature of the restriction. Grant income is recognised when there is evidence of entitlement, the receipt is probable, and the amount can be reliably measured. There were no performance related conditions attached to grant income received.

1.3 Investment Income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accrual's basis.

1.4 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

1.5 Intra-group

Intra-group sales and charges between the Foundation and its subsidiary are excluded from trading income and expenditure.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

1.6 Pension costs

The School contributes to two pension schemes as follows:

(a) The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the Foundation's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

(b) Aviva Master Trust Scheme -This scheme is a multi-employer pension scheme which has been set up to give teachers an alternative to The Teachers Pension scheme. This scheme is currently active with no participants.

(c) The Foundation Group Personal Pension Plan – This is a defined contribution group personal pension plan for both The Leys and St Faith's schools non-teaching staff with Standard Life Assurance Company Limited. Employers' pensions costs are charged in the period in which the salaries to which they relate are payable.

1.7 Tangible fixed assets

All expenditure on individual tangible fixed assets over £2,000 is capitalised in the balance sheet at cost.

Other expenditure on equipment incurred in the normal day-to-day running of the two schools is charged to the Statement of Financial Activities as incurred.

1.8 Depreciation

Depreciation is provided on a straight-line basis at rates which are sufficient to write the tangible fixed assets down to their estimated residual value over their estimated useful lives. The depreciation rates are:

	Per Annum
Freehold land	Nil
Freehold buildings off site rebuild cost used for depreciation	2%
Freehold buildings on site new build cost used	2%
Freehold buildings on site total refurbishment	7 – 20 years
Buildings on leasehold land	Length of lease
Plant and machinery	10 - 20%
Fixtures, fittings and equipment	7 – 34%

During the year the Trustees reconsidered the useful economic life of some of the building assets which has resulted in a change to the estimated lives of these assets and them being written off over an extended time period. Boarding houses refurbishments will be written off over 15 years.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

1.9 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. Investment in the subsidiary is valued at cost less provision for impairment.

1.10 Stocks

Stocks have been valued at the lower of cost and estimated selling price less costs to sell/ estimated profit margin.

1.11 Advanced fee scheme

Amounts received under the school's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

1.12 Financial instruments

The Foundation has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows. Financial assets held at amortised cost comprise bank and cash in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans, trade and other creditors. Investments including cash held as part of the investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

1.13 Fund accounting

The charitable trust funds of the Foundation are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable.

Unrestricted income belongs to the Foundation's corporate reserves: spendable at the discretion of the Governors either to further the Foundation's Objects or to benefit the Schools' themselves. 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.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the Foundation for its financial benefit (i.e., by investment). If the donor or the terms of an appeal has restricted the purpose for which the gift or any income from it is to be used, any part converted into income for spending will accrue to the appropriate restricted fund. The income on the permanent endowed funds held is used to pay for scholarships and bursaries as per the wishes of the donors.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

Expendable endowment funds are accounted for similarly, except that all capital can be converted into income for spending either at the Governors' own discretion or else upon the happening of some event contemplated by the donor.

1.14 Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term, even if the payments are not made on such a basis unless the rental payments are structured to increase in line with expected general inflation, in which case the Foundation/group recognises annual rent expense equal to amounts owed to the lessor. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

2. SCHOOL FEES

	2022 £'000	*2021 £'000*
Fees receivable consist of:		
School fees	**25,804**	*23,806*
Less: scholarships, bursaries and allowances	**(1,838)**	*(1,802)*
	23,966	*22,004*
Add back: Bursaries and other awards paid by restricted funds	**157**	*158*
	24,123	*22,162*

3. CHARITABLE ACTIVITIES - OTHER INCOME

	2022 £'000	*2021 £'000*
Other educational charitable activities		
Entrance and registration fees	**70**	*81*
Recharge extra-curricular activities	**329**	*125*
Pupil welfare	**3**	*59*
Courses and sub-lettings	**649**	*254*
Summer School	**210**	*-*
	1,261	*519*
Other activities		
School fees refund scheme commissions	**8**	*-*
Other	**14**	*112*
	22	*112*

4. GRANTS AND DONATIONS RECEIVABLE

2022	UNRESTRICTED £'000	RESTRICTED £'000	TOTAL £'000
Donations	**4**	**326**	**330**
Donations for bursaries re Wesley Scholars	**-**	**34**	**34**
Legacies	**25**	**-**	**25**
Furlough grant	**4**	**-**	**4**
	33	**360**	**393**

2021	*UNRESTRICTED £'000*	*RESTRICTED £'000*	*TOTAL £'000*
Donations	*3*	*480*	*483*
Donations for bursaries re Wesley Scholars	*-*	*41*	*41*
Legacies	*908*	*264*	*1,172*
Furlough grant	*434*	*-*	*434*
	1,345	*785*	*2,130*

5. OTHER TRADING ACTIVITIES

Trading income	2022 £'000	*2021 £'000*
Leys Enterprises (Cambridge) Ltd	**279**	*252*

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

6. ANALYSIS OF EXPENDITURE

2022	Staff costs £'000	Other costs £'000	Depreciation £'000	Total £'000
Costs of raising funds:				
Non-ancillary trading	70	176	5	**251**
Fundraising and Development	131	146	-	**277**
Financing costs under advance fee contracts	-	191	-	**191**
Financing costs	-	32	-	**32**
Bank and mortgage interest	-	96	-	**96**
Investment managers charge		63	-	**63**
Total costs of raising funds	201	704	5	**910**
Charitable activities:				
Education and grant making				
Teaching	11,041	1,592	107	**12,740**
Welfare	1,167	2,016	74	**3,257**
Premises	915	2,235	1,137	**4,287**
Support costs and governance	1,961	1,022	-	**2,983**
Schools' operating costs	15,084	6,865	1,318	**23,267**
Grants, awards and prizes	-	259	-	**259**
Cost of charitable activities	15,084	7,124	1,318	**23,526**
Total expenditure	**15,285**	**7,828**	**1,323**	**24,436**

2021	*Staff costs £'000*	*Other costs £'000*	*Depreciation £'000*	*Total £'000*
Costs of raising funds:				
Trading costs	*54*	*184*	*6*	*244*
Fundraising for voluntary resources	*107*	*63*	*-*	*170*
Financing costs under advance fee contracts	*-*	*141*	*-*	*141*
Financing costs	*-*	*42*	*-*	*42*
Bank and mortgage interest	*-*	*106*	*-*	*106*
Investment managers charge	*-*	*38*	*-*	*38*
Total costs of raising funds	*161*	*574*	*6*	*741*
Charitable activities				
Education and grant making				
Teaching	*10,686*	*1,222*	*125*	*12,033*
Welfare	*1,094*	*1,777*	*76*	*2,947*
Premises	*873*	*1,884*	*1,158*	*3,915*
Support costs and governance	*1,889*	*773*	*-*	*2,662*
Schools' operating costs	*14,542*	*5,656*	*1,359*	*21,557*
Grants, awards and prizes	*-*	*263*	*-*	*263*
Cost of charitable activities	*14,542*	*5,919*	*1,359*	*21,820*
Total expenditure	*14,703*	*6,493*	*1,365*	*22,561*

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

6. ANALYSIS OF EXPENDITURE (CONTINUED)

	2022 £'000	*2021 £'000*
Governance expenditure includes:		
Auditors' remuneration for audit services	**27**	*25*
Reimbursement of personal expenses to Governors – travel costs	**-**	*-*
	27	*25*
Total staff costs comprised:		
The aggregated payroll costs for the year were as follows:		
Wages and salaries	**11,997**	*11,567*
Social security costs	**1,203**	*1,136*
Pension contributions	**2,085**	*2,000*
	15,285	*14,703*
Aggregate employee-benefits of key management personnel	**1,761**	*1,619*

The average number of the Foundation's employees during the year was 415 (2021 - 389) of whom 168 (2021 - 168) were teaching staff and the rest were support staff.

Certain Trustees have spouses or other relations who are employed at the schools as a teacher and as such receive salaries in accordance with the pay scale for all of the Foundations teachers. These Trustees do not vote at Trustee meetings on any matters relating to teachers' remuneration. At 31 July 2022 there was one Trustee with a spouse employed whose aggregate gross salary for the year ending on that date was £41,243 (2021: £39,145) Certain Trustees also have children who are pupils at the school and pay fees in accordance with the normal fee rates for all pupils less any contractual discounts to which they are entitled.

None of The Foundation Trustees received any remuneration, or other benefits from the schools or any connected organisation. During the year a total of £188.45 (2021 - Nil) was reimbursed to 2 (2021 - 0) Foundation Trustees for travel expenses.

The Foundation received £2,199 (2021 £100) in donations from its Trustees during the year which were for the specific purpose of the gift of education bursary.

The number of higher paid employees was:	2022 No.	*2021 No.*
Taxable emoluments bands:		
£ 60,001 - £ 70,000	**15**	*18*
£ 70,001 - £ 80,000	**-**	*1*
£ 80,001 - £ 90,000	**1**	*1*
£ 90,001 - £100,000	**1**	*-*
£100,001 - £110,000	**-**	*1*
£120,001 - £130,000	**1**	*-*
£140,001 - £150,000	**1**	*-*
£150,001 - £160,000	**-**	*1*
£170,001 - £180,000	**-**	*1*
£180,001 - £190,000	**1**	*-*
	20	*23*

The total employer pension contributions for higher paid staff were £313,789 (2021 - £354,293). During the year there were 2 termination payment made of £17,307 (2021 nil). There was nil outstanding at the year end.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

7. TANGIBLE FIXED ASSETS

FOUNDATION AND GROUP	Foundation				Subsidiary	
	Land and Buildings £'000	Plant and Machinery £'000	Fixtures, Fittings and Equipment £'000	**Foundation Total £'000**	Fixtures and Equipment £'000	**Group Total £'000**
Cost (or frozen valuation)						
1 August 2021	57,821	950	2,396	**61,167**	62	**61,229**
Additions	-	57	120	**177**	-	**177**
Assets no longer in use	-	(73)	(34)	**(107)**	-	**(107)**
As at 31 July 2022	**57,821**	**934**	**2,482**	**61,237**	**62**	**61,299**
Depreciation						
As at 1 August 2021	25,109	711	1,495	**27,315**	45	**27,360**
Charge for year	1,052	75	190	**1,317**	6	**1,323**
Assets no longer in use	-	(73)	(34)	**(107)**	-	**(107)**
As at 31 July 2022	**26,161**	**713**	**1,651**	**28,525**	**51**	**28,576**
Net book value						
31 July 2022	**31,660**	**221**	**831**	**32,712**	**11**	**32,723**
31 July 2021	*33,712*	*239*	*901*	*33,852*	*17*	***33,869***

Land and buildings at cost comprises the following at 31 July 2022.

	2022 £'000	*2021 £'000*
Freehold	**44,721**	*44,721*
Long lease (to 2119)	**13,100**	*13,100*
	57,821	*57,821*

The freehold and leasehold properties are insured for £138,196,992 (2021: £151,323,129).

Heritage Assets (The Foundation and its treasures)

The Foundation has a substantial endowment of assets gifted or bequeathed on trust for retention in perpetuity to form a permanent record of the Schools' history and which are required to be preserved for their educational value to the Schools and, through reasonable public access to them, as a contribution to the nation's culture and education both nationally and locally. These comprise a unique collection of paintings depicting The Leys School's previous eight heads since its founding in 1875, together with many other artefacts whose intrinsic value is also bound up with The Leys School's history. Most of these are irreplaceable originals to which no reliable value can be attributed. Accordingly, these assets are not capitalised in the financial statements.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

8. INVESTMENTS
GROUP AND FOUNDATION

	Unrestricted	Restricted	Permanent Endowment/ Expendable Endowed	Total
	£'000	£'000	£'000	£'000
Balance 1 August 2021	3,465	915	8,442	12,822
Additions at cost	319	1,937	752	3,008
Disposal proceeds	(329)	(222)	(775)	(1,326)
Investment losses	(222)	(150)	(523)	(895)
Changes in cash awaiting investment	40	27	95	162
Closing market value 31 July 2022	**3,273**	**2,507**	**7,991**	**13,771**

	2022	*2021*
Investments comprise:	**£'000**	*£'000*
Investments in listed stocks	**13,109**	*12,534*
Cash	**450**	*288*
Other	**212**	*-*
	13,771	*12,822*

The investment holdings at the year-end were UK £7.1m and overseas £6.7m.

9. DEBTORS

	Group		**Foundation**	
	2022	*2021*	**2022**	*2021*
	£'000	*£'000*	**£'000**	*£'000*
Amounts falling due in less than one year:				
Fees	**453**	*233*	**453**	*233*
Sundry debtors	**205**	*40*	**165**	*39*
Prepayments	**371**	*344*	**369**	*342*
Due from subsidiary undertaking	**-**	*-*	**131**	*85*
	1,029	*617*	**1,118**	*699*

10. CREDITORS

	2022	*2021*	**2022**	*2021*
	£'000	*£'000*	**£'000**	*£'000*
Amounts falling due within one year				
Trade creditors	**306**	*198*	**271**	*169*
Taxation and social security	**327**	*317*	**317**	*314*
Loans and mortgages	**550**	*640*	**550**	*640*
Other creditors	**267**	*207*	**267**	*207*
Accruals	**297**	*315*	**290**	*308*
Deposits from parents	**1,661**	*1,472*	**1,661**	*1,472*
Deferred income - fees in advance of term	**300**	*505*	**300**	*505*
Deferred Income advance fees (see note 12)	**7,453**	*6,953*	**7,453**	6,953
	11,161	*10,607*	**11,109**	*10,568*

Pupil fees deposits – the total held in relation to fee deposits of £1,661,099 is included above. In the normal course of business, the expected repayment of these amounts will be £406,101 within one year and £1,254,998 after more than one year.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

11. CREDITORS AMOUNTS FALL DUE AFTER MORE THAN ONE YEAR

	2022	*2021*
	£'000	*£'000*
Amounts falling due after more than one year		
Deferred income – fees in advance scheme (see note 12)	**865**	*1,036*
Bank loan and mortgage*	**1,738**	*3,165*
	2,603	4,201

* The Bank loan is for the building of Great Hall, a total of £4.5m has been drawn down from Svenska Handelsbanken, also secured on The Leys site. The repayment period is over 10 years from November 2013. A mortgage was taken out in July 2017 over a period of 20 years secured on the Leys site to purchase a property to be used for staff accommodation.

12. ADVANCE FEE PAYMENTS

Parents may pay to The Foundation several years of tuition fees in advance. The money may be returned, subject to specific conditions on receipt of one term's notice. Advance fees are due to be applied as follows:

	2022	*2021*
	£'000	*£'000*
After 5 years	**-**	*-*
Within 2 to 5 years	**328**	*509*
Within 1 to 2 years	**537**	*527*
	865	*1,036*
Within 1 year	**7,453**	*6,953*
	8,318	*7,989*
The movements during the year were as follows:		
At 1 August 2021	**7,989**	*5,594*
New contracts during the year	**7,509**	*7,356*
Amounts accrued to contracts	**190**	*141*
Amounts utilised in payment of fees to the school	**(7,370)**	*(5,102)*
Balance at 31 July 2022	**8,318**	*7,989*

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

13. OPERATING LEASES

The future minimum lease payments under non-cancellable operating leases are as follows:

Group and Foundation	**2022**	*2021*
	£'000	*£'000*
Within one year	**87**	*50*
Between one and five years	**113**	*66*
Over five years	**24**	*24*

The total lease payments recognised in the Statement of Financial Activities amounted to £138,949 (2021: £67,076).

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

The net assets are held for the various funds and advance fees as follows:

2022

	Fixed Assets £'000	Investments £'000	Net Current Assets/(liabilities) £'000	Long Term Liabilities £'000	**Total £'000**
Permanent endowment funds	-	4,079	108	-	**4,187**
Expendable endowed funds	-	3,911	118	-	**4,029**
Restricted funds	-	2,507	164	-	**2,671**
Unrestricted funds	32,723	2,422	552	(1,738)	**33,959**
	32,723	12,919	942	(1,738)	**44,846**
Advance fees	-	852	13	(865)	**-**
	32,723	13,771	955	(2,603)	**44,846**

2021

	Fixed Assets £'000	Investments £'000	Net Current Assets/(liabilities) £'000	Long Term Liabilities £'000	Total £'000
Permanent endowment funds	-	4,310	144	-	4,454
Expendable endowed funds	-	4,132	153	-	4,285
Restricted funds	-	915	1,479	-	2,394
Unrestricted funds	33,869	2,442	(731)	(3,165)	32,415
	33,869	11,799	1,045	(3,165)	43,548
Advance fees	-	1,023	13	(1,036)	-
	33,869	12,822	1,058	(4,201)	43,548

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

15. PERMANENT ENDOWED FUNDS

2022	*1 August 2021* £'000	Income £'000	Expenditure £'000	Investment Losses £'000	**31 July 2022 £'000**
Endowment	*4,454*	-	-	(267)	**4,187**

The Permanent Endowed funds were set up with shares donated by Thomas R Fern and monies from school fundraising. The endowments were further increased with a legacy from the late Gerald A France. The funds were set up to provide funding for scholarships. In 2007 a gift of £50,000 was received to establish an endowed fund 'The Suresh Karthingesu Fund' to provide annual bursary support. Only the income is drawn down which helps fund Bursaries.

2021	*1 August 2020* £'000	Income £'000	Expenditure £'000	Investment Gains £'000	31 July 2021 £'000
Endowment	*3,750*	-	-	704	4,454

16. EXPENDABLE ENDOWED FUNDS

2022	*1 August 2021* £'000	Income £'000	Expenditure £'000	Transfers and Investment Losses £'000	**31 July 2022 £'000**
Scholarships	*4,285*	-	-	(256)	**4,029**

The expendable endowed funds are made up of numerous donations the income from which is used to provide scholarships and bursaries. The bursary fund is to provide funds for the gift of education initiative.

2021	*1 August 2020* £'000	Income £'000	Expenditure £'000	Investment Gains £'000	31 July 2021 £'000
Scholarship	*3,609*	-	-	676	4,285

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

17. RESTRICTED FUNDS

2022	*1 August 2021* £'000	Income £'000	Expenditure £'000	Investment Losses/ Transfers £'000	**31 July 2022 £'000**
Wesley scholars fund	*43*	34	(32)	-	**45**
Scholarship	*38*	98	(98)	-	**38**
Ollie Feast	*50*	-	-	-	**50**
Development funds					
Great Hall	*8*	-	-	-	**8**
Chapel Centenary fund	*21*	-	-	-	**21**
The gift of education (bursary)	*1,620*	351	(1)	(150)	**1,820**
Bursaries (various)	*158*	5	(26)	-	**137**
Prize funds	*62*	1	-	-	**63**
Boat house redevelopment	*17*	-	-	-	**17**
Vision studio	*54*	114		(54)	**114**
Other	*123*	11	-	-	**134**
Community fund	*200*	106	(82)	-	**224**
	2,394	720	(239)	(204)	**2,671**

All funds represent monies given for the specific purposes, but not yet expended.
The Gift of education bursaries is a new initiative with the Royal National Children's SpringBoard Foundation to provide transformative bursaries for disadvantaged and vulnerable children. The Community Fund is a new initiative linked to the Old Leysian Mission. The funds are to be used for charitable causes in the community. Charities apply for funds from the community fund. The transfer of £54,000 was to reimburse the unrestricted fund for expenditure incurred on behalf of the restricted fund in respect of the vision studio.

2021	*1 August 2020* £'000	Income £'000	Expenditure £'000	Transfers £'000	31 July 2021 £'000
Wesley scholars fund	*39*	41	(37)	-	43
Scholarship	*38*	100	(100)	-	38
Olllie Feast	-	50	-	-	50
Development funds					
Great Hall	*8*	-	-	-	8
Chapel Centenary fund	*21*	-	-	-	21
The gift of education (bursary)	*1,028*	440	-	152	1,620
Bursaries (various)	*62*	117	(21)	-	158
Prize funds	*62*	-	-	-	62
Boat house redevelopment	*17*	-	-	-	17
Vision studio	*17*	72	-	(35)	54
Other	*120*	3	-	-	123
Community Fund	*138*	85	(23)	-	200
	1,550	908	(181)	117	2,394

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

18. UNRESTRICTED FUNDS

2022	1 August 2021 £'000	Income £'000	Expenditure £'000	Transfers/ Investment Losses £'000	**31 July 2022 £'000**
Designated funds					
Gift of education	1,039	25	-	-	**1,064**
Funds for COVID-19 /hardship bursaries	223	90	-	-	**313**
Unrestricted funds	31,153	25,897	(24,300)	(168)	**32,582**
Total Unrestricted Funds	32,415	26,012	(24,300)	(168)	**33,959**

The gift of education is expected to be fully utilised within 10 years, the HSE incident is now concluded, and the funds for helping parents impacted by Covid-19 and now hardship due to cost of living is expected to be fully utilised within 3 years.

2021	*1 August 2020 £'000*	*Income £'000*	*Expenditure £'000*	*Transfers/ Investment Gains £'000*	*31 July 2021 £'000*
Designated funds					
Gift of education	*131*	*908*	*-*	*-*	*1,039*
Funds towards HSE incident	*250*	*-*	*(250)*	*-*	*-*
Funds for COVID-19 bursaries	*406*	*-*	*(183)*	*-*	*223*
Unrestricted funds	*28,805*	*23,675*	*(21,947)*	*620*	*31,153*
Total unrestricted funds	*29,592*	*24,583*	*(22,380)*	*620*	*32,415*

19. CONTRACTS AND COMMITMENTS

There are no capital commitments for either school as at the 31 July 2022 (2021: Nil).

20. RELATED PARTY TRANSACTIONS

The Foundation's trading subsidiary, Leys Enterprises (Cambridge) Limited makes a donation under gift aid to The Foundation of its taxable profits each year.

Included in Debtors of The Foundation is an amount of £130,769 due from the subsidiary.

The staff working for Leys Enterprises (Cambridge) Limited are employed by both The Leys School and Leys Enterprises (Cambridge) Limited. The salaries are processed through Leys School and transferred to Leys Enterprises (Cambridge) Limited. The transfer value of transaction charges for year ended July 2022 was £10,575 (2021 £5,100).

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

21. PENSION SCHEME

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,662,597(*2021: £1,588,437*) and at the year-end Nil was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statement.

The contributions in respect of the support staff defined contribution scheme was £287,367 for The Leys, and £131,199 for St Faith's (2021: £296,633 and £115,267)

22. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2021	**Cash flows**	**31 July 2022**
	£'000	**£'000**	**£'000**
Cash in bank	*10,929*	34	**10,963**
Advance fee payments due within one year	*(8,425)*	(689)	**(9,114)**
Advance fee payments due after more than one year	*(1,036)*	171	**(865)**
Bank loans falling due within one year	*(190)*	90	**(100)**
Bank loans falling due after more than one year	*(2,377)*	977	**(1,400)**
Mortgages falling due within one year	*(450)*	-	**(450)**
Mortgages falling due after more than one year	*(788)*	450	**(338)**
Total borrowings	*(13,266)*	999	**(12,267)**
Net Debt	***(2,337)***	**1,033**	**(1,304)**

23. RECONCILIATION OF NET INCOME TO GROUP CASH FLOW FROM OPERATING ACTIVITIES

	2022	*2021*
	£'000	*£'000*
Net income for the reporting period (as per the statement of financial activities)	**2,193**	*2,930*
Adjustments for		
Depreciation charge	**1,323**	*1,365*
Investment income and interest	**(551)**	*(316)*
Investment managers fees	**63**	*38*
(Increase) in stocks	**(5)**	*(9)*
(Increase) in debtors	**(412)**	*(44)*
(Decrease) in creditors (excluding advance fee movement)	**(135)**	-
Increase in fees in advance scheme creditors	**329**	*2,395*
Increase/(decrease) in parent deposits	**189**	*(9)*
Net cash provided by The Group's operating activities	**2,994**	*6,350*

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

24. FINANCIAL INSTRUMENTS

	Group	*Group*	**Foundation**	*Foundation*
	2022	*2021*	**2022**	*2021*
	£'000	*£'000*	**£'000**	*£'000*
Financial assets measured at amortised cost (a)	**11,621**	*11,202*	**11,668**	*11,275*
Financial assets measured at fair value (b)	**13,559**	*12,822*	**13,559**	*12,822*
Financial liabilities measured at amortised cost (c)	**(3,042)**	*(2,798)*	**(3,000)**	*(2,762)*
Net financial assets measured at amortised cost	**22,138**	*21,226*	**22,227**	*21,335*

(a) Financial assets include cash, trade and fee debtors, staff loans, other debtors and accrued income.
(b) Financial assets held at fair value include assets held as investments.
(c) Financial liabilities include deposits, trade creditors and other creditors.

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

25. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITES - COMPARATIVE FIGURES BY FUND TYPE

Year ended 31 July 2021	Unrestricted Funds	Restricted Funds	Endowed Funds	Total Funds 2021
	£'000	£'000	£'000	£'000
Income and endowments from				
Charitable Activities				
School fees (net)	22,162	-	-	**22,162**
Other educational income	519	-	-	**519**
Other ancillary activities	112	-	-	**112**
Voluntary sources				
Donations	1,345	785	-	**2,130**
Investments				
Investment income	190	122	-	**312**
Bank and other interest	3	1	-	**4**
Other trading activities				
Non-ancillary trading income	252	-	-	**252**
Total income	**24,583**	**908**	**-**	**25,491**
Expenditure on				
Raising funds				
Non-ancillary trading	244	-	-	**244**
Fund-raising for voluntary resources	147	23	-	**170**
Financing costs under Advance Fee Contracts	141	-	-	**141**
Finance costs	42	-	-	**42**
Bank and Mortgage interest	106	-	-	**106**
Investment Management Fees	38	-	-	**38**
Total deductible costs	718	23	-	**741**
Charitable Activities				
Schools and grant making	21,662	158	-	**21,820**
Total expenditure	**22,380**	**181**	**-**	**22,561**
NET INCOME	**2,203**	**727**	**-**	**2,930**
Investment gains	585	152	1,380	2,117
Transfers between funds	35	(35)	-	**-**
NET MOVEMENT IN FUNDS	**2,823**	**844**	**1,380**	**5,047**
Fund balances at 1 August 2020	29,592	1,550	7,359	**38,501**
FUND BALANCES at 31 July 2021	**32,415**	**2,394**	**8,739**	**43,548**

DocuSign Envelope ID: A248BF36-3319-4198-AC9A-8B46FA1E792C

26. LEYS ENTERPRISES (CAMBRIDGE) LIMITED

The Foundation owns the whole of the share capital of a trading company Leys Enterprises (Cambridge) Limited company number 2016905, with the Foundation receiving taxable surpluses earned by the company as a donation under gift aid.

	2022 £'000	*2021 £'000*
BALANCE SHEET		
Tangible fixed assets	**11**	*17*
CURRENT ASSETS		
Stock	**96**	*102*
Debtors	**42**	*3*
Cash	**44**	*12*
	182	*117*
CREDITORS: amounts falling due within one year	**(182)**	*(124)*
Net current liabilities	**-**	*(7)*
TOTAL NET ASSETS	**10**	*10*
CAPITAL AND RESERVES		
Called up share capital	**-**	*-*
Profit and loss account	**10**	*10*
	10	*10*

(The Company has £2 share capital which after rounding to the nearest £1,000, becomes £nil)

PROFIT AND LOSS ACCOUNT	2022 £'000	*2021 £'000*
Turnover	**278**	*252*
Cost of Sales	**(229)**	*(226)*
Gross profit	**49**	*26*
Administration	**(22)**	*(18)*
Net profit	**27**	*8*
Donation to Parent under gift aid	**(27)**	*(8)*
Retained profit for period	**-**	**-**

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION

England & Wales - Charity number 1144035

Accounts

Company Number: 7748737
Registered in England
Registered Charity Number: 1144035

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT
AND GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS

GOVERNORS AND CHARITY TRUSTEES

The Governors of The Leys and St Faith's Schools Foundation, "The Foundation" are the Foundation's Trustees under Charity Law and the Directors of the Charitable Company. The members of the Governing Body who served office as Governors during the year and subsequently are detailed below:

Elected by the Life Donors

Mr A Barrett	
Mrs A Brunner	Chairman of St Faith's Committee
The Rev'd Canon Thomas Buchanan	Chairman of Governors
Mrs W Challen	
Mrs J Clarke	
Mr M Elliott	Chairman of The Leys Committee
Mr C Fairey	
Mrs E Hooley	
Mr C Kidman	Hon. Secretary
Mr C Kirker	
Mrs S Loft	
Mr I McCaig	
Mr T Moore	
Mr S Peak	
Mrs H Renfrew-Knight	
Mr R Walker	
Mr R Webster	Hon. Treasurer

Elected by The Leys Common Room

Mr M Brown

Elected by St Faith's Common Room

Mr R Mitchell

Appointed by the Methodist Council

Mrs J Bell	Retired 30/06/21
Mrs P Graves	
Mr D Humphreys	
Rev'd J Pursehouse	
Rev'd A Walker	

Ex Officio Members

Mr N Lloyd	President OLS 15/02/21
Mr S Levy	Past President OLS

Governors elected by Life Donors and the Common Rooms are appointed for a term of five years and can be re-elected for a further term. Governors who are appointed as officers can serve a further term.
Governors elected by the Methodist Council serve until they retire. The President of the Old Leysian Society is an ex officio member and serves for the period of their presidency and for a further year.

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS

EXECUTIVE OFFICERS

The Headmaster	- The Leys School	M Priestley MA
	- St Faith's School	C Hyde-Dunn MA
The Bursar of The Leys School and Clerk to the Governors		P McKeown BA
The Bursar of St Faith's School		R Brent MBE MA MSc BEng

ADDRESSES

The Leys School
Trumpington Road
Cambridge
CB2 7AD
Registered Office as above

St Faith's School
Trumpington Road
Cambridge
CB2 8AG

Websites: www.theleys.net
www.stfaiths.co.uk

ADVISERS

Bankers
Svenska Handelsbanken AB (publ)
Byron House
Cambridge Business Park
Milton Road
Cambridge, CB4 0WZ

Solicitors
Birketts LLP
22 Station Road
Cambridge
CB1 2JD

Farrer & Co
66 Lincoln's Inn Fields
London, WC2A 3LH

Auditors
Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Investment Advisers
Quilter Cheviot Investment Management
Senator House
85 Queen Victoria Street
London, EC4V 4AB

Insurance Brokers
Hettle Andrews
Eleven Brindley Place
2 Brunswick Square
Birmingham, B1 2LP

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2021

The Governors of The Leys and St Faith's Schools Foundation who are also Directors of the Charitable Company for the purposes of the Companies Act present their annual report for the year ended 31 July 2021 under the Companies Act 2006 ("the Act"), together with the audited Financial Statements for the year, and confirm that the latter comply with the requirements of the Act, the Memorandum and Articles of Association and the Charities SORP (FRS102).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity was founded in 1875, and was registered with the Charity Commission under charity number 311436. In 2011, the Governors reviewed the legal status of the Foundation and decided the charity should become a Company Limited by Guarantee. This process was completed in December 2011. The Charity Number is 1144035 and the Company Number is 7748737. The Governors, Executive Officers and principal addresses of the Charity are listed on pages 1 and 2. Particulars of the Charity's professional advisers are given on page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Foundation is administered under a scheme established in December 2011 when the legal status of the charity changed.

Governing Bodies

The structure of The Foundation consists of a single Governing Body which is responsible for the two schools. The details of the Governing Body are explained on page 1 together with information on how the members are appointed.

Recruitment and Training of Governors

The Foundation's elected Governors are appointed at a meeting of the Life Donors on the basis of nominations received, taking into account eligibility, personal competence, specialist skills and local availability. New Governors are inducted into the workings of the Charity and its schools including Board policy and procedures at an induction day specifically arranged for them by the Clerk to the Governors. Established Governors are then provided with training opportunities including workshops and seminars organised by the Association of Governing Bodies of Independent Schools, the Boarding School Association and other professional organisations. Additional training and information is provided at Governor meetings to ensure Governors are updated on current issues and regulatory requirements.

Organisational Management

The Board of Governors as Trustees of the Charity and Directors of the Charitable Company are legally responsible for the overall management and control of both The Leys and St Faith's Schools and meet as a board at least three times a year. The work of implementing key policies is carried out by the members of the various committees. These are The Leys School Committee, The St Faith's School Committee, The Foundation Executive Committee and The Finance Committee. These committees meet at least once a term and then report to the Full Board meeting at the end of that term.

The Leys Committee deals with issues that are directly relevant to The Leys School and is chaired by Mark Elliott. The St Faith's Committee deals with issues that are directly relevant to St Faith's School and is chaired by Mrs Annabel Brunner. The Foundation Executive Committee oversees the strategic planning for the Foundation and considers major issues which impact on either school. It is chaired by

the Chairman of Governors, The Revd Canon Thomas Buchanan. This Committee also has responsibility to oversee the regulatory compliance of the Foundation. The Finance Committee is responsible for dealing with financial issues affecting both schools and is chaired by the Hon Treasurer, Roger Webster.

In addition to these Committees there is also an Investment Committee which meets once a year to review the activities of the Investment advisers. A Nominations Committee meets at least once a year to assist with succession planning for officers and the recruitment of new Governors. The Governors also meet once a year for an away day to discuss strategic issues. Ad hoc committees are established to look at specific issues.

The day-to-day running of the schools is delegated to the respective school Headmasters and Bursars. They are also supported by their Senior Management Teams and together this group are the key management personnel. The Headmasters and Bursars attend meetings of the above committees.

The remuneration of key management personnel is set by the board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the Foundation's success. The policy is reviewed annually and appropriate benchmarking data is used to ensure the Foundation takes into account the broader issues of pay and employment conditions.

Delivery of the Foundation's charitable vision and purpose is primarily dependent on the key management personnel and staff under the direction of the Governors.

To ensure that the Foundation is following best practice, Governors benchmarked the work of the charity against the latest Charity Governance Code produced by the Charity Commission. The Governors benchmarked against the seven principles, particularly looking at the key outcomes, and identified a few areas where the Foundation could improve the way it operates. Action has been taken to ensure that these improvements are implemented.

Group structure and relationships

Leys Enterprises (Cambridge) Limited was incorporated in 1986 in England and with its registered office at The Leys School, Trumpington Road Cambridge, Cambridgeshire CB2 7AD. The principal activities of the company are the running of the school shops for both The Leys and St Faith's schools. In addition the company runs the school's Balgarnie's café and the organisation of the summer school staff at The Leys School. All surplus income is donated to the Foundation under the gift aid scheme.

Employment Policy

The Foundation is an equal opportunities employer. We celebrate diversity and do not discriminate based on race, religion, colour, national origin, sex, sexual orientation, age, disability status or any other applicable characteristics protected by law.

The Foundation's employment policy gives full and fair consideration of applications for employment made by disabled persons, having regard to their particular aptitudes and abilities; The Foundation provides training, career development and promotion of disabled persons and would aim to continue the employment of employees who become disabled.

The Foundation regularly provides relevant information on the progress of the schools to all staff. The Headmasters at both schools communicate with the teaching staff at the end of each term following the Full Board meetings and also at the start of each term. Both schools have established Staff Consultative Committees who meet every term and are provided with relevant information about the schools. The two Bursars also make a presentation to all the support staff following the Full Board meetings.

Relationships

The Foundation actively supports the attainment of the highest standards in the independent schools sector, partly through networking with other major schools and partly through peer group studies for the evaluation of quality and performance improvement methods.
Both schools co-operate with many charities and other local bodies in their endeavours to widen public access to the schools and also to optimise the use of their cultural and sporting facilities.

The Foundation also benefits from the generosity of a thriving network of Old Leysians, and Old Fidelians, whose close support the Schools greatly appreciate and gladly acknowledge.

The Foundation works with a whole range of suppliers, many of whom have long standing relationships with the schools. We greatly value those relationships and work hard to foster a genuine sense of partnership.

Statement on compliance with s172(1) Companies Act 2006

The Governors, as Directors, of The Leys and St Faith's Foundation consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Foundation for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1) (a-f) of the Act) in the decisions taken during the year ended 31st July 2021 as set out above.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects of The Foundation

The Foundation has two objects:

a) The provision of high quality education, in particular by the conduct of the two Schools known as The Leys School and St Faith's School.

b) The use of the facilities of the Schools, when not required for education, for other charitable purposes, for the benefit of the local community and the wider public.

The religious teaching in the Schools shall be in accordance with that of the Methodist Conference.

Mission for The Leys

The purpose of The Leys is to play our part in changing the world for the better. We do this through the education we provide, by making a distinctive and positive difference to the lives of our pupils, by being caring and rewarding in developing and managing our staff, by being a responsive and trusted partner to our parents, and by making a beneficial contribution to the wider community.

Aims

By foundation and structure, The Leys is a boarding community. We place great value on being a "big, small school" in which we give Leysians a rich and challenging school experience which they find intrinsically valuable. By so doing, we seek to ensure, in the spirit of our Methodist founders and our Christian values, that we send Leysians out into the world ready – academically, culturally, morally, physically, spiritually and socially – to live fulfilling lives which will make a positive contribution to the fast-changing world which lies beyond our gates.

In order to achieve our purpose, we will always aim:

1. To have a distinctive notion of education, shared and understood by all stakeholders, and built on three foundation stones: pastoral, academic and wider curricular. Of these three, 'pastoral' is accepted as pre-eminent, because if pupils feel supported and confident, they will flourish in all areas of the life of the school.

2. To give Leysians a rewarding, challenging and valuable school experience. Our location in the heart of the city of Cambridge allows us unique opportunities to ensure that a Leysian education is distinctive and endlessly exciting.

3. To nurture, within a community which is Christian in its core values, open and liberal in its world view and multicultural in its intake, young people who: display kindness and sensitivity to those around them; have strong and solid values on which they can base their lives; can think for themselves; can perform resiliently under pressure; and are aware and respectful of sustainability, difference and diversity.

Vision

Our goal is for this ethos to be understood and respected by all pupils, staff, current and prospective parents, visitors and the wider community.

If this is achieved, then the combination of our distinctive ethos and world-class location makes The Leys unique.

Thereafter we seek (by the date of our 150th anniversary in 2025) to be recognised as the leading city boarding school in the country.

Mission for St Faith's

St Faith's seeks to be a happy, inclusive and a supportive community which welcomes families from all religious and cultural backgrounds. Underpinned by Christian values, we nurture every child as an infinitely valuable and uniquely gifted member of the St Faith's family. We aim to cultivate strength of character, distinguished inter-personal qualities, distinctive leadership ability and a keen sense of social responsibility. Our innovative and future-focused education builds on a strong academic heritage and promotes excellence in all areas.

Values

The School was originally founded to educate the children of Fellows of The University of Cambridge Colleges; it subsequently formed a joint foundation with The Leys, an established Methodist school. St Faith's thus enjoys a unique, dual heritage resulting in an education characterised by academic excellence and innovation that is underpinned by a foundation of Christian values and principles.

At St Faith's all members of the School community are:

- **Infinitely Valuable** – we promote respect for each other; encouraging integrity of character
- **Uniquely gifted** - we promote high expectations; encouraging individual excellence
- **Mutually dependent** - we promote an attitude of service; encouraging personal initiative
- **Continually learning** - we promote a spirit of forgiveness; encouraging perseverance

The Foundation's Public Benefit

In meeting the first of its objects the Foundation's Public Benefit aim is to provide an environment where each pupil can develop and fulfil his or her potential, thus to help build self-confidence and inculcate a desire to contribute to the wider community and the wider public.

The second object provides the opportunity for the Foundation to play an important role within the local community.
In the furtherance of these aims the Foundation Governors, as the Charity Trustees, have complied with the duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the Public Benefit requirement under the Act.

A specified Governor has a responsibility to oversee the public benefit activities of the Schools. An annual report for all Governors is produced to summarise the activities that have been undertaken to benefit the local community and wider public.

The awarding of bursaries for the needy is a measurable means of providing public benefit. The Foundation takes the view that bursaries awarded to those who would not otherwise be able to afford the fees are important, but not to the exclusion of the much wider benefit that the schools provide within the community. This year, the schools awarded £1,167,898 in Bursary Awards or scholarships. Over 275 pupils received some financial assistance. Within this provision means-tested awards based on a sliding scale according to financial circumstances totalling £959,532 were awarded to 87 pupils.

The Leys has moved forward with a project to provide opportunities to enable the most vulnerable and disadvantaged children to benefit from an education at the school. During 2021 the school received three individual legacy gifts which totalled over £1M. This has allowed the school to 'fast track' the initiative so that four fully funded places will be offered to pupils for 2022, two for pupils in year 7 and two for pupils in the lower sixth. The school has also embarked on a fund raising campaign with the aim of raising an additional £5M, and to increase regular giving to £100K per year. This will enable the school to offer four places each year so that the school will eventually have a total of fourteen pupils every year with fully funded places at the school.

The Coronavirus pandemic has made it more challenging for the schools to undertake some of the outreach activities they would normally aspire to. At The Leys a partnership was established with the Red Balloon Learning Centre, which provides education for young people who have been excluded from mainstream school or suffer severe depression or social anxiety. The Leys provided respite 1:1 mentoring for children struggling in the lockdowns. Pupils contributed to the programme by recording mental health podcasts, creating quizzes and providing online tutoring to younger pupils in reading and maths. The existing partnership with the Red Hen Project, a local Cambridge charity which supports children and their families to overcome barriers to learning, also flourished with clothing, books and sports equipment donated to families. An excursion for 26 children and their families was put together and funded by the school. The school also recycled iPads and delivered them to families who had no means of accessing remote education.

The Leys has also continued to work with local schools. At Great Abington Primary School, a specialist netball coach was provided and a Year 6 three part workshop called "Having Fun with Mr Shakespeare" explored plots, characters and language. At North Cambridge Academy transitional support was given to Year 6 pupils to assist them in their educational pathway. In addition, several partner schools were able to participate in a two day outdoor education camp based at The Leys. The activities included

climbing, archery, low ropes and paddle boarding on the River Cam. The pupils were encouraged to demonstrate determination, bravery, resilience, teamwork and leadership.

At St Faith's the focus was on providing support for local charities and the community to help the pupils understand the difference they can make. Among the initiatives pupils in years 3-8 made and wrote Christmas cards for Age UK to be distributed to lonely, elderly people in the region. Items were collected and then donated to Cambridge City Food Bank, Jimmy's Night Shelter and the Salvation Army appeal.

St Faith's also continued to provide computer courses for a whole range of maintained schools, with courses running in December, January and May.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The continuing impact of COVID-19

As last year the single biggest factor impacting the Foundation was COVID-19 and therefore we begin this section of the trustee report with an overview of the actions the schools took to cope with the impact of COVID-19 and outline the effects it had on the performance of the schools

Key operating principles

Governors reviewed the key operating principles from last year these were

- To retain parent confidence in the educational service offered both on-site and remotely if that was required to ensure the continuity of education.
- To continue to ensure a value for money proposition
- To ensure fee affordability and maintain pupil numbers
- To continue to pay full staff salaries and avoid any redundancies if possible
- To maintain essential safety and competence related site maintenance operations
- To ensure the schools were prepared provide a full on-site education offering when the crisis was over
- To retain a level of business continuity contingency

Governors agreed that these key operating principles should continue to guide the decision making for 2020/21.

Review of 2020/21

In September 2020 both schools followed the detailed Government guidance and opened for all pupils on site. The Leys provided quarantine facilities for international boarders from early August to ensure

they could return and also provided extra tuition for Yr11 and U6 pupils, which was held in school during the August holidays, with the aim of ensuring they were fully prepared for the important external examination assessments.

Both schools provided a full onsite service for the Autumn Term. Governors met on a more frequent basis to ensure they were fully aware of the issues facing the schools and to enable quick decision making.

Both schools planned for a return in January until the Government announced the second lockdown. Contingency plans were in place for this eventuality and both schools moved smoothly to provide remote learning for the majority of the pupils. The Leys provided on-site provision for a small number of International Pupils and also some critical worker children. St Faith's also provided on-site provision for a much larger number of critical worker children.

Both schools reopened for the majority of pupils on March 8th, in line with Government advice. A large number of international boarders could not return at this stage, but The Leys made arrangements for them to quarantine over Easter so they could return for the Summer Term.

In the Summer Term both schools provided on-site education and gradually increased the range of other activities and events. Both schools worked closely with Governors and ensured that the parents were kept fully up to date with their plans. The reaction from the parental bodies was overwhelmingly supportive and encouraging.

With regards to fee refunds for the Lent Term when the schools were closed, The Leys decided to refund boarding and home boarding parents, all the fees related to the services the school could not provide and gave day parents a small refund. St Faith's gave their parents a small refund. This obviously impacted the target income; however, the schools made use of the furlough scheme, reviewed and reduced operational budgets and delayed project spending to minimise the impact on the finances.

Planning for 2021/22

For 2021/22 Governors had made the following planning decisions and assumptions:

- All staff would receive a 2% cost of living increase.
- There would be a small drop in pupils numbers.
- There would be an increased requirement for bursary support.
- The miscellaneous income would slowly increase.
- Operating costs would be reduced where possible.
- Project spending would continue to be limited to essential spending.
- The fees would rise by 4%.

Actual performance for 2021/22

Both schools have begun the new year with higher pupil number than budgeted. The Leys is particularly pleased that the number of boarders is higher than budgeted. Both schools have reviewed their operational budgets and have decided to delay project spending in the first term until there is more certainty about the impact of Covid-19.

Detailed financial forecasts have been put together for two planning scenarios and the schools are very confident they would be able to cope with the current Covid situation and will not face any cash flow challenges.

The schools have reviewed the key covenant conditions for the bank loan and mortgages and there are no concerns about not achieving them.

Planning for 2022/23

Looking to the medium term, the key factor will be the pupils numbers. The day market for both schools continues to be very strong and there are no indications that this will change, indeed the demand will probably continue to increase.

The Leys is dependent on the boarding markets and there is continued uncertainty particularly in the international market. It is not possible to accurately forecast the demand for 2022/23. The demand for the current year has not been impacted and the school has coped exceptionally well with the challenges it has faced. The Leys is continuing to invest in initiatives to promote international boarding and therefore the forecast is that demand for 2022/23 will continue to be strong.

The Leys is looking forward to a gradual rise in miscellaneous income and hopes to host an international language school in the summer holidays as it did before 2020.

Objectives for the year for The Leys

In last year's Trustees' Report, the following objectives were identified for the next five years:

1. Continue our focus to ensure that The Leys is recognised as a centre of excellence for two core academic objectives: the quality of the continued professional development of our academic staff and the quality of teaching and learning at The Leys.

2. Continue to offer a wide range of extra-curricular activities and aspire to high standards both in the wider curriculum and in the all-round personal development of the pupils.

3. Continue to build links with feeder schools in the independent and maintained sectors and develop our marketing strategies to keep the school full.

4. Continue to strengthen the positive impact of the school in terms of benefit to the wider community, not least through the future provision of fully-funded places for the most disadvantaged children.

5. Continue to develop the use of Information Technology both as a teaching tool and to enhance the administration of the Foundation as a whole.

6. Continue to focus on the future development of the campus through the implementation of a master plan for the site.

7. Continue to develop and enhance our reputation for excellent pastoral care.

Review of the operational performance of The Leys 2020-21

1. In terms of delivery during the exceptionally disrupted year of the Covid pandemic, The Leys improved its skills in the digital delivery of teaching and learning with remarkable speed and effectiveness. Parental and pupil surveys demonstrated that Leysian families felt very well served in terms of the online teaching and learning that was in evidence during lockdowns. Since then, the School worked very hard to deliver robust and fair Teacher Assessed Grades (TAGs) for GCSE and A Level. Not one grade awarded by the School was overturned by OfQual in its 'quality assurance' moderation.

   There is little value in comparing TAGs to previous years' performances at GCSE and A Level. Grades awarded by teachers nationally were well above those awarded in a normal, non-pandemic year. This is a national picture, and was also reflected in extremely strong results in the summer of 2021. The School feels that it provided a very robust process for the awarding of TAGs and that our pupils were very well supported both pastorally and academically in navigating an exceptionally uncertain and stressful situation for them.

   The School is now focussing on identifying any academic gaps which might exist post-lockdown and on preparing for an expected ISI inspection in the coming year.

2. During lockdowns and when in school but with social distancing and other Covid mitigations in place, The Leys continued to offer a wide range of extra-curricular activities and high achievement continues to be is a feature of the wider curriculum, both individually and in terms of team and group performance levels in sport, the performing and creative arts, the Combined Cadet Force and the Duke of Edinburgh Scheme. Consequently, the all-round personal development of the pupils remains a prominent and very successful focus.

3. A wide variety of outreach opportunities has been created for feeder schools in the independent and maintained sectors. The School roll was sustained at around 560 pupils. Parental reviews and surveys continue to indicate very high levels of satisfaction with the education offered to our pupils and despite the COVID-19 pandemic, demand for places remains high and the school remains full.

4. The School is devoting more resources than ever before (including dedicated, timetabled staff time) to our public benefit activities. The details are included earlier in the report as part of The Foundation's public benefit.

5. Building on the Vision Studio which allows teachers to experiment with the latest cutting edge technology in Augmented Reality and Virtual Reality, these facilities have now been rolled out into the adjacent Geography Department so that our work on incorporating this into our teaching and learning continues apace. The work we have done in recent years on Google Classroom and other platforms meant that we were able to move quickly and effectively to remote teaching and learning when the School was forced by lockdown into closing physically. Surveys of staff, pupil and parents, as well as informal feedback from all the above, indicate that our provision was highly regarded by the overwhelming majority of stakeholders.

6. Work on the Masterplan was largely placed on hold through the pandemic. In order to make savings to be passed back to parents in the form of reduced fees during lockdowns, our rolling programme of refurbishments and enhancements was placed on hold, and all major project spending was again halted for the summer of 2021. This allowed the School to manage very effectively the financial impact of COVID-19.

7. The school revised its pastoral and safeguarding policies in the light of COVID-19 so that we continued to provide excellent pastoral care even during lockdown and the additional support we offered to our most vulnerable pupils was highly regarded and praised by parents. Now that pupils are back in School, supporting the mental health and wellbeing of both pupils and staff remains an overriding priority. We also started an ongoing project to look specifically at the experience of minority pupils at The Leys, prompted and encouraged by the raised societal awareness of the need for inclusiveness and celebration of diversity. This work, which involved outside consultants but also much input from pastoral and academic leaders within the School, included a curriculum review, a review of our advertisement and applications materials, staff training, questionnaires of current and former pupils from minority backgrounds and pupil workshops across a number of year-groups. We were assisted in this work by engaged Old Leysians including from minority backgrounds. This work is ongoing.

Objectives for the year for St Faith's

In last year's Trustees' Report, the following objectives were identified for the next five years:

1. Continue to provide an excellent all-round education with a future-focus and strong academic core.

2. Continue to ensure that pupils' personal development is excellent, providing them with a strong foundation on which to build in the future.

3. Maintain the current school roll.

4. Continue to develop good links with the community, including partnerships with maintained schools.

5. Continue to increase the provision of means-tested bursaries.

6. Lead the introduction and development of Engineering as a curriculum subject across maintained and independent schools in the UK and abroad.

Review of the operational performance of St Faith's 2020/21

1. The school continued to provide a broad, future-focused and rigorous education throughout the year, despite the disruptions caused by the pandemic. During periods of closure, the school provided a full online teaching and learning programme, with pupils following their normal timetable. Meanwhile, approximately 140 children of critical workers received face-to-face lessons on site. Throughout the year, Engineering and Computing continued to be key aspects of the academic education and together with English, Maths, Science and Humanities

formed a strong academic core. Languages were also important: Spanish was taught from age 4, Latin from age 9, French from age 10 and intensive courses of Mandarin, Arabic and German were provided for Year 8 pupils. The analysis of end of year assessments showed that the vast majority of pupils made good or excellent progress during the year. Almost all (98%) of Year 8 pupils gained places at their first choice senior school, with 21 scholarships being awarded; approximately two-thirds of these were for Art, Drama, Music and Sport and the remainder for core academic subjects

2. During the year, character education was further embedded in to the curriculum, with teachers using this as a point of focus in lessons. Online assemblies also focussed on character development, particularly the concept of social responsibility and the importance of kindness and consideration. The school's charitable activities continues to develop, with particular emphasis on the children supporting the local community. The positive results of this work have been tangible, with the number of incidents of unkindness decreasing and measurements of pupils' self-esteem and happiness rising. Close monitoring of pupils' well-being during the year, including pupil surveys, showed that almost all pupils coped well with the challenges of home-learning and changes to normal school routines.

3. The school roll has been maintained and demand for places remains very high.

4. The school has continued to strengthen its links with local maintained schools and the community. Details are included earlier in the report, as part of The Foundation's public benefit.

5. The provision for means-tested bursaries was increased in the Summer of 2020 to take into account the potential impact of Covid on parents. This increase was retained for the academic year and was sufficient to cater for any Covid and other hardship requirements.

6. In 2021, the St Faith's Engineering programmes were published jointly with the Independent Association of Prep Schools (IAPS). These schemes provide detailed lesson plans for the teaching of Engineering for pupils aged 7 to 13. They are being provided free of charge to any state maintained or IAPS school that requests them; to date over 80 schools have received them.

FUND RAISING PERFORMANCE AT THE LEYS 2020/21

We are, as ever, very grateful for the support from our Leysian Community of Old Leysians, parents, staff, former staff and other friends of the School.

All fundraising is carried out through the Development Office. This is in the form of telephone campaigns, direct mail and individual solicitation. The Office is staffed by professionals who undergo continuous peer review and industry standard training. The School is registered with the Fundraising Regulator and staff are members of IDPE, which though not a regulated body does provide best practice for the industry and adhere to all ICO regulations. The activities and performance of the Office is monitored by the Headmaster and Governors.

The Office saw a number of staff changes during the year with Donna Thomas-Watson joining as Director of Development in August and Amelia Papworth and Phillipa Graham, joining as Senior Development Officer and Development Office Administrator respectively, in December.

The Development Office has complied with all requirements of the Fundraising Regulator and ICO and there have been no complaints received by the School.

The School only contacts those with a genuine connection with The Leys and does not cold call/mass market. We screen people for TPS when conducting telephone fundraising and exclude as appropriate. All those aged over 80 are excluded from fundraising activity unless they opt in as are those under the age of 27. All those that request no contact are marked such and receive no communications. All other communications are measured and appropriate given the individuals relationship with the School.

The Development Office raised a total of over £1.637million from 230 donors in philanthropic gifts during the financial year 2020/21.

The School is committed to its transformational bursary programme, the Gift of Education, which provides 110% boarding bursary places to vulnerable and disadvantaged children. Following the findings of the consultant's report commissioned in late 2019, a campaign to raise £6million in new funds and £50k per year in regular giving was launched in May. The long term aspiration is that the funds raised will be used to support two transformational bursary places in each year group of the School.

Like many other educational institutions, we are relying on a combination of "legitimate interest" and consent to contact members of our community by post, telephone and email. We are increasingly successful in obtaining consent to contact by email through a variety of channels. To date we have over 2500 consents to send the OL News electronically. All data is held securely on our alumni and supporter database which is accessible to limited members of the school staff. All staff in the Development Office have access to the database and have undertaken appropriate industry standard data protection training.

INVESTMENT PERFORMANCE AGAINST OBJECTIVES

The Governors' objective is to achieve a total rate of return target that is equivalent to the median of the Wealth Management (WM) index for Charities judged on a 3 year rolling basis. The Survey ceased to exist in April 2016 and performance is now compared to the MSCI WMA Balanced Index, as a market comparator and the Asset Risk Consultants (ARC) Charity Steady Growth Index, as a peer group measurement. On a rolling 3 year basis to July 2021, the net total rate of return of the fund was 35.3% compared with the MSCI WMA benchmark of 18.1% and ARC Steady Growth Index of 19.1%. On a rolling 5 year basis the net total return of the fund was 76.8% compared to 41.5% for the MSCI WMA benchmark and 39.7% for ARC. The net total rate of return of the fund from August 2020 to July 2021 was 22.1% compared with a movement in the MSCI WMA benchmark of 17.5% and 17.6% for ARC.

During the year, across the individual asset classes, save for Japanese, Emerging Markets and some Global fund investments, the portfolio enjoyed a useful outperformance across all sections of the list. The largest equity exposure remains within the domestic UK market (26.2%), although the focus is international, with the majority of equity exposure, 45.4%, invested overseas. Domestically, a total return of 33.7% compared favourably to a 26.2% return from the MSCI United Kingdom IMI index. Further afield, the significant contributors to the capital return were success in North America, where 25% of the investments are held – with a total return of 30.8%, Europe, total return 33.1% and Asia, total return 27.2% - in all cases returns were ahead of local market indices. Whilst technology stocks, such as Alphabet and Microsoft and medical related stocks, such as Strkyer performed strongly over the year, financial stocks and industrials also performed strongly, benefitting from a degree of style rotation as value orientated companies came back into favour.

The managers are confident, as demonstrated during the worst periods of the pandemic, that the portfolios remain suitability well-diversified to withstand a reasonable level of capital volatility over the medium to long term, but cannot exclude the ever present risk of sharp movements in the short term. The managers expect that the ongoing impact of Covid-19 and variants, shorter-term supply chain constraints, the debate over the level of inflation and ongoing friction between the Unites States and China will all continue to contribute to market volatility in the year ahead. Overall, though, they remain positive for the long-term prospects of the current investment strategy.

The Investment Committee continues to monitor the activities of the portfolio Managers and is satisfied with Quilter Cheviot's performance.

ENVIRONMENTAL REPORT

The Foundation welcomes the opportunity to report on the work both schools have been involved in to reduce our impact on the environment and educate our pupils on the importance of acting in a sustainable manner. Both schools have committed a great deal of time and resources over recent years. St Faith's were the first Independent school winner of the Ashden Sustainability Award and have worked with a number of schools in the state and independent sectors to assist them with putting together sustainability action plans. The pandemic has impacted on actions that were originally planned for 2020/21. The aim is to move forward with these initiatives in 2021/22.

Total energy use and greenhouse emissions.

	Totals	Greenhouse Emissions (KgCO2)	Greenhouse Emissions (KgCO2) 2020
Gas Usage	4,617,900 KwH	849,093	867,807
Electricity Usage	1,515,570 KwH	353,340	615,170
Transport	5,130 Litres	12,753	623,589
Total Greenhouse Emissions		1,215,186	2,106,567
Intensity ratio emissions per pupil	1,215,186 / 1,143 = 1,063		1,106,567 / 1,132 = 1,861

The data has been derived from the energy monitoring systems at the schools and checked with the invoice information. The fuel consumption has been calculated from invoice data.

The intensity ratio looks at the emissions per pupil as the number of pupils is the main driver of our emissions. We also hope that by better educating our pupils we can drive the emissions per pupil down and this could become a key target which would motive the pupils.

Specific actions by the schools

- The schools have continued to develop their long term sustainability strategies to cover curriculum and non-curriculum aspects of the schools' operation. It has been more difficult to implement new initiatives due to the pandemic.
- St Faith's has achieved Green Flag accreditation for the 6th occasion.
- St Faith's has continued to mentor other schools in certain redirection campaigns as part of the Ashden's School programme.
- Both schools are reviewing their current strategies for heating the schools with an emphasis on taking out gas heating in line with Government targets.

FINANCIAL REVIEW

Results for the year

The income generated by the Foundation increased by £1.2M from £24.3M to £25.5M. The rise was due to a number of factors. Fee income rose by £688K. Both schools were forced to teach remotely for the Lent Term, but because of the quality of the provision, the fee reductions to parents were lower than last year. Other educational income reduced by £537K this was due to a reduction in extras and no school trips. The amount received in donations and grants rose by £915k. Both schools worked hard to reduce their operating costs and delayed spending on capital improvement projects which mean that overall expenditure was reduced by £335k compared to last year. The surplus generated increased from £1.4M to £2.9M.

Reserves level, policy and financial viability

At the Balance Sheet date, the Foundation's total reserves were £43.5M (2020 £38.5M) including £4.5M (2020 £3.7M) of endowed funds, £4.3M (2020 £3.6M) of expendable endowed funds, £2.4M (£2020 £1.6M) of restricted funds and £32.4M (2020 £29.6M) of unrestricted funds. These reserves are represented by fixed assets held for charitable purposes.

Within the unrestricted funds; £223k (2020 £406k) was designated to provide financial support for parents impacted by Covid-19 and £1M (2020 £131k) was designated for the Gift of Education.

Ideally, the Governors would like a General Fund of free reserves equivalent to 6 weeks unrestricted expenditure to meet its immediate objectives and protect its current activities, including the provision of adequate working capital. The Governors recognise that due to the impact of Covid-19 on the income for the Summer Term that was not possible to generate this level of free reserves and whilst Covid-19 continues to impact the Foundation, this will continue to be the case. The Governors are confident they have mitigation plans in place and therefore the lack of free reserves is not a significant issue.

The Foundation monitors its cash flow carefully. There is a bank overdraft facility of £500K and an understanding with the bank that the facility can be increased to £1M if needed. A variety of scenarios have been modelled for 2021/22 and the Foundation has a number of mitigating actions that could be taken if required. The Governors feel confident that the Foundation will not have any cash flow challenges.

Going concern

At the time of approval of the Annual Report and Accounts, the COVID-19 pandemic continues to evolve and the long-term impact on the Foundation, in common with other businesses, is unknown. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils together with the management of expenditure should income be reduced and have undertaken various scenario exercises settling on two which include school closures of up to 2 weeks. The financial analysis demonstrates that even under the most pessimistic scenario the Foundation would not experience any significant financial problems and would be able to manage the cash flow implications without having to take any further mitigating actions for the year to 2021. In looking ahead to July 2022 there are a range of additional mitigating actions which The Foundation could take to improve the financial situation if required. There are currently significant cash balances and an investment portfolio should additional liquidity be required through this period of uncertainty to meet the liabilities as they fall due for the Foundation as a whole.

The Foundation does not anticipate any material reduction in prospective pupil numbers above that which the Foundation has used for the purposes of financial modelling and forecasting. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

PRINCIPAL RISKS AND UNCERTAINTIES

The Foundation's Governors are responsible for the management of the risks faced by the Foundation. Detailed considerations of risk are delegated to the individual school committees who are assisted by the senior management teams. Risks are identified, assessed and controls established throughout the year. The top ten risks facing the school is a standing item at all committee meetings. A full review of the charity's risk management process is undertaken on an annual basis at a full Governors' meeting.

The key controls used by the Foundation include formal agendas for all committee and board activity, comprehensive strategic planning, budgeting and management accounting, an established organisational structure and lines of reporting, formal written policies, clear authorisation and approval levels and vetting procedures as required by law for the protection of the vulnerable. Through the risk management process established by the Foundation, The Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As last year, the Governors consider the potential impact of the current Covid-19 crisis as the major risk facing the Foundation. The schools have considered a number of different scenarios and assumptions and are confident that they have strong mitigating actions in place. Both schools coped exceptionally well with the challenges during 2020/21 and have started 2021/22 with full pupil rolls. The schools are not complacent and continue to plan for a range of possible impacts caused by the current crisis.

FUTURE PLANS

The operational plans for the schools for the next five years show a good deal of continuity from previous years, though the reality of dealing with COVID-19 and the likelihood that this will continue in the coming years means that the first priority of the schools will be to build resilience to potential external disruption (e.g. through a pandemic) in terms of the academic, pastoral and wider curricular offerings so that, even in extreme, unusual and unpredictable circumstances, we can continue to offer a distinctive education of extremely high quality whilst protecting the health and safety of all members of our schools' community.

In addition, the operational plan for The Leys includes the following:

1. Continue our focus to ensure that The Leys is recognised as a centre of excellence for two core academic objectives: the quality of the continued professional development of our academic staff and the quality of teaching and learning at The Leys.

2. Continue to offer a wide range of extra-curricular activities and aspire to high standards both in the wider curriculum and in the all-round personal development of the pupils.

3. Continue to build links with feeder schools in the independent and maintained sectors and develop our marketing strategies to keep the school full.

4. Continue to strengthen the positive impact of the school in terms of benefit to the wider community, not least through the future provision of fully-funded places for the most disadvantaged children.

5. Continue to develop the use of Information Technology both as a teaching tool and to enhance the administration of the Foundation as a whole.

6. Continue to focus on the future development of the campus through the implementation of a master plan for the site.

7. Continue to develop and enhance our reputation for excellent pastoral care.

The operational plan for St Faith's for the next five years includes the following:

1. Continue to provide an excellent all-round education with a future-focus and strong academic core.

2. Continue to ensure that pupils' personal development is excellent, providing them with a strong foundation on which to build in the future.

3. Maintain the current school roll.

4. Continue to develop good links with the community, including partnerships with maintained schools.

5. Continue to make generous provision for means-tested bursaries.

6. Continue the development of Engineering as a curriculum subject across maintained and independent schools in the UK and abroad.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Leys and St Faith's Schools Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees, the strategic report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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, 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 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

In so far as each of the Trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of The Leys and St Faith's Schools Foundation on 15th December 2021, including in their capacity as company directors approving the Strategic report contained therein, and is signed as authorised on its behalf by:

Rev'd Canon Thomas Buchanan
Chairman of the Governing Body

Dated 13th December 2021

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2021

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	Total Funds 2021 £'000	*Total Funds 2020 £'000*
Income and endowments from:						
Charitable Activities						
School fees (net)	2	22,162	-	-	**22,162**	*21,474*
Other educational income	3	519	-	-	**519**	*1,056*
Other activities	3	112	-	-	**112**	*29*
Voluntary sources						
Grants and Donations	4	1,345	785	-	**2,130**	*1,215*
Investments						
Investment income		190	122	-	**312**	*301*
Bank and other interest		3	1	-	**4**	*17*
Other trading activities						
Non-ancillary trading income	5	252	-	-	**252**	*214*
Total income		**24,583**	**908**	-	**25,491**	*24,306*
Expenditure on:						
Raising funds						
Non-ancillary trading		244	-	-	**244**	*213*
Fundraising and Development		147	23	-	**170**	*176*
Financing costs under Advance Fee Contracts		141	-	-	**141**	*168*
Finance costs		42	-	-	**42**	*64*
Bank and Mortgage interest		106	-	-	**106**	*147*
Investment Management Fees		38	-	-	**38**	*29*
Total deductible costs	6	718	23	-	**741**	*797*
Charitable activities						
Education and grant making	6	21,662	158	-	**21,820**	*22,099*
Total expenditure		**22,380**	**181**	-	**22,561**	*22,896*
Net incoming funds from operations before transfers and investment gains		**2,203**	**727**	-	**2,930**	*1,410*
Investment gains /(losses)	8	585	152	1,380	**2,117**	*(90)*
Transfer between funds	17	35	(35)	-	-	-
Net income and capital inflow		**2,823**	**844**	**1,380**	**5,047**	*1,320*
Fund balances at 1 August 2020		29,592	1,550	7,359	**38,501**	*37,181*
FUND BALANCES at 31 July 2021	14	**32,415**	**2,394**	**8,739**	**43,548**	*38,501*

The notes on pages 27 to 46 form part of these accounts.

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED AND FOUNDATION BALANCE SHEETS
AT 31 JULY 2021

	Notes	Group 2021 £'000	*Group 2020 £'000*	Foundation 2021 £'000	*Foundation 2020 £'000*
FIXED ASSETS					
Tangible fixed assets	7	**33,869**	*35,072*	**33,852**	*35,049*
Investments	8	**12,822**	*10,695*	**12,822**	*10,695*
		46,691	*45,767*	**46,674**	*45,744*
CURRENT ASSETS					
Stocks		**119**	*110*	**17**	*11*
Debtors payable within one year	9	**617**	*573*	**699**	*705*
Cash		**10,929**	*5,113*	**10,917**	*5,078*
		11,665	*5,796*	**11,633**	*5,794*
CREDITORS: payable within one year	10	**(10,607)**	*(8,351)*	**(10,568)**	*(8,336)*
NET CURRENT ASSETS/(LIABILITIES)		**1,058**	*(2,555)*	**1,065**	*(2,542)*
TOTAL ASSETS LESS CURRENT LIABILITIES		**47,749**	*43,212*	**47,739**	*43,202*
CREDITORS: due after more than one year					
Advance fees	12	**(1,036)**	*(906)*	**(1,036)**	*(906)*
Loans	11	**(3,165)**	*(3,805)*	**(3,165)**	*(3,805)*
TOTAL NET ASSETS	14	**43,548**	*38,501*	**43,548**	*38,491*
FUNDS					
PERMANENT ENDOWED FUNDS	15	**4,454**	*3,750*	**4,454**	*3,750*
EXPENDABLE ENDOWED FUNDS	16	**4,285**	*3,609*	**4,285**	*3,609*
RESTRICTED FUNDS	17	**2,394**	*1,550*	**2,394**	*1,550*
UNRESTRICTED FUNDS	18	**32,415**	*29,592*	**32,405**	*29,582*
		43,548	*38,501*	**43,538**	*38,491*

The net result for the financial year within the financial statements of the parent charity was a surplus of £2,922,000 (2020: £1,410,000).

These financial statements were approved and authorised for issue by the Governing Body on 13th December 2021 and were signed on its behalf by:

Rev'd Canon Thomas Buchanan
Chairman of the Governing Body

Mr R Webster
Hon. Treasurer

Company number 7748737

The notes on pages 27 to 46 form part of these accounts.

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2021

	Notes		2021 £'000	2020 £'000
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net cash provided by operating activities	23		**6,350**	*855*
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income receipts		**312**		*301*
Bank interest received		**4**		*17*
Purchase of tangible fixed assets		**(162)**		*(504)*
Purchase of investments		**(48)**		*(17)*
Net cash provided/(used) by investing activities			**106**	*(203)*
CASH FLOWS FROM FINANCING ACTIVITIES:				
Repayments of loans and mortgage borrowings		**(640)**		*(640)*
Net cash (used) financing activities			**(640)**	*(640)*
Change in cash and cash equivalents in the reporting period			**5,816**	*12*
Cash and cash equivalents at the beginning of the period			**5,113**	*5,101*
Cash and cash equivalents at the end of the reporting period			**10,929**	*5,113*

The notes on pages 27 to 46 form part of these accounts

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2021

1. Accounting Policies

The Foundation is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 22 August 2011 (company number: 7748737) and registered as a charity on 22 August 2011 (charity number: 1144035). The registered office of the Foundation is The Leys School, Trumpington Road, Cambridge, Cambridgeshire CB2 7AD.

The financial statements have been prepared on the historical cost basis of accounting, as modified by the revaluation of other investments, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006, the Charities SORP (FRS 102) and the accounting policies set out below.

At the time of approval of the Annual Report and Accounts, the COVID-19 pandemic continues to evolve and the long-term impact on the Foundation, in common with other businesses, is unknown. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils together with the management of expenditure should income be reduced and have undertaken various scenario exercises settling on two which include school closures of up to 2 weeks. The financial analysis demonstrates that even under the most pessimistic scenario the Foundation would not experience any significant financial problems and would be able to manage the cash flow implications without having to take any further mitigating actions for the year to 2021. In looking ahead to July 2022 there are a range of additional mitigating actions which The Foundation could take to improve the financial situation if required. There are currently significant cash balances and an investment portfolio should additional liquidity be required through this period of uncertainty to meet the liabilities as they fall due for the Foundation as a whole.

The Foundation does not anticipate any material reduction in prospective pupil numbers above that which the Foundation has used for the purposes of financial modelling and forecasting.

Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

The Foundation does not anticipate any material reduction in prospective pupil numbers above that which the Foundation has used for the purposes of financial modelling and forecasting. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

The financial statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets comprising the consolidation of the School with its wholly owned subsidiary Leys Enterprises (Cambridge) Limited. No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006.

The Foundation has taken advantage of the exemption available to a qualifying entity in FRS102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

The Foundation meets the definition of a public benefit entity under the guidance issued by the Charity Commission.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, 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 affected current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimated 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.

1.1 School fees

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the Schools, but include contributions received from Trust Funds.

1.2 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 Schools is considered probable. Donations received for the general purposes of the Schools are credited to unrestricted funds, to distinguish them from direct school income. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on The Foundation Trustees, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments, permanent or expendable according to the nature of the restriction. Grant income is recognised when there is evidence of entitlement, the receipt is probable and the amount can be reliably measured. There were no performance related conditions attached to grant income received.

1.3 Investment Income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accrual's basis.

1.4 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

1.5 Intra-group

Intra-group sales and charges between the Foundation and its subsidiary are excluded from trading income and expenditure.

1.6 Pension costs

The School contributes to two pension schemes as follows:

(a) The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the Foundation's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

(b) The Foundation Group Personal Pension Plan – This is a defined contribution group personal pension plan for both The Leys and St Faith's schools non-teaching staff with Standard Life Assurance Company Limited. Employers' pensions costs are charged in the period in which the salaries to which they relate are payable.

1.7 Tangible fixed assets

All expenditure on individual tangible fixed assets over £2,000 is capitalised in the balance sheet at cost.

Other expenditure on equipment incurred in the normal day-to-day running of the two schools is charged to the Statement of Financial Activities as incurred.

1.8 Depreciation

Depreciation is provided on a straight line basis at rates which are sufficient to write the tangible fixed assets down to their estimated residual value over their estimated useful lives. The depreciation rates are:

	Per Annum
Freehold land	Nil
Freehold buildings off site rebuild cost used for depreciation	2%
Freehold buildings on site new build cost used	2%
Freehold buildings on site total refurbishment	7 – 20 years
Buildings on leasehold land	Length of lease
Plant and machinery	10 - 20%
Fixtures, fittings and equipment	7 – 34%

During the year the Trustees reconsidered the useful economic life of some of the building assets which has resulted in a change to the estimated lives of these assets and them being written off over an extended time period. Boarding houses refurbishments will be written off over 15 years.

1.9 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. Investment in the subsidiary is valued at cost less provision for impairment.

1.10 Stocks

Stocks have been valued at the lower of cost and estimated selling price less costs to sell/ estimated profit margin.

1.11 Advanced fee scheme

Amounts received under the school's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

1.12 Financial instruments

The Foundation has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows. Financial assets held at amortised cost comprise bank and cash in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans, trade and other creditors. Investments including cash held as part of the investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

1.13 Fund accounting

The charitable trust funds of the Foundation are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable.

Unrestricted income belongs to the Foundation's corporate reserves: spendable at the discretion of the Governors either to further the Foundation's Objects or to benefit the Schools' themselves. 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.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the Foundation for its financial benefit (i.e. by investment). If the donor or the terms of an appeal has restricted the purpose for which the gift or any income from it is to be used, any part converted into income for spending will accrue to the appropriate restricted fund. The income on the permanent endowed funds held is used to pay for scholarships and bursaries as per the wishes of the donors.

Expendable endowment funds are accounted for similarly, except that all capital can be converted into income for spending either at the Governors' own discretion or else upon the happening of some event contemplated by the donor.

1.14 Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term, even if the payments are not made on such a basis unless the rental payments are structured to increase in line with expected general inflation, in which case the Foundation/group recognises annual rent expense equal to amounts owed to the lessor. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

2. SCHOOL FEES

	2021	2020
	£'000	£'000
Fees receivable consist of:		
School fees	**23,806**	*22,900*
Less: scholarships, bursaries and allowances	**(1,802)**	*(1,638)*
	22,004	*21,262*
Add back: Bursaries and other awards paid by restricted funds	**158**	*212*
	22,162	*21,474*

3. CHARITABLE ACTIVITES - OTHER INCOME

	2021	2020
	£'000	£'000
Other educational charitable activities		
Entrance and registration fees	**81**	*96*
Recharge extra-curricular activities	**125**	*450*
Pupil welfare	**59**	-
Courses and sub-lettings	**254**	*461*
Summer School	-	*49*
	519	*1,056*
Other activities		
School fees refund scheme commissions	-	*12*
Other	**112**	17
	112	*29*

4. GRANTS AND DONATIONS RECEIVABLE

2021	UNRESTRICTED	RESTRICTED	TOTAL
	£'000	£'000	£'000
Donations	**3**	**480**	**483**
Donations for bursaries re Wesley Scholars	-	**41**	**41**
Legacies	**908**	**264**	**1,172**
Furlough grant	**434**	-	**434**
	1,345	**785**	**2,130**

2020	*UNRESTRICTED*	*RESTRICTED*	*TOTAL*
	£'000	*£'000*	*£'000*
Donations	*45*	*394*	*439*
Donations for bursaries re Wesley Scholars	-	*65*	*65*
Furlough grant	*711*	-	*711*
	756	*459*	*1,215*

5. OTHER TRADING ACTIVITIES

Trading income	2021	2020
	£'000	£'000
Leys Enterprises (Cambridge) Ltd	**252**	*214*

6. ANALYSIS OF EXPENDITURE

2021	Staff costs £'000	Other costs £'000	Depreciation £'000	Total £'000
Costs of raising funds:				
Non-ancillary trading	54	184	6	**244**
Fundraising and Development	107	63	-	**170**
Financing costs under advance fee contracts	-	141	-	**141**
Financing costs	-	42	-	**42**
Bank and mortgage interest	-	106	-	**106**
Investment managers charge		38	-	**38**
Total costs of raising funds	161	574	6	**741**
Charitable activities:				
Education and grant making				
Teaching	10,686	1,222	125	**12,033**
Welfare	1,094	1,777	76	**2,947**
Premises	873	1,884	1,158	**3,915**
Support costs and governance	1,889	773	-	**2,662**
Schools' operating costs	14,542	5,656	1,359	**21,557**
Grants, awards and prizes	-	263	-	**263**
Cost of charitable activities	14,542	5,919	1,359	**21,820**
Total expenditure	**14,703**	**6,493**	**1,365**	**22,561**

2020	*Staff costs £'000*	*Other costs £'000*	*Depreciation £'000*	*Total £'000*
Costs of raising funds:				
Trading costs	*57*	*150*	*6*	*213*
Fundraising for voluntary resources	*92*	*84*		*176*
Financing costs under advance fee contracts	-	*168*	-	*168*
Financing costs	-	*64*	-	*64*
Bank and mortgage interest	-	*147*	-	*147*
Investment managers charge	-	*3829*	-	*29*
Total costs of raising funds	*149*	*642*	*6*	*797*
Charitable activities				
Education and grant making				
Teaching	*10,745*	*1,465*	*119*	*12,329*
Welfare	*1,051*	*1,633*	*77*	*2,761*
Premises	*913*	*1,703*	*1,320*	*3,936*
Support costs and governance	*1,916*	*845*	-	*2,761*
Schools' operating costs	*14,625*	*5,646*	*1,516*	*21,787*
Grants, awards and prizes	-	*312*	-	*312*
Cost of charitable activities	*14,625*	*5,958*	*1,516*	*22,099*
Total expenditure	*14,625*	*6,600*	*1,522*	*22,896*

6. ANALYSIS OF EXPENDITURE (CONTINUED)

	2021 £'000	2020 £'000
Governance expenditure includes:		
Auditors' remuneration for audit services	**25**	20
Reimbursement of personal expenses to Governors – travel costs	**-**	-
	25	20
Total staff costs comprised:		
The aggregated payroll costs for the year were as follows:		
Wages and salaries	**11,567**	11,627
Social security costs	**1,136**	1,148
Pension contributions	**2,000**	1,999
	14,703	14,774
Aggregate employee-benefits of key management personnel	**1,619**	1,581

The average number of the Foundation's employees during the year was 389 (2020 - 395) of whom 168 (2020 - 167) were teaching staff and the rest were support staff.

None of The Foundation Trustees received any remuneration, or other benefits from the schools or any connected organisation. One Trustee has a close relative which has worked for the Foundation through the year, the relation works as a teacher and is paid via payroll. During the year a total of nil (2020 - £133) was reimbursed to nil (2020 - 1) Foundation Trustees for travel expenses.

The Foundation received £100 (2020 £500) in donations from its Trustees during the year which were for the specific purpose of the gift of education bursary.

The number of higher paid employees was:	2021 No.	2020 No.
Taxable emoluments bands:		
£ 60,001 - £ 70,000	**18**	8
£ 70,001 - £ 80,000	**1**	1
£ 80,001 - £ 90,000	**1**	1
£100,001 - £110,000	**1**	1
£150,001 - £160,000	**1**	1
£170,001 - £180,000	**1**	1
	23	13

The total employer pension contributions for higher paid staff were £354,293 (2020 - £217,170).

During the year there were no termination payment made (2020 £33,075). There was nil outstanding at the year end.

7. TANGIBLE FIXED ASSETS

FOUNDATION AND GROUP

	Foundation				Subsidiary	
	Land and Buildings £'000	Plant and Machinery £'000	Fixtures, Fittings and Equipment £'000	**Foundation Total £'000**	Fixtures and Equipment £'000	**Group Total £'000**
Cost (or frozen valuation)						
1 August 2020	57,821	1,022	2,720	**61,563**	62	**61,625**
Additions	-	4	158	**162**	-	**162**
Assets no longer in use	-	(76)	(482)	**(558)**	-	**(558)**
As at 31 July 2021	**57,821**	**950**	**2,396**	**61,167**	**62**	**61,229**
Depreciation						
As at 1 August 2020	24,070	697	1,747	**26,514**	39	**26,553**
Charge for year	1,039	90	230	**1,359**	6	**1,365**
Assets no longer in use	-	(76)	(482)	**(558)**	-	**(558)**
As at 31 July 2021	**25,109**	**711**	**1,495**	**27,315**	**45**	**27,360**
Net book value						
31 July 2021	**32,712**	**239**	**901**	**33,852**	**17**	**33,869**
31 July 2020	*33,751*	*325*	*973*	*35,049*	*23*	***35,072***

Land and buildings at cost comprises the following at 31 July 2021.

	2021 £'000	*2020 £'000*
Freehold	**44,721**	*44,721*
Long lease (to 2119)	**13,100**	*13,100*
	57,821	*57,821*

The freehold and leasehold properties are insured for £151,323,129 (2020: £145,514,932).

Heritage Assets (The Foundation and its treasures)

The Foundation has a substantial endowment of assets gifted or bequeathed on trust for retention in perpetuity to form a permanent record of the Schools' history and which are required to be preserved for their educational value to the Schools and, through reasonable public access to them, as a contribution to the nation's culture and education both nationally and locally. These comprise a unique collection of paintings depicting The Leys School's previous eight heads since its founding in 1875, together with many other artefacts whose intrinsic value is also bound up with The Leys School's history. Most of these are irreplaceable originals to which no reliable value can be attributed. Accordingly, these assets are not capitalised in the financial statements.

8. INVESTMENTS
GROUP AND FOUNDATION

	Unrestricted £'000	Restricted £'000	Permanent Endowment/ Expendable Endowed £'000	Total £'000
Balance 1 August 2020	2,872	737	7,086	10,695
Additions at cost	683	198	1,574	2,455
Disposal proceeds	(732)	(187)	(1,732)	(2,651)
Investment gains	585	152	1,380	2,117
Changes in cash awaiting investment	57	15	134	206
Closing market value 31 July 2021	**3,465**	**915**	**8,442**	**12,822**

	2021	*2020*
Investments comprise:	**£'000**	*£'000*
Investments	**12,534**	*10,613*
Cash	**288**	*82*
	12,822	*10,695*

The above investments are in listed stocks.
The investment holdings at the year-end were UK £6.4m and overseas £6.1m.

9. DEBTORS

	Group		**Foundation**	
	2021	*2020*	**2021**	*2020*
	£'000	*£'000*	**£'000**	*£'000*
Amounts falling due in less than one year:				
Fees	**233**	*58*	**233**	*58*
Sundry debtors	**40**	*43*	**39**	*40*
Prepayments	**344**	*472*	**342**	*469*
Due from subsidiary undertaking	**-**	*-*	**85**	*138*
	617	*573*	**699**	*705*

10. CREDITORS

	2021	*2020*	**2021**	*2020*
	£'000	*£'000*	**£'000**	*£'000*
Amounts falling due within one year				
Trade creditors	**198**	*294*	**169**	*289*
Taxation and social security	**317**	*293*	**314**	*289*
Loans and mortgages	**640**	*640*	**640**	*640*
Other creditors	**207**	*256*	**207**	*256*
Accruals	**315**	*210*	**308**	*204*
Deposits from parents	**1,472**	*1,481*	**1,472**	*1,481*
Deferred income - fees in advance of term	**505**	*489*	**505**	*489*
Deferred Income advance fees (see note 12)	**6,953**	*4,688*	**6,953**	*4,688*
	10,607	*8,351*	**10,568**	*8,336*

Pupil fees deposits – the total held in relation to fee deposits of £1,472,044 is included above. In the normal course of business, the expected repayment of these amounts will be £394,378 within one year and £1,077,666 after more than one year.

11. CREDITORS AMOUNTS FALL DUE AFTER MORE THAN ONE YEAR

	2021 £'000	2020 £'000
Amounts falling due after more than one year		
Deferred income – fees in advance scheme (see note 12)	**1,036**	906
Bank loan and mortgages*	**3,165**	3,805
	4,201	4,711

*The mortgage is secured on The Leys site with interest payable at 1% above LIBOR, the repayment period is over 20 years from March 2012. The Bank loan is for the building of Great Hall, a total of £4.5m has been drawn down from Svenska Handelsbanken, also secured on The Leys site. The repayment period is over 10 years from November 2013. A second mortgage was taken out in July 2017 over a period of 20 years secured on the Leys site to purchase a property to be used for staff accommodation.

12. ADVANCE FEE PAYMENTS

Parents may pay to The Foundation several years of tuition fees in advance. The money may be returned, subject to specific conditions on receipt of one term's notice. Advance fees are due to be applied as follows:

	2021 £'000	2020 £'000
After 5 years	**-**	-
Within 2 to 5 years	**509**	339
Within 1 to 2 years	**527**	567
	1,036	906
Within 1 year	**6,953**	4,688
	7,989	5,594
The movements during the year were as follows:		
At 1 August 2020	**5,594**	7,339
New contracts during the year	**7,356**	4,921
Amounts accrued to contracts	**141**	168
Amounts utilised in payment of fees to the school	**(5,102)**	(6,834)
Balance at 31 July 2021	**7,989**	5,594

13. OPERATING LEASES

The future minimum lease payments under non-cancellable operating leases are as follows:

Group and Foundation	**2021**	*2020*
	£'000	*£'000*
Within one year	**50**	*62*
Between one and five years	**66**	*136*
Over five years	**24**	*25*

The total lease payments recognised in the Statement of Financial Activities amounted to £67,076 (2020: £89,922).

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

The net assets are held for the various funds and advance fees as follows:

2021

	Fixed Assets £'000	Investments £'000	Net Current Assets/(liabilities) £'000	Long Term Liabilities £'000	**Total £'000**
Permanent endowment funds	-	4,310	144	-	**4,454**
Expendable endowed funds	-	4,132	153	-	**4,285**
Restricted funds	-	915	1,479	-	**2,394**
Unrestricted funds	33,869	2,442	(731)	(3,165)	**32,415**
	33,869	11,799	1,045	(3,165)	**43,548**
Advance fees	-	1,023	13	(1,036)	-
	33,869	12,822	1,058	(4,201)	**43,548**

2020

	Fixed Assets £'000	Investments £'000	Net Current Assets/(liabilities) £'000	Long Term Liabilities £'000	Total £'000
Permanent endowment funds	-	3,618	132	-	3,750
Expendable endowed funds	-	3,468	141	-	3,609
Restricted funds	-	737	813	-	1,550
Unrestricted funds	35,072	1,979	(3,654)	(3,805)	29,592
	35,072	9,802	(2,568)	(3,805)	38,501
Advance fees	-	893	13	(906)	-
	35,072	10,695	(2,555)	(4,711)	38,501

15. PERMANENT ENDOWED FUNDS

2021	*1 August 2020* £'000	Income £'000	Expenditure £'000	Investment Gains £'000	**31 July 2021 £'000**
Endowment	*3,750*	-	-	704	**4,454**

The Permanent Endowed funds were set up with shares donated by Thomas R Fern and monies from school fundraising. The endowments were further increased with a legacy from the late Gerald A France. The funds were set up to provide funding for scholarships. In 2007 a gift of £50,000 was received to establish an endowed fund 'The Suresh Karthingesu Fund' to provide annual bursary support. Only the income is drawn down which helps fund Bursaries.

2020	*1 August 2019* £'000	Income £'000	Expenditure £'000	Investment Losses £'000	31 July 2020 £'000
Endowment	*3,780*	-	-	(30)	3,750

16. EXPENDABLE ENDOWED FUNDS

2021	*1 August 2020* £'000	Income £'000	Expenditure £'000	Transfers and Investment Gains £'000	**31 July 2021 £'000**
Scholarships	*3,609*	-	-	676	**4,285**

The expendable endowed funds are made up of numerous donations the income from which is used to provide scholarships and bursaries. The bursary fund is to provide funds for the gift of education initiative.

2020	*1 August 2018* £'000	Income £'000	Expenditure £'000	Investment Losses £'000	31 July 2019 £'000
Scholarship	*3,638*	-	-	(29)	3,609

17. RESTRICTED FUNDS

2021	*1 August*				**31 July**
	2020	Income	Expenditure	Investment Gains/ Transfers	**2021**
	£'000	£'000	£'000	£'000	**£'000**
Wesley scholars fund	*39*	41	(37)	-	**43**
Scholarship	*38*	100	(100)	-	**38**
Ollie Feast	*-*	50	-	-	**50**
Development funds					
Great Hall	*8*	-	-	-	**8**
Chapel Centenary fund	*21*	-	-	-	**21**
The gift of education (bursary)	*1,028*	440	-	152	**1,620**
Bursaries (various)	*62*	117	(21)	-	**158**
Prize funds	*62*	-	-	-	**62**
Boat house redevelopment	*17*	-	-	-	**17**
Vision studio	*17*	72	-	(35)	**54**
Other	*120*	3	-	-	**123**
Community fund	*138*	85	(23)	-	**200**
	1,550	908	(181)	117	**2,394**

All funds represent monies given for the specific purposes, but not yet expended.
The Gift of education bursaries is a new initiative with the Royal National Children's SpringBoard Foundation to provide transformative bursaries for disadvantaged and vulnerable children. The Community Fund is a new initiative linked to the Old Leysian Mission. The funds are to be used for charitable causes in the community. Charities apply for funds from the community fund. The transfer of £35,000 was to reimburse the unrestricted fund for expenditure incurred on behalf of the restricted fund in respect of the vision studio. £915,000 of the gift of education bursary funds are held in investments until the funds are needed for bursaries. The Ollie Feast Trust closed the charity and have given the funds to the Foundation to continue the work they started

2020	*1 August 2019*	Income	Expenditure	Transfers	31 July 2020
	£'000	£'000	£'000	£'000	£'000
Wesley scholars fund	*39*	65	(65)	-	39
Scholarship	*38*	96	(96)	-	38
Development funds					
Great Hall	*26*	1	-	(19)	8
Chapel Centenary fund	*21*	-	-	-	21
The gift of education (bursary)	*810*	224		(6)	1,028
Bursaries	*30*	83	(51)	-	62
Ely bursaries	*62*	-	-	-	62
Prize funds	*17*	-	-	-	17
Boat house redevelopment	*50*	-	-	(33)	17
Other	*78*	42	-	-	120
Community Fund	*70*	68	-	-	138
	1,241	579	(212)	(58)	1,550

18. UNRESTRICTED FUNDS

2021	1 August 2020 £'000	Income £'000	Expenditure £'000	Transfers/ Investment Gains £'000	**31 July 2021 £'000**
Designated funds					
Gift of education	131	908	-	-	**1,039**
Funds towards HSE incident	250	-	(250)	-	**-**
Funds for COVID-19 bursaries	406	-	(183)	-	**223**
Unrestricted funds	28,805	23,675	(21,947)	620	**31,153**
Total Unrestricted Funds	29,592	24,583	(22,380)	620	**32,415**

The gift of education is expected to be fully utilised within 10 years, the HSE incident is now concluded, and the funds for helping parents impacted by Covid-19 is expected to be fully utilised within 3 years.

2020	*1 August 2019 £'000*	*Income £'000*	*Expenditure £'000*	*Transfers/ Investment Gains £'000*	*31 July 2020 £'000*
Designated funds					
Gift of education	*92*	*-*	*-*		*131*
Funds towards HSE incident	*250*	*-*	*(50)*		*250*
Funds for COVID-19 bursaries	*-*	*40*			*406*
Unrestricted funds	*28,430*	*23,032*	*(22,684)*	*27*	*28,805*
Total unrestricted funds	*28,522*	*23,727*	*(22,684)*	*27*	*29,592*

19. CONTRACTS AND COMMITMENTS

There are no capital commitments for either school as at the 31 July 2021 (2020: Nil).

20. RELATED PARTY TRANSACTIONS

The Foundation's trading subsidiary, Leys Enterprises (Cambridge) Limited makes a donation under gift aid to The Foundation of its taxable profits each year.

Included in Debtors of The Foundation is an amount of £84,972 due from the subsidiary.

The staff working for Leys Enterprises (Cambridge) Limited are employed by both The Leys School and Leys Enterprises (Cambridge) Limited. The salaries are processed through Leys School and transferred to Leys Enterprises (Cambridge) Limited. The transfer value of transaction charges for year ended July 2021 was £5,100 (2020 £6,743).

21. PENSION SCHEME

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,588,437 (*2020: £1,597,305*) and at the year-end there was nothing accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

The contributions in respect of the support staff defined contribution scheme was £296,633 for The Leys, and £115,267 for St Faith's (2020: £283,513 and £118,150)

22. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2020	**Cash flows**	**31 July 2021**
	£'000	**£'000**	**£'000**
Cash in bank	*5,113*	5,816	**10,929**
Advance fee payments due within one year	*(6,169)*	(2,256)	**(8,425)**
Advance fee payments due after more than one year	*(906)*	(130)	**(1,036)**
Bank loans falling due within one year	*(190)*	-	**(190)**
Bank loans falling due after more than one year	*(2,567)*	190	**(2,377)**
Mortgages falling due within one year	*(450)*	-	**(450)**
Mortgages falling due after more than one year	*(1,238)*	450	**(788)**
Total borrowings	*(11,520)*	(1,746)	**(13,266)**
Net Debt	***(6,407)***	**4,070**	**(2,337)**

23. RECONCILIATION OF NET INCOME TO GROUP CASH FLOW FROM OPERATING ACTIVITIES

	2021	*2020*
	£'000	*£'000*
Net income for the reporting period (as per the statement of financial activities)	**2,930**	*1,410*
Adjustments for		
Depreciation charge	**1,365**	*1,522*
Investment income and interest	**(316)**	*(318)*
Investment managers fees	**38**	*29*
(Increase)/decrease in stocks	**(9)**	*9*
(Increase)/decrease in debtors	**(44)**	*568*
Increase/(decrease) in creditors (excluding advance fee movement)	**-**	*(618)*
Increase/(decrease) in fees in advance scheme creditors	**2,395**	*(1,745)*
(Decrease) in parent deposits	**(9)**	*(2)*
Net cash provided by The Group's operating activities	**6,350**	*855*

24. FINANCIAL INSTRUMENTS

	Group	*Group*	Foundation	*Foundation*
	2021	*2020*	**2021**	*2020*
	£'000	*£'000*	**£'000**	*£'000*
Financial assets measured at amortised cost (a)	**11,202**	*5,209*	**11,275**	*5,308*
Financial assets measured at fair value (b)	**12,822**	*10,695*	**12,822**	*10,695*
Financial liabilities measured at amortised cost (c)	**(2,798)**	*(2,837)*	**(2,762)**	*(2,828)*
Net financial assets measured at amortised cost	**21,226**	*13,067*	**21,335**	*13,175*

(a) Financial assets include cash, trade and fee debtors, staff loans, other debtors and accrued income.
(b) Financial assets held at fair value include assets held as investments.
(c) Financial liabilities include deposits, trade creditors and other creditors.

25. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITES - COMPARATIVE FIGURES BY FUND TYPE

Year ended 31 July 2020	Unrestricted Funds	Restricted Funds	Endowed Funds	Total Funds 2020
	£'000	£'000	£'000	£'000
Income and endowments from				
Charitable Activities				
School fees (net)	21,474	-	-	**21,474**
Other educational income	1,056	-	-	**1,056**
Other ancillary activities	29	-	-	**29**
Voluntary sources				
Donations	756	459	-	**1,215**
Investments				
Investment income	184	117	-	**301**
Bank and other interest	14	3	-	**17**
Other trading activities				
Non-ancillary trading income	214	-	-	**214**
Total income	**23,727**	**579**	**-**	**24,306**
Expenditure on				
Raising funds				
Non-ancillary trading	213	-	-	**213**
Fund-raising for voluntary resources	176	-	-	**176**
Financing costs under Advance Fee Contracts	168	-	-	**168**
Finance costs	64	-	-	**64**
Bank and Mortgage interest	147	-	-	**147**
Investment Management Fees	29	-	-	**29**
Total deductible costs	797	-	-	**797**
Charitable Activities				
Schools and grant making	21,887	212	-	**22,099**
Total expenditure	**22,684**	**212**	**-**	**22,896**
NET INCOME	**1,043**	**367**	**-**	**1,410**
Investment gains	(25)	(6)	(59)	(90)
Transfers between funds	52	(52)	-	-
NET MOVEMENT IN FUNDS	**1,070**	**309**	**(59)**	**1,320**
Fund balances at 1 August 2019	28,522	1,241	7,418	**37,181**
FUND BALANCES at 31 July 2020	**29,592**	**1,550**	**7,359**	**38,501**

26. LEYS ENTERPRISES (CAMBRIDGE) LIMITED

The Foundation owns the whole of the share capital of a trading company Leys Enterprises (Cambridge) Limited company number 2016905, with the Foundation receiving taxable surpluses earned by the company as a donation under gift aid.

	2021 £'000	2020 £'000
BALANCE SHEET		
Tangible fixed assets	17	23
CURRENT ASSETS		
Stock	102	99
Debtors	3	3
Cash	12	35
	117	137
CREDITORS: amounts falling due within one year	(124)	(150)
Net current liabilities	(7)	(13)
TOTAL NET ASSETS	10	10
CAPITAL AND RESERVES		
Called up share capital	-	-
Profit and loss account	10	10
	10	10

(The Company has £2 share capital which after rounding to the nearest £1,000, becomes £nil)

PROFIT AND LOSS ACCOUNT	2021 £'000	2020 £'000
Turnover	252	214
Cost of Sales	(226)	(195)
Gross profit	26	19
Administration	(18)	(18)
Net profit	8	1
Donation to Parent under gift aid	(8)	(1)
Retained profit for period	-	-

Independent Auditor's Report to the Members of The Leys & St Faith's Schools Foundation

Opinion

We have audited the financial statements of The Leys & St Faith's Schools Foundation ('the charitable company') and its subsidiaries ('the group') for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Foundation Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including 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 group's and the charitable company's affairs as at 31 July 2021 and of the group's 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 group 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 trustee's 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 or the group'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit

- the information given in the trustees' report, which includes the directors' report and the strategic 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 and proper accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees (who 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 trustees 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 trustees 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School

Standards) Regulations 2014, General Data Protection Regulation (GDPR), health and safety legislation, taxation legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION

England & Wales - Charity number 1144035

Accounts

Company Number: 7748737
Registered in England
Registered Charity Number: 1144035

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT
AND GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS

GOVERNORS AND CHARITY TRUSTEES

The Governors of The Leys and St Faith's Schools Foundation, "The Foundation" are the Foundation's Trustees under Charity Law and the Directors of the Charitable Company. The members of the Governing Body who served office as Governors during the year and subsequently are detailed below:

Elected by the Life Donors

Mr A Barrett	
Mr A Brenton	Retired 27/06/20
Mrs A Brunner	Chairman of St Faith's Committee
The Rev'd Canon Tom Buchanan	Chairman of Governors
Mrs W Challen	
Mrs J Clarke	
Mr M Elliott	Chairman of The Leys Committee
Mr C Fairey	
Mrs E Hooley	
Mr C Kidman	Hon. Secretary
Mr C Kirker	
Mrs S Loft	
Mr I McCaig	
Mr T Moore	
Mr S Peak	
Mrs H Renfrew-Knight	
Mr R Walker	
Mr R Webster	Hon. Treasurer

Elected by The Leys Common Room

Mr M Brown

Elected by St Faith's Common Room

Mr R Mitchell

Appointed by the Methodist Council

Mrs J Bell
Mrs P Graves
Mr D Humphreys
Rev'd J Pursehouse
Rev'd A Walker

Ex Officio Members

Mr A Silverton	Retired 07/12/2019
Mr S Levy	Past President OLS

Governors elected by Life Donors and the Common Rooms are appointed for a term of five years and can be re-elected for a further term. Governors who are appointed as officers can serve a further term.
Governors elected by the Methodist Council serve until they retire. The President of the Old Leysian Society is an ex officio member and serves for the period of their presidency and for a further year.

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS

EXECUTIVE OFFICERS

The Headmaster	- The Leys School	M Priestley MA
	- St Faith's School	N Helliwell BEd (Hons) MA
The Bursar of The Leys School and Clerk to the Governors		P McKeown BA
The Bursar of St Faith's School		R Brent MBE MA MSc BEng

ADDRESSES

The Leys School
Trumpington Road
Cambridge
CB2 7AD

St Faith's School
Trumpington Road
Cambridge
CB2 8AG

Registered Office as above

Websites: www.theleys.net
www.stfaiths.co.uk

ADVISERS

Bankers
Svenska Handelsbanken AB (publ)
Byron House
Cambridge Business Park
Milton Road
Cambridge, CB4 0WZ

Solicitors
Birketts LLP
Providence House
141 – 145 Princes Street
Ipswich, IP1 1QJ

Farrer & Co
66 Lincoln's Inn Fields
London, WC2A 3LH

Auditors
Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Investment Advisers
Quilter Cheviot Investment Management
Senator House
85 Queen Victoria Street
London, EC4V 4AB

Insurance Brokers
Hettle Andrews
Eleven Brindley Place
2 Brunswick Square
Birmingham, B1 2LP

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2020

The Governors of The Leys and St Faith's Schools Foundation who are also Directors of the Charitable Company for the purposes of the Companies Act present their annual report for the year ended 31 July 2020 under the Companies Act 2006 ("the Act"), together with the audited Financial Statements for the year, and confirm that the latter comply with the requirements of the Act, the Memorandum and Articles of Association and the Charities SORP (FRS102).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity was founded in 1875, and was registered with the Charity Commission under charity number 311436. In 2011, the Governors reviewed the legal status of the Foundation and decided the charity should become a Company Limited by Guarantee. This process was completed in December 2011. The Charity Number is 1144035 and the Company Number is 7748737. The Governors, Executive Officers and principal addresses of the Charity are listed on pages 1 and 2. Particulars of the Charity's professional advisers are given on page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Foundation is administered under a scheme established in December 2011 when the legal status of the charity changed.

Governing Bodies

The structure of The Foundation consists of a single Governing Body which is responsible for the two schools. The details of the Governing Body are explained on page 1 together with information on how the members are appointed.

Recruitment and Training of Governors

The Foundation's elected Governors are appointed at a meeting of the Life Donors on the basis of nominations received, taking into account eligibility, personal competence, specialist skills and local availability. New Governors are inducted into the workings of the Charity and its schools including Board policy and procedures at an induction day specifically arranged for them by the Clerk to the Governors. Established Governors are then provided with training opportunities including workshops and seminars organised by the Association of Governing Bodies of Independent Schools, the Boarding School Association and other professional organisations. Additional training and information is provided at Governor meetings to ensure Governors are updated on current issues and regulatory requirements.

Organisational Management

The Board of Governors as Trustees of the Charity and Directors of the Charitable Company are legally responsible for the overall management and control of both The Leys and St Faith's Schools and meet as a board at least three times a year. The work of implementing key policies is carried out by the members of the various committees. These are The Leys School Committee, The St Faith's School Committee, The Foundation Executive Committee and The Finance Committee. These committees meet at least once a term and then report to the Full Board meeting at the end of that term.

The Leys Committee deals with issues that are directly relevant to The Leys School and is chaired by Mark Elliott. The St Faith's Committee deals with issues that are directly relevant to St Faith's School and is chaired by Mrs Annabel Brunner. The Foundation Executive Committee oversees the strategic planning for the Foundation and considers major issues which impact on either school. It is chaired by

the Chairman of Governors, The Revd Canon Tom Buchanan. This Committee also has responsibility to oversee the regulatory compliance of the Foundation. The Finance Committee is responsible for dealing with financial issues affecting both schools and is chaired by the Hon Treasurer, Roger Webster.

In addition to these Committees there is also an Investment Committee which meets once a year to review the activities of the Investment advisers. A Nominations Committee meets at least once a year to assist with succession planning for officers and the recruitment of new Governors. The Governors also meet once a year for an away day to discuss strategic issues. Ad hoc committees are established to look at specific issues.

The day-to-day running of the schools is delegated to the respective school Headmasters and Bursars. They are also supported by their Senior Management Teams and together this group are the key management personnel. The Headmasters and Bursars attend meetings of the above committees.

The remuneration of key management personnel is set by the board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the Foundation's success. The policy is reviewed annually and appropriate benchmarking data is used to ensure the Foundation takes into account the broader issues of pay and employment conditions.

Delivery of the Foundation's charitable vision and purpose is primarily dependent on the key management personnel and staff under the direction of the Governors.

To ensure that the Foundation is following best practice, Governors benchmarked the work of the charity against the new Charity Governance Code produced by the Charity Commission. The Governors benchmarked against the seven principles, particularly looking at the key outcomes, and identified a few areas where the Foundation could improve the way it operates. Action has been taken to ensure that these improvements are implemented.

Group structure and relationships

Leys Enterprises (Cambridge) Limited was incorporated in 1986 in England and with its registered office at The Leys School, Trumpington Road Cambridge, Cambridgeshire CB2 7AD. The principal activities of the company are the running of the school shops for both The Leys and St Faith's schools. In addition the company runs the school's Balgarnie's café and the organisation of the summer school staff at The Leys School. All surplus income is donated to the Foundation under the gift aid scheme.

Employment Policy

The Foundation is an equal opportunities employer. We celebrate diversity and do not discriminate based on race, religion, colour, national origin, sex, sexual orientation, age, disability status or any other applicable characteristics protected by law.

The Foundation regularly provides relevant information on the progress of the schools to all staff. The Headmasters at both schools communicate with the teaching staff at the end of each term following the Full Board meetings and also at the start of each term. Both schools have established Staff Consultative Committees who meet every term and are provided with relevant information about the schools. The two Bursars also make a presentation to all the support staff following the Full Board meetings.

Relationships

The Foundation actively supports the attainment of the highest standards in the independent schools sector, partly through networking with other major schools and partly through peer group studies for the evaluation of quality and performance improvement methods.

Both schools co-operate with many charities and other local bodies in their endeavours to widen public access to the schools and also to optimise the use of their cultural and sporting facilities.

The Foundation also benefits from the generosity of a thriving network of Old Leysians, and Old Fidelians, whose close support the Schools greatly appreciate and gladly acknowledge.

The Foundation works with a whole range of suppliers, many of whom have long standing relationships with the schools. We greatly value those relationships and work hard to foster a genuine sense of partnership.

Statement on compliance with s172(1) Companies Act 2006

The Governors, as Directors, of The Leys and St Faith's Foundation consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Foundation for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1) (a-f) of the Act) in the decisions taken during the year ended 31st July 2020 as set out above.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects of The Foundation

The Foundation has two objects:

a) The provision of high quality education, in particular by the conduct of the two Schools known as The Leys School and St Faith's School.

b) The use of the facilities of the Schools, when not required for education, for other charitable purposes, for the benefit of the local community and the wider public.

The religious teaching in the Schools shall be in accordance with that of the Methodist Conference.

Mission for The Leys

The purpose of The Leys is to play our part in changing the world for the better. We do this through the education we provide, by making a distinctive and positive difference to the lives of our pupils, by being caring and rewarding in developing and managing our staff, by being a responsive and trusted partner to our parents, and by making a beneficial contribution to the wider community.

Aims

By foundation and structure, The Leys is a boarding community. We place great value on being a "big, small school" in which we give Leysians a rich and challenging school experience which they find intrinsically valuable. By so doing, we seek to ensure, in the spirit of our Methodist founders and our Christian values, that we send Leysians out into the world ready – academically, culturally, morally, physically, spiritually and socially – to live fulfilling lives which will make a positive contribution to the fast-changing world which lies beyond our gates.

In order to achieve our purpose, we will always aim:

1. To have a distinctive notion of education, shared and understood by all stakeholders, and built on three foundation stones: pastoral, academic and wider curricular. Of these three, 'pastoral' is accepted as pre-eminent, because if pupils feel supported and confident, they will flourish in all areas of the life of the school.

2. To give Leysians a rewarding, challenging and valuable school experience. Our location in the heart of the city of Cambridge allows us unique opportunities to ensure that a Leysian education is distinctive and endlessly exciting.

3. To nurture, within a community which is Christian in its core values, open and liberal in its world view and multicultural in its intake, young people who: display kindness and sensitivity to those around them; have strong and solid values on which they can base their lives; can think for themselves; can perform resiliently under pressure; and are aware and respectful of sustainability, difference and diversity.

Vision

Our goal is for this ethos to be understood and respected by all pupils, staff, current and prospective parents, visitors and the wider community.

If this is achieved, then the combination of our distinctive ethos and world-class location makes The Leys unique.

Thereafter we seek (by the date of our 150th anniversary in 2025) to be recognised as the leading city boarding school in the country.

Mission for St Faith's

St Faith's seeks to be a happy, inclusive and a supportive community which welcomes families from all religious and cultural backgrounds. Underpinned by Christian values, we nurture every child as an infinitely valuable and uniquely gifted member of the St Faith's family. We aim to cultivate strength of character, distinguished inter-personal qualities, distinctive leadership ability and a keen sense of social responsibility. Our innovative and future-focused education builds on a strong academic heritage and promotes excellence in all areas.

Values

The School was originally founded to educate the children of Fellows of The University of Cambridge Colleges; it subsequently formed a joint foundation with The Leys, an established Methodist school. St Faith's thus enjoys a unique, dual heritage resulting in an education characterised by academic excellence and innovation that is underpinned by a foundation of Christian values and principles.

At St Faith's all members of the School community are:

- **Infinitely Valuable** – we promote respect for each other; encouraging integrity of character
- **Uniquely gifted** - we promote high expectations; encouraging individual excellence
- **Mutually dependent** - we promote an attitude of service; encouraging personal initiative
- **Continually learning** - we promote a spirit of forgiveness; encouraging perseverance

The Foundation's Public Benefit

In meeting the first of its objects the Foundation's Public Benefit aim is to provide an environment where each pupil can develop and fulfil his or her potential, thus to help build self-confidence and inculcate a desire to contribute to the wider community.

The second object provides the opportunity for the Foundation to play an important role within the local community.

In the furtherance of these aims the Foundation Governors, as the Charity Trustees, have complied with the duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the Public Benefit requirement under the Act.

A specified Governor has a responsibility to oversee the public benefit activities of the Schools. An annual report for all Governors is produced to summarise the activities that have been undertaken to benefit the local community and wider public.

The awarding of bursaries for the needy is a measurable means of providing public benefit. The Foundation takes the view that bursaries awarded to those who would not otherwise be able to afford the fees are important, but not to the exclusion of the much wider benefit that the schools provide within the community. This year, the schools awarded £1,019,642 in Bursary Awards or scholarships. Over 218 pupils received some financial assistance. Within this provision means-tested awards based on a sliding scale according to financial circumstances totalling £822,444 were awarded to 99 pupils.

St Faith's have appointed a 'Head of Outreach' to develop further their work with the community. Their partnership with two local maintained primary schools continues to grow and develop. Pupils from both schools have benefitted from lessons provided by St Faith's Heads of Department using specialist facilities and drama suite. Senior managers from the schools have met to share best practice and determine how the partnerships should grow. The link with two Cambridge special schools is also well established. In January, pupils from the schools joined together with St Faith's pupils for a two-day drama workshop, culminating in a performance to parents and staff.

The Leys also appointed a 'Head of Outreach' who has developed the link with a local primary school where The Leys has provided specialist teaching in dance, drama, hockey, rugby, tennis and cricket. A partnership was established with Cambridge Rugby Club to provide opportunities to 15 and 16 year olds leaving education after their GCSE's and who were at risk of losing their way in the community. A partnership was also established with the Red Hen Project, a local charity which supports the most vulnerable families in Cambridge. The children in these families attend primary schools in North Cambridge. The school provided resources, both physical and digital to support these children. We also provided Covid-safe transport for 12 families to visit a local wildlife park after their usual annual day trip was cancelled due to Covid, many of the families commented that this was the only time they had left their neighbourhood during the year. Working with the Ollie Feast Trust The Leys also delivered sports activities packs to 48 families to enable them to engage in sporting and leisure activities during the holidays.

The Headmaster recently received the following email of thanks on behalf of the Queen Edith's Community Forum. "I wanted to let you know how grateful we are to the three members of your sports staff - Bruno Vincente, Ashley Trent and Paddy Miller - for running 20 hours of sports provision over the school summer holidays for local children. The sessions were extremely well attended and have generated lots of positive feedback from parents, for example: " *My daughter has never had the chance to do organised sport before so it has been lovely watching her try different things she has never seen. As an only child in a shielding household she has had very little chance to see other children or exercise so it is brilliant to have something that gently reintroduces her to both. She did initially start by saying she couldn't do sports as she is not a boy, but seems to have lost that belief over the weeks, the girls winning the tug of war really helped. She especially enjoys the circuits but has tried football and cricket too.*" From an organiser's point of view, Bruno, Ashley and Paddy were a joy to work with, and their enthusiasm and professionalism reflect really well on the Leys reputation for sporting excellence."

Both schools have opened up their facilities to local schools and the community for a wide range of activities. These have included running and hosting the Cambridgeshire Chess League, the Cambridge Maths Challenge, hockey coaching for local primary pupils and providing facilities and resources to a range of local charities.

The Leys has been looking for opportunities to help the most vulnerable and disadvantaged children for a number of years. This year the school has partnered with the Royal National Springboard Foundation which is a charity providing disadvantaged and vulnerable children and young people with the life-transforming opportunity of a fully funded boarding school education. The school welcomes the first recipient of the new Bursary Scheme in September 2020.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Impact of Covid-19 on the Foundation

The achievements and performance of the schools has been significantly impacted by Covid-19 and therefore we begin this section of the Trustees Report with an overview of actions the schools took to cope with the impact of Covid-19 and outline how the pandemic has affected the performance of the schools.

Review of the summer term

Both schools continued to operate as normally as possible until the Government formally mandated all schools to close on 20th March. By this stage, several international boarders had already left The Leys to ensure they were able to return to their home countries.

From the start of the Summer Term the Leys did not open for any on-site teaching, with all teaching taking place remotely. The school was fortunate that the IT infrastructure and digital strategy for teaching and learning meant that it could move smoothly to remote teaching and was able to deliver a very high-quality service. At the end of the summer term the school organised for all those pupils who could easily access the school to come onto site to meet with their pastoral staff.

St Faith's provided on-site teaching for pupils of essential workers during the Easter and Summer holidays and for the Summer Term. As the Government relaxed restrictions, the school began to teach other pupils on site and by the end of the term was educating the majority of pupils at the school. A structured online programme of lessons was provided for year groups which had to remain at home.

The Governing body were regularly updated and organised several additional virtual meetings. The first of these was held on March 31st where Governors discussed and agree the financial and operational principles for the schools for the summer term and reviewed proposed budgets in light of the challenges caused by Covid-19.

The key operational principles were:

- To retain parent confidence in the education service, both on-site and remotely to ensure the continuity of education.
- To continue to ensure a value for money provision.

- To ensure fee affordability and maintain pupil numbers.
- To continue to pay full staff salaries.
- To maintain essential (particularly safety and compliance related) site maintenance operations.
- To ensure the schools were ready to provide a full on-site educational offering when the crisis was over.
- To retain a level of business contingency.

The schools adopted a phased approach dealing with the immediate crisis and then the longer term potential impact and broader consequences.

The key planning assumptions for the summer term were:

- The schools to plan to provide only remote teaching for the Summer Term.
- The crisis would have a serious impact on the economy and therefore on the ability of some parents to pay the fees.
- The schools could not charge the usual fees for the Summer Term.
- The schools would lose most of the miscellaneous income for the Summer Term.
- The schools would need to reduce operational spending and stop any project spending.

The schools also identified the major financial related risks:

- Remote learning provision not sufficient to justify the fees charged for the Summer Term.
- Parents unable to pay the fees and needing bursary support.
- Parents paying the fees later than normal.

Based on the assumptions and taking into account the key risks, the schools put together detailed forecasts which took into account a reduction in fee income, a reduction in other income, operational savings, income from the Government furlough scheme and an increase in the bursary provision. The Leys was forecast to break even for the year and St Faith's to make a small surplus.

The Governors reviewed a variety of actions to mitigate any cash flow challenges and agreed a priority order of actions if they became necessary.

Governors were regularly kept informed of the performance of the schools and formal meetings were held on 12th May and then on 22nd June to review progress. At the meetings, both schools were able to report how successfully they had manged to provide a high-quality educational provision throughout the term and the positive feedback they had received from parents. The Leys had provided all the teaching remotely, St Faith's had increasingly provided on-site teaching as the government allowed primary schools to bring children back onto site.

Both schools had managed to work closely with their respective parent bodies. The schools received very few queries about the fees charged for the summer term with the vast majority of parents paying on time. The number of parents requiring additional financial support was well below the forecast level and several parents contributed towards a new Covid hardship fund which had been set up.

The schools experienced no challenges with managing the cash flow and did not need to consider taking any other actions.

The schools also reviewed the key covenant conditions for the bank loan and mortgages. There were no concerns about breaching the conditions.

Planning for 2020/21

For the 2020/21 academic year Governors made the following planning decisions and assumptions:

- The fees would not rise for 2020/21
- The staff would not receive any inflationary increase for 2020/221.
- There would be potential for a drop in pupil numbers.
- There would be an increased requirement for bursary support.
- There would be a significant fall in miscellaneous income.
- The schools would need to reduce operating costs where possible.
- All project spending would be on hold.

Actual performance for 2020/21

Both schools have started the new year with higher pupil numbers than estimated in January when the original budget proposals for 2020/21 were put together. Income from other sources is significantly down and forecast to be so for the whole year. On the expenditure side, the school have reviewed and reduced many operational budgets and have decided to delay any project spending until there is more certainty.

Detailed financial forecasts have been put together for 3 planning scenarios including another full lockdown. All these forecasts demonstrate that the schools will be able to cope with the current crisis and should not face significant cash flow challenges.

The schools have also reviewed the key covenant conditions for the bank loans and mortgages. There are no concerns about breaching the conditions in 2020/21.

Planning for 2021/22

Looking to the medium term, the key factor will be the pupil numbers. The day market for both schools remains very strong and there are no indicators that this will change, indeed due to the challenges faced by local maintained schools during the lockdown there has been an increase in enquiries.

The Leys is dependent on the boarding market and it is likely that the market for International boarders could be impacted by the current crisis. It is not possible at this stage to accurately forecast the potential impact on boarding numbers for 2021/22. The Leys has invested in several new initiatives to promote International boarding and are pleased with the recent interest from prospective parents. The demand for 2021/22 is encouraging.

Both schools anticipate that miscellaneous income will slowly begin to increase again.

Detailed planning is about to begin on the proposed school budgets for 2021/22. Both schools will be taking a cautious approach to estimating pupil numbers and other income.

Objectives for the year for The Leys

In last year's Trustees' Report, the following objectives were identified for the next five years:

1. Continue our focus to ensure that The Leys is recognised as a centre of excellence for two core academic objectives: the quality of the continued professional development of our academic staff and the quality of teaching and learning at The Leys.

2. Continue to offer a wide range of extra-curricular activities and aspire to high standards both in the wider curriculum and in the all-round personal development of the pupils.

3. Continue to build links with feeder schools in the independent and maintained sectors and develop our marketing strategies to keep the school full.

4. Continue to strengthen the positive impact of the school in terms of benefit to the wider community, not least through the future provision of fully-funded places for the most disadvantaged children.

5. Continue to develop the use of Information Technology both as a teaching tool and to enhance the administration of the Foundation as a whole.

6. Continue to focus on the future development of the campus through the implementation of a master plan for the site.

7. Continue to develop and enhance our reputation for excellent pastoral care.

Review of the operational performance of The Leys 2019-20

1. The school was inspected in late 2018 and was found to be regulatorily compliant throughout. We are now preparing for a forthcoming inspection though the COVID-19 pandemic has made the timing of future inspections uncertain. Staff training and the quality of teaching and learning continue to be key priorities.

   Academic results and work ethic within the School remain strong. Our pupils excelled themselves at A level and at GCSE, despite the huge uncertainty regarding how results would be calculated. The School completed the 'Centre Assessed Grades' process in a professional and timely way. Whilst the School was in lockdown, our online remote provision was widely praised by pupils and parents. Colleagues reacted with admirable speed and adaptability to the new systems and the previous work done on Google Classrooms and other IT training meant that our usual platforms operated effectively during the lockdown. An ISTIP inspection during 2019-20 confirmed that the School is highly regarded in its induction of teachers new to the profession – they in turn feel extremely well supported in their induction period.

2. The Leys continues to offer a wide range of extra-curricular activities and high achievement is a feature of the wider curriculum, both individually and in terms of team and group performance levels in sport, the performing and creative arts, the Combined Cadet Force and the Duke of Edinburgh Scheme. Consequently, the all-round personal development of the pupils remains a prominent and very successful focus.

3. A wide variety of outreach opportunities has been created for feeder schools in the independent and maintained sectors. The School roll was sustained at around 560 pupils. Parental reviews and surveys continue to indicate very high levels of satisfaction with the education offered to our pupils and despite the COVID-19 pandemic, demand for places remains high and the school remains full.

4. The School is devoting more resources than ever before (including dedicated, timetabled staff time) to our public benefit activities. The details are included earlier in the report as part of The Foundation's public benefit.

5. We have created a New Vision Studio which allows teachers to experiment with the latest cutting edge technology in Augmented Reality and Virtual Reality so that this can gradually be incorporated into our teaching and learning. We have completed the task of installing uniform Audio Visual Provision across the entire school campus, with over 75 units being expertly installed by the ICT and Maintenance Departments. There can be few if any schools who can claim that their teachers have such high-quality, uniform AV provision. The work we have done in recent years on Google Classroom and other platforms meant that we were able to move quickly and effectively to remote teaching and learning when the School was forced by lockdown into closing physically. Surveys of staff, pupil and parents, as well as informal feedback from all the above, indicate that our provision was highly regarded by the overwhelming majority of stakeholders.

6. Work on the Masterplan continues and further refurbishments and enhancements have taken place, however, all major project spending was halted for the summer of 2020 in order to make allowances for the financial impact of COVID-19.

7. The school revised its pastoral and safeguarding policies in the light of COVID-19 so that we continued to provide excellent pastoral care even during lockdown and the additional support we offered to our most vulnerable pupils was highly regarded and praised by parents.

Objectives for the year for St Faith's

1. Continue to provide an excellent all-round education with a future-focus and strong academic core.

2. Continue to ensure that pupils' personal development is excellent, providing them with a strong foundation on which to build in the future.

3. Maintain the current school roll.

4. Continue to develop good links with the community, including partnerships with maintained schools.

5. Increase the provision for means-tested bursaries.

6. Lead the introduction and development of Engineering as a curriculum subject across maintained and independent schools in the UK and abroad.

Review of the operational performance of St Faith's 2019/20

1. Curriculum development continued to be a prominent feature of the School's all-round provision. Engineering and Computing, for example, were key aspects of the academic education and together with English, Maths, Science and Humanities formed a strong academic core. Languages were also important: Spanish was taught from age 4, Latin from age 9, French from age 10 and intensive courses of Mandarin, Arabic and German were provided for Year 8 pupils. Once again, over 90% of Year 8 pupils gained places at their first choice senior school, with 29 scholarships being awarded in the process; approximately two-thirds of these scholarships were for Art, Drama, Music and Sport and the remainder for core academic subjects

2. During the year, character education was further embedded in to the curriculum, with teachers using this as a point of focus in lessons. Assemblies also focussed on the importance of kindness, consideration and the concept of social responsibility. Additional rewards were introduced to recognise exceptional kindness. The results of this work have been tangible, with the number of incidents of unkindness and bullying decreasing and measurements of pupils' self-esteem and happiness rising.

3. The school roll has been maintained and demand for places remains very high.

4. We have continued to develop our link with local maintained schools and the community. The details are included earlier in the report as part of The Foundation's public benefit.

5. The budget for bursaries was significantly increased, by 20%, to £243k.

6. In 2020, the St Faith's Engineering programmes of work were published jointly with the Independent Association of Prep Schools (IAPS). These schemes provide detailed lesson plans for the teaching of Engineering for pupils aged 7 to 13. They are being provided free of charge to any state maintained or IAPS school that requests them.

   St Faith's continues to host and run National IAPS Engineering courses for schools wishing to introduce this new subject to the curriculum. We estimate that as a result of these courses, the publication of the schemes of work and the informal advice provided, we have assisted over 100 schools in the introduction of Engineering. Further courses are scheduled as we aim to 'roll out' Engineering across the state and independent sector.

FUND RAISING PERFORMANCE AT THE LEYS 2019/20

We are, as ever, very grateful for the support from our community of Old Leysians, parents and friends of the School.

All fundraising is carried out through the Development Office. This is in the form of telephone campaigns, direct mail and face to face solicitation. The Office is staffed by professionals who undergo continuous peer review and industry standard training. The School is registered with the Fundraising Regulator and staff are members of IDPE, which though not a regulated body does provide best practice for the industry and adhere to all ICO regulations. The activities and performance of the Office is monitored by the Headmaster and Governors.

The Office saw a number of staff changes this year with Fiona Slot, the Alumni Relations Officer and Old Leysian Society Secretary, leaving in December after 16 years of service and Thomas Northcote, Head of Development, leaving in March. Due to the Government-imposed lockdown restrictions recruitment for these positions was delayed leaving only one full-time member of staff in the Office from March to July. A new Director of Development has now been recruited and will take up post in August 2020.

The Development Office has complied with all requirements of the Fundraising Regulator and ICO and there have been no complaints received by the School.

The School only contacts those with a genuine connection with The Leys and do not cold call/mass market. We screen people for TPS when conducting telephone fundraising and exclude as appropriate. All those aged over 80 are excluded from fundraising activity unless they opt in as are those under the age of 27. All those that request no contact are marked such and receive no communications. All other communications are measured and appropriate given the individuals relationship with the School.

The Development Office raised a total of over £510,000 from 264 donors in philanthropic gifts in the financial year of 2019/20. The regular giving programme has continued well, and August 2019 saw another Telephone Campaign which raised over £60,000 in pledges to The Leys in regular gifts.

Following on from the introduction of the new GDPR legislation, we are still, like many other educational institutions, are relying on "legitimate interest" to contact members of our community by post and telephone, although we are seeking consent from some individuals to send the Newsletter electronically as the relevant legislation is stricter regarding electronic communication. To date we have around 2000 consents to send the OL News electronically. All data is held securely on our alumni and supporter database which is accessible to limited members of the school staff. All staff in the Development Office have access to the database and have undertaken appropriate industry standard data protection training.

INVESTMENT PERFORMANCE AGAINST OBJECTIVES

The Governors' objective is to achieve a total rate of return target that is equivalent to the median of the Wealth Management (WM) index for Charities judged on a 3 year rolling basis. The Survey ceased to exist in April 2016 and performance is now compared to the MSCI WMA Balanced Index, as a market comparator and the Asset Risk Consultants (ARC) Charity Steady Growth Index, as a peer group measurement. On a rolling 3 year basis to July 2020, the net total rate of return of the fund was 23.6% compared with the MSCI WMA benchmark of 8.2% and ARC Steady Growth Index of 7.0%. On a rolling

5 year basis the net total return of the fund was 53.4% compared to 32.0% for the MSCI WMA benchmark and 25.8% for ARC. The net total rate of return of the fund from August 2019 to July 2020 was 1.7% compared with a total decline of the MSCI WMA benchmark of -4.9% and -4.2% for ARC.

During the year, across the individual asset classes, save for Fixed Interest investments, the portfolio enjoyed a useful outperformance across all sections of the list. The largest equity exposure remains within the domestic UK market, although this was reduced during the year from 31.9% to 25.5%. Here returns were relative, with a decline of -8.5% ahead of a decline of 17.7%% in the FTSE All Share Index. Further afield, the significant contributor to the capital return was success in North America, where 25% of the investments are held – with a return of 10.2% usefully ahead of 4.4% for the FTSE All World North American Index. The weighting in technology and medical related stocks within our North American holdings also explains the significant outperformance over the longer term with Apple, Visa, T-mobile and Idexx all featuring strongly, delivering returns in excess of 90% over the rolling 3 year period. In the case of Apple, the 3 year return is 198%.

The managers continue to expect that the uncertainty surrounding Brexit, the US election, Covid when combined with growing friction on global trading relationships are likely to contribute to reasonable levels of volatility over the next twelve months; the portfolio remains suitably well-diversified to withstand a reasonable degree of such capital volatility. In terms of income, as a result of companies preserving cash on balance sheets to cope with the challenges presented by Covid, the fund managers are factoring in a reduction of 15 – 20% in the twelve months ahead. They are hopeful that this marks a low point and that dividends will resume towards the end of 2021 and into 2022.

The Investment Committee continues to monitor the activities of the portfolio Managers and is satisfied with Quilter Cheviot's performance.

ENVIRONMENTAL REPORT

The Foundation welcomes the opportunity to report on the work both schools have been involved in to reduce our impact on the environment and educate our pupils on the importance of acting in a sustainable manner. Both schools have committed a great deal of time and resources over recent years. St Faith's were the first Independent school winner of the Ashden Sustainability Award and have worked with a number of schools in the state and independent sectors to assist them with putting together sustainability action plans.

Total energy use and greenhouse emissions.

	Totals	**Greenhouse Emissions (KgCO2)**
Gas Usage	4,716,342 KwH	867,807
Electricity Usage	1,492,949 KwH	615,170
Transport	202,000 litres	623,589
Total Greenhouse Emissions		2,106,567
Intensity ratio emissions per pupil	2,106,567 / 1132 = 1861	

The data has been derived from the energy monitoring systems at the schools and checked with the invoice information. The fuel consumption has been calculated from invoice data.

The intensity ratio looks at the emissions per pupil as the number of pupils is the main driver of our emissions. We also hope that by better educating our pupils we can drive the emissions per pupil down and this could become a key target which would motive the pupils.

Specific actions by the schools

- The schools have recently focussed on their lighting with the installation of LED lighting where appropriate, the introduction of low energy lighting, the updating of external lighting to be more efficient, including the introduction of solar powered lighting where possible.

- An evaluation of kitchen energy usage has led to changes to working practices and the replacement of energy inefficient equipment.

- Both schools use modern BMS systems to monitor heating systems and have gradually reduced run times and the average temperature settings. In addition, they have implemented heating system asset life-cycle reporting.

- Changes have been made to waste collection to encourage recycling and greatly reducing the waste going to landfill.

- In terms of transportation, the schools have installed additional covered cycle parking and also electrical car charging points for use by the staff.

- There is an ongoing programme to improve the energy efficiency of the buildings with the installing of roof spaces and pipework together with the replacement of single glazed windows with double glazing.

- The master plans for future site developments ensure a coherent and future focussed energy delivery plan that reflects renewable energy incentives, building improvement and longer-term sustainability.

FINANCIAL REVIEW

Results for the year

The income generated by the Foundation reduced by £1.5M from £25.8M to £24.3M. The fall was totally due to the impact of Covid-19 on the income for the Summer Term. Both schools reduced the fee they charged their parents because they could not provide the full education experience due to the impact of Covid-19 restrictions, with the majority of teaching being delivered remotely. The schools also did not generate any income from letting activities which all had to be cancelled. To cope with this fall in income the schools reduced their operating costs and delayed planned spending on capital improvement projects which were not essential. In addition, the depreciation costs fell significantly as some of the boarding house refurbishments had been fully depreciated. The surplus generated increased from £1M to £1.4M.

Reserves level, policy and financial viability

At the Balance Sheet date, the Foundation's total reserves were £38.5M (2019 £37.2M) including £3,75M (2019 £3.8M) of endowed funds, £3.6M (2019 £3.6M) of expendable endowed funds, £1.55M (£2019 £1.2M) of restricted funds and £29.6M (2019 £28.5M) of unrestricted funds. These reserves are represented by fixed assets held for charitable purposes.

Within the restricted funds; £406k was designated to provide financial support for parents impacted Covid-19, £250k was designated towards costs of the H.S.E. incident and £131k was designated for the Gift of Education.

Ideally, the Governors would like a General Fund of free reserves equivalent to 6 weeks unrestricted expenditure to meet its immediate objectives and protect its current activities, including the provision of adequate working capital. The Governors recognise that due to the impact of Covid-19 on the income for the Summer Term that was not possible to generate this level of free reserves and whilst Covid-19 continues to impact the Foundation, this will continue to be the case. The Governors are confident they have mitigation plans in place and therefore the lack of free reserves is not a significant issue.

The Foundation monitors its cash flow carefully. There is a bank overdraft facility of £500K and an understanding with the bank that the facility can be increased to £1M if needed. A variety of scenarios have been modelled for 2020/21 and the Foundation has a number of mitigating actions that could be taken if required. The Governors feel confident that the Foundation will not have any serious cash flow challenges.

Going concern

At the time of approval of the Annual Report and Accounts, the COVID-19 pandemic continues to evolve and the long-term impact on the Foundation, in common with other businesses, is unknown. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils together with the management of expenditure should income be reduced and have undertaken various scenario exercises settling on two which include school operational for the year and a closure of one month. The financial analysis demonstrates that even under the most pessimistic scenario the Foundation would not experience any significant financial problems and would be able to manage the cash flow implications without having to take any further mitigating actions for the year to 2021. In looking ahead to July 2022 there are a range of additional mitigating actions which The Foundation could take to improve the financial situation if required. There are currently significant cash balances and an investment portfolio should additional liquidity be required through this period of uncertainty to meet the liabilities as they fall due for the Foundation as a whole.

The Foundation does not anticipate any material reduction in prospective pupil numbers above that which the Foundation has used for the purposes of financial modelling and forecasting. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

PRINCIPAL RISKS AND UNCERTAINTIES

The Foundation's Governors are responsible for the management of the risks faced by the Foundation. Detailed considerations of risk are delegated to the individual school committees who are assisted by the senior management teams. Risks are identified, assessed and controls established throughout the year. The top ten risks facing the school is a standing item at all committee meetings. A full review of the charity's risk management process is undertaken on an annual basis at a full Governors' meeting.

The key controls used by the Foundation include formal agendas for all committee and board activity, comprehensive strategic planning, budgeting and management accounting, an established organisational structure and lines of reporting, formal written policies, clear authorisation and approval levels and vetting procedures as required by law for the protection of the vulnerable. Through the risk management process established by the Foundation, The Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Not surprisingly, the Governors consider the potential impact of the current Covid-19 crisis as the major risk facing the Foundation. The schools have considered a number of different scenarios and assumptions and are confident that they have strong mitigating actions in place. Both schools coped exceptionally well with the challenges during the Summer Term and have started 2020/21 with full pupil rolls. The schools are not complacent and continue to plan for a range of possible impacts caused by the current crisis.

FUTURE PLANS

The operational plans for the schools for the next five years show a good deal of continuity from previous years, though the reality of dealing with COVID-19 and the likelihood that this will continue to be a priority in the coming years means that the first priority of the schools will be to build resilience to potential external disruption (e.g. through a pandemic) in terms of the academic, pastoral and wider curricular offerings so that, even in extreme, unusual and unpredictable circumstances, we can continue to offer a distinctive education of extremely high quality whilst protecting the health and safety of all members of our schools' community.

In addition, the operational plan for The Leys includes the following:

1. Continue our focus to ensure that The Leys is recognised as a centre of excellence for two core academic objectives: the quality of the continued professional development of our academic staff and the quality of teaching and learning at The Leys.

2. Continue to offer a wide range of extra-curricular activities and aspire to high standards both in the wider curriculum and in the all-round personal development of the pupils.

3. Continue to build links with feeder schools in the independent and maintained sectors and develop our marketing strategies to keep the school full.

4. Continue to strengthen the positive impact of the school in terms of benefit to the wider community, not least through the future provision of fully-funded places for the most disadvantaged children.

5. Continue to develop the use of Information Technology both as a teaching tool and to enhance the administration of the Foundation as a whole.

6. Continue to focus on the future development of the campus through the implementation of a master plan for the site.

7. Continue to develop and enhance our reputation for excellent pastoral care.

The operational plan for St Faith's for the next five years includes the following:

1. Continue to provide an excellent all-round education with a future-focus and strong academic core.

2. Continue to ensure that pupils' personal development is excellent, providing them with a strong foundation on which to build in the future.

3. Maintain the current school roll.

4. Continue to develop good links with the community, including partnerships with maintained schools.

5. Continue to increase the provision for means-tested bursaries.

6. Lead the introduction and development of Engineering as a curriculum subject across maintained and independent schools in the UK and abroad.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Leys and St Faith's Schools Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees, the strategic report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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, 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 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

In so far as each of the Trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of The Leys and St Faith's Schools Foundation on 15th December 2020, including in their capacity as company directors approving the Strategic report contained therein, and is signed as authorised on its behalf by:

Revd Cannon Tom Buchannan
Chairman of the Governing Body

Dated 15th December 2020

Independent Auditor's Report to the Members of The Leys and St Faith's Schools Foundation

Opinion

We have audited the financial statements of The Leys and St Faith's Schools Foundation for the year ended 31 July 2020 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets, the Group 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 group's and the charitable company's affairs as at 31 July 2020 and of the group's incoming resources and application of resources 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 group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the

financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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:

- the parent company has not kept adequate accounting records; or
- the parent company 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees (who 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 trustees 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 trustees are responsible for assessing the group's or 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the 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.

Tina Allison

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

Date

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2020

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	Total Funds 2020 £'000	*Total Funds 2019 £'000*
Income and endowments from:						
Charitable Activities						
School fees (net)	2	21,474	-	-	**21,474**	*22,462*
Other educational income	3	1,056	-	-	**1,056**	*2,068*
Other ancillary activities	3	29	-	-	**29**	*49*
Voluntary sources						
Grants and Donations	4	756	459	-	**1,215**	*612*
Investments						
Investment income		184	117	-	**301**	*290*
Bank and other interest		14	3	-	**17**	*21*
Other trading activities						
Non-ancillary trading income	5	214	-	-	**214**	*322*
Total income		**23,727**	**579**	**-**	**24,306**	*25,824*
Expenditure on:						
Raising funds						
Non-ancillary trading		213	-	-	**213**	*275*
Fund-raising and Development		176	-	-	**176**	*178*
Financing costs under Advance Fee Contracts		168	-	-	**168**	*156*
Finance costs		64	-	-	**64**	*71*
Bank and Mortgage interest		147	-	-	**147**	*172*
Investment Management Fees		29	-	-	**29**	*38*
Total deductible costs	6	797	-	-	**797**	*890*
Charitable activities						
Education and grant making	6	21,887	212	-	**22,099**	*23,922*
Total expenditure		**22,684**	**212**	**-**	**22,896**	*24,812*
Net incoming funds from operations before transfers and investment gains		**1,043**	**367**	**-**	**1,410**	*1,012*
Investment (losses)/gains	8	(25)	(6)	(59)	**(90)**	*624*
Transfer between funds	17	52	(52)	-	**-**	*-*
Net income and capital inflow		**1,070**	**309**	**(59)**	**1,320**	*1,636*
Fund balances at 1 August 2019		28,522	1,241	7,418	**37,181**	*35,545*
FUND BALANCES at 31 July 2020	14	**29,592**	**1,550**	**7,359**	**38,501**	*37,181*

The notes on pages 27 to 46 form part of these accounts.

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED AND FOUNDATION BALANCE SHEETS
AT 31 JULY 2020

	Notes	**Group 2020 £'000**	*Group 2019 £'000*	**Foundation 2020 £'000**	*Foundation 2019 £'000*
FIXED ASSETS					
Tangible fixed assets	7	**35,072**	*36,090*	**35,049**	*36,061*
Investments	8	**10,695**	*10,797*	**10,695**	*10,797*
		45,767	*46,887*	**45,744**	*46,858*
CURRENT ASSETS					
Stocks		**110**	*119*	**11**	*20*
Debtors payable within one year	9	**573**	*1,141*	**705**	*1,258*
Cash		**5,113**	*5,101*	**5,078**	*5,066*
		5,796	*6,361*	**5,794**	*6,344*
CREDITORS: payable within one year	10	**(8,351)**	*(10,709)*	**(8,336)**	*(10,673)*
NET CURRENT (LIABILITIES)		**(2,555)**	*(4,348)*	**(2,542)**	*(4,329)*
TOTAL ASSETS LESS CURRENT LIABILITIES		**43,212**	*42,539*	**43,202**	*42,529*
CREDITORS: due after more than one year					
Advance fees	12	**(906)**	*(913)*	**(906)**	*(913)*
Loans	11	**(3,805)**	*(4,445)*	**(3,805)**	*(4,445)*
TOTAL NET ASSETS	14	**38,501**	*37,181*	**38,491**	*37,171*
FUNDS					
PERMANENT ENDOWED FUNDS	15	**3,750**	*3,780*	**3,750**	*3,780*
EXPENDABLE ENDOWED FUNDS	16	**3,609**	*3,638*	**3,609**	*3,638*
RESTRICTED FUNDS	17	**1,550**	*1,241*	**1,550**	*1,241*
UNRESTRICTED FUNDS	18	**29,592**	*28,522*	**29,582**	*28,512*
		38,501	*37,181*	**38,491**	*37,171*

The net result for the financial year within the financial statements of the parent charity was a surplus of £1,410,000 (2019: £1,012,000).

These financial statements were approved and authorised for issue by the Governing Body on 15th December 2020 and were signed on its behalf by:

Revd Cannon Tom Buchanan
Chairman of the Governing Body

Mr R Webster
Hon. Treasurer

Company number 7748737

The notes on pages 27 to 46 form part of these accounts.

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2020

	Notes		2020 £'000	2019 £'000
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net cash provided by operating activities	24		**855**	*4,074*
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income receipts		**301**		*290*
Bank interest received		**17**		*21*
Purchase of tangible fixed assets		**(504)**		*(2,235)*
Purchase of investments		**(17)**		*(714)*
Net cash used by investing activities			**(203)**	*(2,638)*
CASH FLOWS FROM FINANCING ACTIVITIES:				
Repayments of loans and mortgage borrowings		**(640)**		*(640)*
Net cash (used) financing activities			**(640)**	*(640)*
Change in cash and cash equivalents in the reporting period			**12**	*796*
Cash and cash equivalents at the beginning of the period			**5,101**	*4,305*
Cash and cash equivalents at the end of the reporting period	23		**5,113**	*5,101*

The notes on pages 27 to 46 form part of these accounts

THE LEYS AND ST FAITH'S SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2020

1. Accounting Policies

The Foundation is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 22 August 2011 (company number: 7748737) and registered as a charity on 22 August 2011 (charity number: 1144035). The registered office of the Foundation is The Leys School, Trumpington Road, Cambridge, Cambridgeshire CB2 7AD.

The financial statements have been prepared on the historical cost basis of accounting, as modified by the revaluation of other investments, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006, the Charities SORP (FRS 102) and the accounting policies set out below.

At the time of approval of the Annual Report and Accounts, the COVID-19 pandemic continues to evolve and the long-term impact on the Foundation, in common with other businesses, is unknown. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils together with the management of expenditure should income be reduced and have undertaken various scenario exercises settling on two which include school operational for the year and a closure of one month. The financial analysis demonstrates that even under the most pessimistic scenario the Foundation would not experience any significant financial problems and would be able to manage the cash flow implications without having to take any further mitigating actions for the year to 2021. In looking ahead to July 2022 there are a range of additional mitigating actions which The Foundation could take to improve the financial situation if required. There are currently significant cash balances and an investment portfolio should additional liquidity be required through this period of uncertainty to meet the liabilities as they fall due for the Foundation as a whole.

Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 17.

The Foundation does not anticipate any material reduction in prospective pupil numbers above that which the Foundation has used for the purposes of financial modelling and forecasting. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

The financial statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets comprising the consolidation of the School with its wholly owned subsidiary Leys Enterprises (Cambridge) Limited. No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006.

The Foundation has taken advantage of the exemption available to a qualifying entity in FRS102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

The Foundation meets the definition of a public benefit entity under the guidance issued by the Charity Commission.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, 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 affected current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimated 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.

1.1 School fees

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the Schools, but include contributions received from Trust Funds.

1.2 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 Schools is considered probable. Donations received for the general purposes of the Schools are credited to unrestricted funds, to distinguish them from direct school income. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on The Foundation Trustees, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments, permanent or expendable according to the nature of the restriction. Grant income is recognised when there is evidence of entitlement, the receipt is probable and the amount can be reliably measured. There were no performance related conditions attached to grant income received.

1.3 Investment Income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accrual's basis.

1.4 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

1.5 Intra-group

Intra-group sales and charges between the Foundation and its subsidiary are excluded from trading income and expenditure.

1.6 Pension costs

The School contributes to two pension schemes as follows:

(a) The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the Foundation's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

(b) The Foundation Group Personal Pension Plan – This is a defined contribution group personal pension plan for both The Leys and St Faith's schools non-teaching staff with Standard Life Assurance Company Limited. Employers' pensions costs are charged in the period in which the salaries to which they relate are payable.

1.7 Tangible fixed assets

All expenditure on individual tangible fixed assets over £2,000 is capitalised in the balance sheet at cost.

Other expenditure on equipment incurred in the normal day-to-day running of the two schools is charged to the Statement of Financial Activities as incurred.

1.8 Depreciation

Depreciation is provided on a straight line basis at rates which are sufficient to write the tangible fixed assets down to their estimated residual value over their estimated useful lives. The depreciation rates are:

	Per Annum
Freehold land	Nil
Freehold buildings off site rebuild cost used for depreciation	2%
Freehold buildings on site new build cost used	2%
Freehold buildings on site total refurbishment	7 – 20 years
Buildings on leasehold land	Length of lease
Plant and machinery	10 - 20%
Fixtures, fittings and equipment	7 – 34%

During the year the Trustees reconsidered the useful economic life of some of the building assets which has resulted in a change to the estimated lives of these assets and them being written off over an extended time period. Boarding houses refurbishments will be written off over 15 years.

1.9 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. Investment in the subsidiary is valued at cost less provision for impairment.

1.10 Stocks

Stocks have been valued at the lower of cost and estimated selling price less costs to sell/ estimated profit margin.

1.11 Advanced fee scheme

Amounts received under the school's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

1.12 Financial instruments

The Foundation has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows. Financial assets held at amortised cost comprise bank and cash in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans, trade and other creditors. Investments including cash held as part of the investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

1.13 Fund accounting

The charitable trust funds of the Foundation are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable.

Unrestricted income belongs to the Foundation's corporate reserves: spendable at the discretion of the Governors either to further the Foundation's Objects or to benefit the Schools' themselves. 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.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the Foundation for its financial benefit (i.e. by investment). If the donor or the terms of an appeal has restricted the purpose for which the gift or any income from it is to be used, any part converted into income for spending will accrue to the appropriate restricted fund. The income on the permanent endowed funds held is used to pay for scholarships and bursaries as per the wishes of the donors.

Expendable endowment funds are accounted for similarly, except that all capital can be converted into income for spending either at the Governors' own discretion or else upon the happening of some event contemplated by the donor.

1.14 Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term, even if the payments are not made on such a basis unless the rental payments are structured to increase in line with expected general inflation, in which case the Foundation/group recognises annual rent expense equal to amounts owed to the lessor. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

2. SCHOOL FEES

	2020	2019
	£'000	£'000
Fees receivable consist of:		
School fees	**22,900**	23,866
Less: scholarships, bursaries and allowances	**(1,638)**	(1,661)
	21,262	22,205
Add back: Bursaries and other awards paid by restricted funds	**212**	257
	21,474	22,462

3. CHARITABLE ACTIVITES - OTHER INCOME

	2020	2019
	£'000	£'000
Other educational charitable activities		
Entrance and registration fees	**96**	113
Recharge extra-curricular activities	**450**	1,033
Courses and sub-lettings	**461**	707
Summer School	**49**	215
	1,056	2,068
Other ancillary activities		
School fees refund scheme commissions	**12**	29
Other	**17**	20
	29	49

4. GRANTS AND DONATIONS RECEIVABLE

2020	UNRESTRICTED	RESTRICTED	TOTAL
	£'000	**£'000**	**£'000**
Donations	**45**	**394**	**439**
Donations for bursaries re Wesley Scholars	**-**	**65**	**65**
Furlough grant	**711**	**-**	**711**
	756	**459**	**1,215**

2019	*UNRESTRICTED*	*RESTRICTED*	*TOTAL*
	£'000	*£'000*	*£'000*
Donations	*110*	*364*	*474*
Donations for bursaries re Wesley Scholars	*-*	*138*	*138*
	110	*502*	*612*

5. OTHER TRADING ACTIVITIES

Trading income	2020	2019
	£'000	£'000
Leys Enterprises (Cambridge) Ltd	**214**	322

6. ANALYSIS OF EXPENDITURE

2020	Staff costs £'000	Other costs £'000	Depreciation £'000	Total £'000
Costs of raising funds:				
Trading costs	57	150	6	**213**
Fundraising for voluntary resources	92	84	-	**176**
Financing costs under advance fee contracts	-	168	-	**168**
Financing costs	-	64	-	**64**
Bank and mortgage interest	-	147	-	**147**
Investment managers charge		29	-	**29**
Total costs of raising funds	149	642	6	**797**
Charitable activities:				
Education and grant making				
Teaching	10,745	1,465	119	**12,329**
Welfare	1,051	1,633	77	**2,761**
Premises	913	1,703	1,320	**3,936**
Support costs and governance	1,916	845	-	**2,761**
Schools' operating costs	14,625	5,646	1,516	**21,787**
Grants, awards and prizes	-	312	-	**312**
Cost of charitable activities	14,625	5,958	1,516	**22,099**
Total expenditure	**14,774**	**6,600**	**1,522**	**22,896**

2019	*Staff costs £'000*	*Other costs £'000*	*Depreciation £'000*	*Total £'000*
Costs of raising funds:				
Trading costs	*61*	*208*	*6*	*275*
Fundraising for voluntary resources	*119*	*59*	*-*	*178*
Financing costs under advance fee contracts	*-*	*156*	*-*	*156*
Financing costs	*-*	*71*	*-*	*71*
Bank and mortgage interest	*-*	*172*	*-*	*172*
Investment managers charge	*-*	*38*	*-*	*38*
Total costs of raising funds	*180*	*704*	*6*	*890*
Charitable activities				
Education and grant making				
Teaching	*10,065*	*2,206*	*90*	*12,361*
Welfare	*1,030*	*1,882*	*78*	*2,990*
Premises	*911*	*2,282*	*2,219*	*5,412*
Support costs and governance	*1,807*	*994*	*-*	*2,801*
Schools' operating costs	*13,813*	*7,364*	*2,387*	*23,564*
Grants, awards and prizes	*-*	*358*	*-*	*358*
Cost of charitable activities	*13,813*	*7,722*	*2,387*	*23,922*
Total expenditure	*13,993*	*8,426*	*2,393*	*24,812*

6. ANALYSIS OF EXPENDITURE (CONTINUED)

	2020 £'000	*2019 £'000*
Governance expenditure includes:		
Auditors' remuneration for audit services	**20**	*19*
Reimbursement of personal expenses to Governors – travel costs	**-**	*-*
	20	*19*
Total staff costs comprised:		
The aggregated payroll costs for the year were as follows:		
Wages and salaries	**11,627**	*11,386*
Social security costs	**1,148**	*1,127*
Pension contributions	**1,999**	*1,480*
	14,774	*13,993*
Aggregate employee-benefits of key management personnel	**1,581**	*1,501*

The average number of the Foundation's employees during the year was 395 (2019 - 405) of whom 167 (2019 - 163) were teaching staff and the rest were support staff.

None of The Foundation Trustees received any remuneration, or other benefits from the School or any connected organisation. Two Trustees have close relatives which have worked for the Foundation through the year, one worked in the school holidays and was paid via payroll the other relation works as a teacher and is paid via payroll. During the year a total of £133 (2019 - £190) was reimbursed to 1 (2019 - 3) Foundation Trustees for travel expenses.

The Foundation received £500 (2019 £5,931) in donations from its Trustees during the year which were for the specific purpose of the gift of education bursary.

The number of higher paid employees was:	2020 No.	*2019 No.*
Taxable emoluments band:		
£ 60,001 - £ 70,000	**8**	*8*
£ 70,001 - £ 80,000	**1**	*2*
£ 80,001 - £ 90,000	**1**	*-*
£ 90,001 - £100,000	**-**	*1*
£100,001 - £110,000	**1**	*-*
£140,001 - £150,000	**1**	*1*
£160,000 - £170,000	**-**	*1*
£170,001 - £180,000	**1**	*-*
	13	*13*

The total employer pension contributions for higher paid staff was £217,170 (2019 - £167,258).

During the year there were 1 termination payment made £33,075 (2019 £0). There was nil outstanding at the year end.

7. TANGIBLE FIXED ASSETS

FOUNDATION AND GROUP

	Foundation				Subsidiary	
	Land and Buildings £'000	Plant and Machinery £'000	Fixtures, Fittings and Equipment £'000	**Foundation Total £'000**	Fixtures and Equipment £'000	**Group Total £'000**
Cost (or frozen valuation)						
1 August 2019	57,529	1,032	2,677	**61,238**	62	**61,300**
Additions	292	45	167	**504**	-	**504**
Assets no longer in use	-	(55)	(124)	**(179)**	-	**(179)**
As at 31 July 2020	**57,821**	**1,022**	**2,720**	**61,563**	**62**	**61,625**
Depreciation						
As at 1 August 2019	22,904	662	1,611	**25,177**	33	**25,210**
Charge for year	1,166	90	260	**1,516**	6	**1,522**
Assets no longer in use	-	(55)	(124)	**(179)**	-	**(179)**
As at 31 July 2020	**24,070**	**697**	**1,747**	**26,514**	**39**	**26,553**
Net book value						
31 July 2020	**33,751**	**325**	**973**	**35,049**	**23**	**35,072**
31 July 2019	*34,625*	*370*	*1,066*	*36,061*	*29*	***36,090***

Land and buildings at cost comprises the following at 31 July 2020.

	2020 £'000	*2019 £'000*
Freehold	**44,721**	*44,429*
Long lease (to 2119)	**13,100**	*13,100*
	57,821	*57,529*

The freehold and leasehold properties are insured for £145,514,932 (2019: £141,002,840).

Heritage Assets (The Foundation and its treasures)

The Foundation has a substantial endowment of assets gifted or bequeathed on trust for retention in perpetuity to form a permanent record of the Schools' history and which are required to be preserved for their educational value to the Schools and, through reasonable public access to them, as a contribution to the nation's culture and education both nationally and locally. These comprise a unique collection of paintings depicting The Leys School's previous eight heads since its founding in 1875, together with many other artefacts whose intrinsic value is also bound up with The Leys School's history. Most of these are irreplaceable originals to which no reliable value can be attributed. Accordingly, these assets are not capitalised in the financial statements.

8. INVESTMENTS
GROUP AND FOUNDATION

	Unrestricted	Restricted	Permanent Endowment/ Expendable Endowed	Total
	£'000	£'000	£'000	£'000
Balance 1 August 2019	2,891	741	7,165	10,797
Additions at cost	309	78	699	1,086
Disposal proceeds	(314)	(79)	(744)	(1,137)
Investment losses	(25)	(6)	(59)	(90)
Changes in cash awaiting investment	11	3	25	39
Closing market value 31 July 2020	**2,872**	**737**	**7,086**	**10,695**

	2020	*2019*
Investments comprise:	**£'000**	*£'000*
Investments	**10,613**	*10,754*
Cash	**82**	*43*
	10,695	*10,797*

The above investments are in listed stocks.
The investment holdings at the year-end were UK £5.6m and overseas £5.1m.

9. DEBTORS

	Group		**Foundation**	
	2020	*2019*	**2020**	*2019*
	£'000	*£'000*	**£'000**	*£'000*
Amounts falling due in less than one year:				
Fees	**58**	*547*	**58**	*547*
Sundry debtors	**43**	*289*	**40**	*237*
Prepayments	**472**	*305*	**469**	*304*
Due from subsidiary undertaking	**-**	-	**138**	*170*
	573	*1,141*	**705**	*1,258*

10. CREDITORS

	2020	*2019*	**2020**	*2019*
	£'000	*£'000*	**£'000**	*£'000*
Amounts falling due within one year				
Trade creditors	**294**	*696*	**289**	*676*
Taxation and social security	**293**	*302*	**289**	*291*
Loans and mortgages	**640**	*640*	**640**	*640*
Other creditors	**256**	*329*	**256**	*329*
Accruals	**210**	*297*	**204**	*292*
Deposits from parents	**1,481**	*1,483*	**1,481**	*1,483*
Deferred income - fees in advance of term	**489**	*536*	**489**	*536*
Deferred Income advance fees (see note 12)	**4,688**	*6,426*	**4,688**	6,426
	8,351	*10,709*	**8,336**	*10,673*

Pupil fees deposits – the total held in relation to fee deposits of £1,481,267 is included above. In the normal course of business, the expected repayment of these amounts will be £341,572 within one year and £1,139,695 after more than one year.

11. CREDITORS AMOUNTS FALL DUE AFTER MORE THAN ONE YEAR

	2020 £'000	*2019 £'000*
Amounts falling due after more than one year		
Deferred income – fees in advance scheme (see note 12)	**906**	*913*
Bank loan and mortgages*	**3,805**	*4,445*
	4,711	5,358

*The mortgage is secured on The Leys site with interest payable at 1% above LIBOR, the repayment period is over 20 years from March 2012. The Bank loan is for the building of Great Hall, a total of £4.5m has been drawn down from Svenska Handelsbanken, also secured on The Leys site. The repayment period is over 10 years from November 2013. A second mortgage was taken out in July 2017 over a period of 20 years secured on the Leys site to purchase a property to be used for staff accommodation.

12. ADVANCE FEE PAYMENTS

Parents may pay to The Foundation several years of tuition fees in advance. The money may be returned, subject to specific conditions on receipt of one term's notice. Advance fees are due to be applied as follows:

	2020 £'000	*2019 £'000*
After 5 years	**-**	*-*
Within 2 to 5 years	**339**	*229*
Within 1 to 2 years	**567**	*684*
	906	*913*
Within 1 year	**4,688**	*6,426*
	5,594	*7,339*
The movements during the year were as follows:		
At 1 August 2019	**7,339**	*6,757*
New contracts during the year	**4,921**	*6,768*
Amounts accrued to contracts	**168**	*156*
Amounts utilised in payment of fees to the school	**(6,834)**	*(6,342)*
Balance at 31 July 2020	**5,594**	*7,339*

13. OPERATING LEASES

The future minimum lease payments under non-cancellable operating leases are as follows:

Group and Foundation	**2020**	*2019*
	£'000	*£'000*
Within one year	**62**	*69*
Between one and five years	**136**	*136*
Over five years	**25**	*25*

The total lease payments recognised in the Statement of Financial Activities amounted to £89,922 (2019: £71,063).

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

The net assets are held for the various funds and advance fees as follows:

2020

	Fixed Assets £'000	Investments £'000	Net Current Assets/(liabilities) £'000	Long Term Liabilities £'000	**Total £'000**
Permanent endowment funds	-	3,618	132	-	**3,750**
Expendable endowed funds	-	3,468	141	-	**3,609**
Restricted funds	-	737	813	-	**1,550**
Unrestricted funds	35,072	1,979	(3,654)	(3,805)	**29,592**
	35,072	9,802	(2,568)	(3,805)	**38,501**
Advance fees	-	893	13	(906)	**-**
	35,072	10,695	(2,555)	(4,711)	**38,501**

2019

	Fixed Assets £'000	Investments £'000	Net Current Assets/(liabilities) £'000	Long Term Liabilities £'000	Total £'000
Permanent endowment funds	-	3,658	122	-	3,780
Expendable endowed funds	-	3,507	131	-	3,638
Restricted funds	-	741	500	-	1,241
Unrestricted funds	36,090	1,991	(5,114)	(4,445)	28,522
	36,090	9,897	(4,361)	(4,445)	37,181
Advance fees	-	900	13	(913)	-
	36,090	10,797	(4,348)	(5,358)	37,181

15. PERMANENT ENDOWED FUNDS

2020	*1 August 2019*	Income	Expenditure	Investment Losses	**31 July 2020**
	£'000	£'000	£'000	£'000	**£'000**
Endowment	*3,780*	-	-	(30)	**3,750**

The Permanent Endowed funds were set up with shares donated by Thomas R Fern and monies from school fundraising. The endowments were further increased with a legacy from the late Gerald A France. The funds were set up to provide funding for scholarships. In 2007 a gift of £50,000 was received to establish an endowed fund 'The Suresh Karthingesu Fund' to provide annual bursary support. Only the income is drawn down which helps fund Bursaries.

2019	*1 August 2018*	Income	Expenditure	Investment Gains	31 July 2019
	£'000	£'000	£'000	£'000	£'000
Endowment	*3,571*	-	-	209	3,780

16. EXPENDABLE ENDOWED FUNDS

2020	*1 August 2019*	Income	Expenditure	Transfers and Investment Losses	**31 July 2020**
	£'000	£'000	£'000	£'000	**£'000**
Scholarships	*3,638*	-	-	(29)	**3,609**

The expendable endowed funds are made up of numerous donations the income from which is used to provide scholarships and bursaries. The bursary fund is to provide funds for the gift of education initiative.

2019	*1 August 2018*	Income	Expenditure	Investment Gains	31 July 2019
	£'000	£'000	£'000	£'000	£'000
Scholarship	*3,438*	-	-	200	3,638

17. RESTRICTED FUNDS

2020	*1 August*				**31 July**
	2019	Income	Expenditure	Investment Losses/ Transfers	**2020**
	£'000	£'000	£'000	£'000	**£'000**
Wesley scholars fund	*39*	65	(65)	-	**39**
Scholarship	*38*	96	(96)	-	**38**
Development funds					
Great Hall	*26*	1	-	(19)	**8**
Chapel Centenary fund	*21*	-	-	-	**21**
The gift of education (bursary)	*810*	224	-	(6)	**1,028**
Bursaries (various)	*30*	83	(51)	-	**62**
Prize funds	*62*	-	-	-	**62**
Boat house redevelopment	*17*	-	-	-	**17**
Vision studio	*50*	-	-	(33)	**17**
Other	*78*	42	-	-	**120**
Community fund	*70*	68	-	-	**138**
	1,241	579	(212)	(58)	**1,550**

All funds represent monies given for the specific purposes, but not yet expended.
The Gift of education bursaries is a new initiative with the Royal National Children's SpringBoard Foundation to provide transformative bursaries for disadvantaged and vulnerable children. The Community Fund is a new initiative linked to the Old Leysian Mission. The donor has yet to specify the purpose of the fund. The transfer of £58,000 was to reimburse the unrestricted fund for expenditure incurred on behalf of the restricted fund in respect of the Great Hall and the vision studio. £741,000 of the gift of education bursary funds are held in investments until the funds are needed for bursaries.

2019	*1 August*				31 July
	2018	Income	Expenditure	Transfers	2019
	£'000	£'000	£'000	£'000	£'000
Wesley scholars fund	*48*	138	(147)	-	39
Scholarship	*38*	97	(97)	-	38
Development funds					
Great Hall	*49*	1	-	(24)	26
Chapel Centenary fund	*21*	-	-	-	21
Bursaries	*330*	219	(13)	43	579
Ely bursaries	*261*	-	-	-	261
Prize funds	*62*	2	-	(11)	53
Boat house redevelopment	*26*	70	-	(20)	76
Other	*52*	46	-	(20)	78
Community Fund	*34*	36	-	-	70
	921	609	(257)	(32)	1,241

18. UNRESTRICTED FUNDS

2020	1 August 2019 £'000	Income £'000	Expenditure £'000	Transfers/ Investment Losses £'000	31 July 2020 £'000
Designated funds					
Gift of education	92	39	-	-	**131**
Funds towards HSE incident	-	250	-	-	**250**
Funds for COVID-19 bursaries	-	406	-	-	**406**
Unrestricted funds	28,430	23,032	(22,684)	27	**28,805**
Total Unrestricted Funds	28,522	23,727	(22,684)	27	**29,592**

The gift of education is expected to be fully utilised within 5 years, the HSE incident and the funds for helping parents Impacted by Covid-19 is expected to be fully utilised within 3 years.

2019	*1 August 2018 £'000*	*Income £'000*	*Expenditure £'000*	*Transfers/ Investment Gains £'000*	*31 July 2019 £'000*
Designated funds (gift of education)	*-*	*92*	*-*	*-*	*92*
Unrestricted funds	*27,615*	*25,123*	*(24,555)*	*247*	*28,430*
Total unrestricted funds	*27,615*	*25,215*	*(24,555)*	*247*	*28,522*

19. CONTRACTS AND COMMITMENTS

There are no capital commitments for either school as at the 31 July 2020 (2019: £228,016).

20. RELATED PARTY TRANSACTIONS

The Foundation's trading subsidiary, Leys Enterprises (Cambridge) Limited makes a donation under gift aid to The Foundation of its taxable profits each year.

Included in Debtors of The Foundation is an amount of £137,540 due from the subsidiary.

The staff working for Leys Enterprises (Cambridge) Limited are employed by both The Leys School and Leys Enterprises (Cambridge) Limited. The salaries are processed through Leys School and transferred to Leys Enterprises (Cambridge) Limited. The transfer value of transaction charges for year ended July 2020 was £6,743 (2019 £11,585).

21. POTENTIAL LIABILITIES

In February 2017 a fatal accident occurred at the Leys school involving a member of the public. The Health and Safely Executive (HSE) completed an investigation and on 24th September wrote to the school to state that they intended to prosecute the school. The first court hearing is scheduled for 21st December 2020 and the school is now considering its next actions. The school has plans in place to deal with any financial implications if the school is found guilty.

In January 2018 an accident occurred where a member of staff was injured. In September 2019 the member of staff began a legal case against the school. The school is working with the insurers on the case.

22. PENSION SCHEME

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,597,305 (*2019: £1,121,373*) and at the year-end there was nothing accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020 and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

The contributions in respect of the support staff defined contribution scheme was £283,513 for The Leys, and £118,150 for St Faith's (2019: £257,873 and £100,897).

23. ANALYSIS OF CHANGES IN NET DEBT

	1 August 2019	**Cash flows**	**31 July 2020**
	£'000	**£'000**	**£'000**
Cash in bank	*5,101*	12	5,113
Advance fee payments due within one year	*(6,426)*	257	**(6,169)**
Advance fee payments due after more than one year	*(913)*	7	**(906)**
Bank loans falling due within one year	*(190)*	-	**(190)**
Bank loans falling due after more than one year	*(2,757)*	190	**(2,567)**
Mortgages falling due within one year	*(450)*	-	**(450)**
Mortgages falling due after more than one year	*(1,688)*	450	**(1,238)**
Total borrowings	*(12,424)*	904	**(11,520)**
Net Debt	***(7,323)***	**916**	**(6,407)**

24. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO GROUP CASH FLOW FROM OPERATING ACTIVITIES

	2020	*2019*
	£'000	*£'000*
Net income for the reporting period (as per the statement of financial activities)	**1,410**	*1,012*
Adjustments for		
Depreciation charge	**1,522**	*2,393*
Investment income	**(318)**	*(311)*
Investment managers fees	**29**	*38*
Decrease/(increase) in stocks	**9**	*(16)*
Decrease in debtors	**568**	*184*
(Decrease)/increase in creditors (excluding advance fee movement)	**(618)**	*190*
(Decrease)/increase in fees in advance scheme creditors	**(1,745)**	*582*
(Decrease)/increase in parent deposits	**(2)**	*2*
Net cash provided by The Group's operating activities	**855**	*4,074*

25. FINANCIAL INSTRUMENTS

	Group	*Group*	**Foundation**	*Foundation*
	2020	*2019*	**2020**	*2019*
	£'000	*£'000*	**£'000**	*£'000*
Financial assets measured at amortised cost (a)	**5,209**	*5,937*	**5,308**	*6,020*
Financial assets measured at fair value (b)	**10,695**	*10,797*	**10,695**	*10,797*
Financial liabilities measured at amortised cost (c)	**(2,837)**	*(3,408)*	**(2,828)**	*(3,382)*
Net financial assets measured at amortised cost	**13,067**	*13,326*	**13,175**	*13,435*

(a) Financial assets include cash, trade and fee debtors, staff loans, other debtors and accrued income.
(b) Financial assets held at fair value include assets held as investments.
(c) Financial liabilities include deposits, trade creditors and other creditors.

26. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITES - COMPARATIVE FIGURES BY FUND TYPE

Year ended 31 July 2019	Unrestricted Funds	Restricted Funds	Endowed Funds	Total Funds 2019
	£'000	£'000	£'000	£'000
Income and endowments from				
Charitable Activities				
School fees (net)	22,462	-	-	**22,462**
Other educational income	2,068	-	-	**2,068**
Other ancillary activities	49	-	-	**49**
Voluntary sources				
Donations	110	502	-	**612**
Investments				
Investment income	188	102	-	**290**
Bank and other interest	16	5	-	**21**
Other trading activities				
Non-ancillary trading income	322	-	-	**322**
Total income	**25,215**	**609**	**-**	**25,824**
Expenditure on				
Raising funds				
Non-ancillary trading	275	-	-	**275**
Fund-raising for voluntary resources	178	-	-	**178**
Financing costs under Advance Fee Contracts	156	-	-	**156**
Finance costs	71	-	-	**71**
Bank and Mortgage interest	172	-	-	**172**
Investment Management Fees	38	-	-	**38**
Total deductible costs	890	-	-	**890**
Charitable Activities				
Schools and grant making	23,665	257	-	**23,922**
Total expenditure	**24,555**	**257**	**-**	**24,812**
NET INCOME	**660**	**352**	**-**	**1,012**
Investment gains	172	43	409	624
Transfers between funds	75	(75)	-	**-**
NET MOVEMENT IN FUNDS	**907**	**320**	**409**	**1,636**
Fund balances at 1 August 2018	27,615	921	7,009	**35,545**
FUND BALANCES at 31 July 2019	**28,522**	**1,241**	**7,418**	**37,181**

27. LEYS ENTERPRISES (CAMBRIDGE) LIMITED

The Foundation owns the whole of the share capital of a trading company Leys Enterprises (Cambridge) Limited company number 2016905, with the Foundation receiving taxable surpluses earned by the company as a donation under gift aid.

	2020 £'000	*2019 £'000*
BALANCE SHEET		
Tangible fixed assets	**23**	*29*
CURRENT ASSETS		
Stock	**99**	*99*
Debtors	**3**	*53*
Cash	**35**	*35*
	137	*187*
CREDITORS: amounts falling due within one year	**(150)**	*(206)*
Net current liabilities	**(13)**	*(19)*
TOTAL NET ASSETS	**10**	*10*
CAPITAL AND RESERVES		
Called up share capital	**-**	*-*
Profit and loss account	**10**	*10*
	10	*10*

(The Company has £2 share capital which after rounding to the nearest £1,000, becomes £nil)

PROFIT AND LOSS ACCOUNT	2020 £'000	*2019 £'000*
Turnover	**214**	*322*
Cost of Sales	**(195)**	*(253)*
Gross profit	**19**	*69*
Administration	**(18)**	*(21)*
Net profit	**1**	*48*
Donation to Parent under gift aid	**(1)**	*(48)*
Retained profit for period	**-**	*-*