

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

Company Number: 00905522

Charity Registration Number: 1157842

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY

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FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
ANNUAL REPORT OF THE GOVERNORS ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

INTRODUCTION

The Board of Directors present their annual report for the year ended 31 July 2021 in accordance with the Companies Act 2006 and the Charities Act 2011, together with the audited consolidated financial statements of Farleigh School Trust Limited (the "Company", "Charity" or "School") and its subsidiary (together the "Group").

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102) Second Edition; effective 1 January 2019).

Farleigh School Trust Limited is a charitable Company, registered Charity number 1157842, Company registration number 00905522. The Registered Office and principal address of the Company is at Red Rice, Andover, Hampshire SP11 7PW.

Directors

The Directors of the Company are also Governors of the School and its Trustees for the purpose of Charity law. The Directors serving during the year and since the year end were as follows:

Keith Abel (Chair)*
Jane Vyvyan (Vice Chair)*
Kirsty Anderson^{#♦♦}
Charlotte Cunningham MBE[♦]
Simon Henderson^{**}
Charles Ingram Evans*
Hugo Keith QC
Fr Oswald McBride[#]
Sarah Raffray^{##}
Emma Todd^{#♦}

^{**} Chair of the Finance Committee, ^{*} Members of the Finance Committee

^{##} Chair of the Academic and Pastoral Committee, [#] Members of the Academic and Pastoral Committee

^{♦♦} Chair of the Public Benefit Committee, [♦] Members of the Public Benefit Committee

The Board of Governors and the sub-committees normally meet three times a year (The new Public Benefit Committee is scheduled to meet twice per year). This year, in order to oversee and approve exceptional measures due to COVID-19, the Board met on 5 occasions. New Directors are appointed by the Board of Governors, serve for periods of four years and are eligible for re-election, normally up to a maximum period of 12 years.

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
ANNUAL REPORT OF THE GOVERNORS ON THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

Key Management Personnel

Key management personnel serving during the year were as follows:

Fr Simon Everson, Headmaster

Paul Lane, Director of Finance & Operations / Company Secretary

Michael Matthews, Deputy Head (Pastoral) (left the school 31 August 2021)

Janet Watts, Deputy Head (Academic)

Sue Wilton, Head of Pre-Prep

Professional Advisers

Bankers

HSBC Bank Plc
West End Area Commercial Centre
2nd Floor, 16 King Street
London WC2E 8JF

Solicitors

Wilsons Solicitors LLP
Alexandra House
St John's Street
Salisbury SP1 2SB

Auditors

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

Objects

The objects of the Company are the advancement of Roman Catholic education at Farleigh School; the furtherance of religion and education in accordance with the doctrines of the Roman Catholic faith; and the advancement of education; in each case for the public benefit.

Strategic Aim and Intended Effect

The School's strategic aim is to achieve pupil attendance of boys and girls at around 450 children, with a strong boarding element and with a particular focus on those of the Roman Catholic faith, but also welcoming non-Catholics.

Objectives of the Year

The Board's principal objective is to provide a financially stable infrastructure and a learning environment that ensures the education of all Farleigh pupils to a high standard, enabling them to enter the senior school of their choice for the furtherance of their education.

Ethos and Aims

Farleigh School's ethos is:

- To share with parents in the spiritual, moral and intellectual development of their children in a Catholic community, which welcomes all faiths;
- To provide a first-class education striving for excellence in all academic, cultural and sporting pursuits, giving every child the confidence to discover where their gifts lie and to enjoy their talents;
- To educate children in the teaching and sacramental life of the Church and to encourage them towards a life of faith;
- To create a well-ordered and caring School community, where the self-respect and dignity of each person will flourish;

- To help Farleigh pupils to grow up honourably, inspired by high ideals, so that they may serve others generously, and be strong in friendship and family.

Farleigh School's aims are:

- To ensure the development of the School's children, spiritually, morally, socially, intellectually and culturally;
- To provide a broad and high-quality education for children of mixed ability which will lay strong foundations for a fulfilling and rewarding life;
- To prepare and educate each child for their senior school;
- To make Farleigh a special place for children to enjoy a part of their childhood through warm pastoral care of the highest standard.

Principal Activity

The School's principal activity continues to be the academic, spiritual and moral development of children aged 3 to 13 through the operation of a co-educational Pre-Preparatory (Pre-Prep) and Preparatory (Prep) School.

The Effect of COVID-19

Achievement of the aims, objectives and principal activity was made difficult during the year by the COVID-19 pandemic. However, as reported later under the section covering the Review of Achievements and Performance for the Year, the challenges were met and responded to imaginatively and constructively by pupils, staff and parents, such that the aims, objectives and principal activity were successfully and comprehensively delivered.

PUBLIC BENEFIT

The Board has again taken heed of the Charity Commission's advice on public benefit and is satisfied that current activities comply with this advice. The strong Catholic ethos of the School underpins the commitment of the School to serving others. Having previously identified a governor as the Board's lead for public benefit, during the year they went further and established a new sub-committee to lead, monitor and further develop the School's policy on Public Benefit, which is considered at each Governors' meeting. New initiatives were introduced to assist local, maintained sector primary schools, in light of the challenges they faced due to COVID-19. These included the provision of resources including IT equipment, books and toys. Farleigh's parents also volunteered and acted as listeners to primary school children's reading practice.

Access to the School

The Board continues to open up opportunities to children who would not for financial reasons normally be able to attend Farleigh. The School provided two places during the year for transformational, 110% bursaries for children identified in conjunction with the Royal National Children's SpringBoard Foundation.

Community Outreach

Pupils are encouraged to think beyond themselves. They have the opportunity to engage with the wider community through first-hand experience and also with charity projects, both locally and further afield. In the latter part of the year, when activities became possible again as COVID-19 social constraints were relaxed,

these included interaction with Icknield Special School in Andover, whose pupils came and used the School's space and facilities. Farleigh children were unable, this year, to spend time with the elderly at a local care home, but instead Farleigh children wrote over 300 letters to elderly residents in local care homes. Whenever the situation allowed, a local charity, Kids on Track Andover, used Farleigh's facilities, and outdoor holiday games and activities were run in the spring and summer holidays for current pupils and local children.

The Chapel

As part of the Parish of St John the Baptist, Andover, Fr Simon, as Chaplain and Headmaster, celebrated Sunday Mass in the Chapel throughout the year. During COVID-19 lockdowns, services were live-streamed, routinely attracting an on-line congregation of around 250 families with as many as 800 subsequent viewings. Fr Simon also provided pastoral support to members of the Parish when required; £2,465 was donated to Parish funds from the Chapel collections.

Sporting & Other Facilities

The School's grounds, sports facilities and music school are normally used for community activities during the school holidays. This year opportunities were unavoidably reduced, but nevertheless, included the following:

- Drama and Dancing/Singing summer camps used the music recital room;
- Kids On Track, Andover used the theatre, sports hall, swimming pool, recital hall, food technology laboratory, all weather pitch, grounds and School minibuses during the summer holidays;
- The swimming pool was also open to Local residents and Farleigh families as often as COVID-19 restrictions allowed;
- Hampshire County cricket teams used the cricket pitches in the summer holidays;
- The Andover Triathlon ran their annual event from the School.

Charity Fundraising

Funds for charity are raised collectively, as a whole School community, and also by small groups of pupils or individuals. The School supported two main charities: the L'Arche charity, an international private voluntary organisation that works for the creation and growth of homes, programs, and support networks with people who have intellectual disabilities; and the Murray Parish Trust, which supports children's emergency services across the South of England by raising money and awareness to support projects at key trauma centres, to enable pioneering research and provide life-saving equipment. In addition to the main charities, the School continued to support Macmillan Cancer, Kids on Track and Andover foodbank.

STRATEGIC REPORT

Financial Review

Total income for the year amounted to £9,104,268 (2020: £8,753,427), including £275,503 (2020: £173,505) of trading income. Income was higher as a consequence of slightly higher pupil numbers and strong boarding take up, as well as the increase in fees in January 2021 which had been delayed from the start of the academic year in recognition of the impact of COVID-19 during 2020. With the further closure of schools announced in the New Year, the summer term's fees were discounted to reflect the remote learning and teaching that had been delivered for a large part of the spring term. The boarding element of fees was discounted pro-rata, depending on the amount of boarding taken-up, and the day fee element was discounted for all pupils by 15%; this excluded the Kindergarten where full provision was provided throughout the year. The reduction in fees in relation to COVID-19 of £537,003 (2020: £452,665) was partially off-set by income from the government's Coronavirus Job Retention Scheme £119,707 (2020: £204,576).

Total expenditure amounted to £8,727,917 (2020: £8,603,036). As predicted when undertaking emergency financial planning to manage the effects of COVID-19, the School's operating costs were also reduced, the main savings were from the budget items for catering and trips.

The surplus funds generated during the year and available for reserves or reinvestment in the facilities of the School were therefore £376,351 (2020: £150,391). The extension of the Coronavirus Job Retention Scheme resulted in a better than forecast outcome. Cash and cash equivalents have increased by £861,214 during the year, £84,936 of this being a net increase in fees received in advance, and the closing bank and cash balance was £1,718,441.

Reserves

The unrestricted funds of the Group increased by £368,364 to £15,834,103 at the year end. The net book value of tangible fixed assets was £16,035,018 meaning that the unrestricted reserves were wholly deployed in the School's premises and equipment, with the need for day-to-day working capital being met by careful management of short-term liquid resources. The School's policy for free reserves, which are the unrestricted reserves less fixed assets, is to build cash reserves generated from the running of the School to £1.25m and strategically to invest surpluses in developing the buildings, equipment, staff and resources. Events this year have heightened the need to build the cash reserve.

Assistance with Fees

In addition to the 110% bursaries for children identified in conjunction with the Royal National Children's SpringBoard Foundation, the School offers means tested discounts to those who are unable to afford full fees. This year bursaries were awarded to 19 pupils, with discounts amounting to £143,208 (2020: £202,875). The total fee assistance amounted to £479,267 (2020: £475,955).

Investment Performance

Any uncommitted funds are placed on deposit. Interest received in the period amounted to £464 (2020: £3,738).

Revaluation

As part of the transition to FRS102 a revaluation was carried out by independent valuers of the land and property of the School. As at 31 July 2015 (date of transition to FRS 102) the freehold property and land had a fair value of £24m. For prudence, as in previous years, the Board continues to show the revalued figure for the land but not the property in the balance sheet. This is reflected in a revaluation reserve within unrestricted funds.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Pupil numbers and fees

Pupil numbers continue to be strong, averaging 473 over the year. Boarding is an important part of the School's life with over 25% of Prep school pupils full or weekly boarding (with the exception of the spring term when there was limited boarding due to COVID-19 restrictions). Flexi-boarding is also available, although it was temporarily suspended during the year due to COVID-19.

Operational Performance and Compliance

The COVID-19 pandemic and government measures to contain it throughout the year required exceptional dedication, perseverance and intellectual agility by the School's staff and leadership in order to maintain its high operational performance.

The year started with all pupils, including boarders, grouped in bubbles. Drop off zones were re-introduced and inter-personal contacts were reduced through social distancing measures. Breakfast clubs and after school activities were curtailed. Parents were not allowed on site other than to drop-off and collect their children. Bubbles had separate, designated play areas and equipment. Lunch was provided with children having either a prepared meal or packed lunch on alternate days. Games were played on Wednesday and Saturday afternoons but fixtures were not held.

In the New Year, with the government's closure of schools at short notice, the School was very well placed to restart remote learning. Teachers quickly reverted to remote teaching and learning, which was, once again, used very successfully to deliver the curriculum to all pupils in the spring term. In support of key-workers the School offered childcare and boarding throughout the period of closure. As schools re-opened in the latter part of the spring term, and for the summer term, the School once again complied with the government's system of control measures. Throughout the year no Bubbles were sent home to self-isolate. Feedback from staff and parents regarding the effectiveness of the handling of the situation, implementation of COVID-19 safe measures and delivery of remote learning was extremely positive.

At the last full inspection by the Independent Schools Inspectorate (ISI) in November 2013, the School was judged to be excellent in all areas assessed. A Regulatory Compliance Inspection was conducted by the ISI in November 2017 and the School was found to meet all of the required standards. The School underwent a mock-inspection by an external consultant in February 2020, just prior to the first COVID-19 lockdown and the Management Team were pleased with the very positive feedback and confirmation of compliance in areas that were tested.

Teaching and Learning

Prep school

Despite the difficulties caused by COVID-19 the school has had another very successful academic year. Year 8 pupils achieved 27 Scholarships in a range of subject areas. In detail, there were seven Academic, a further two All-rounder, seven Drama, three Music, three Art and five Sports awards. The Academic awards comprised a Headmaster's all-rounder award to Ampleforth, a stem award to Sherborne Girls and two academic awards to Marlborough. The Art included a Headmaster's Honorary Award to Radley and a Richard Hunter All-rounder to Bryanston. The music awards included a Choral award to Wellington and within the Sports awards: a Faulkner's Sport scholarship to Bradfield. In addition, two Year 6 pupils were offered Academic scholarships to Dauntsey's, and Downe House. The number and variety of the awards achieved is testament to the breadth of the School's curriculum as well as to the high standard and hard work of the teachers and pupils.

Pupils returned to School in Year Group bubbles at the beginning of the autumn term. They were in bubbles for everything during the day, including segregated play spaces; and pupils sat further apart and in rows, making collaborative learning more difficult. Nevertheless, pupils still had fun and stimulating experiences, in and out of the classroom. The breadth of the curriculum continued as far as possible, with scaled down musical ensembles, competitive sport organised internally and Year 8 pupils filming 'The Battle of the Boat' instead of doing a staged production.

Remote learning resumed in the New Year when the Government once again closed schools. A quick reversion to remote learning ensued, using a structure similar to that in the previous summer, but adapted for the colder, wetter weather. Staff quickly readjusted to on-line learning platforms: Zoom, Show My Homework and Moodle, with Reception Class children continuing to use Tapestry. Year 6, 7 and 8 had lessons throughout the day and Year 3, 4 and 5 went back to having academic subject lessons in the morning and opportunities for subjects such as Art, Music, DT, IT, PE and Drama in the afternoon. The remote learning programme was acknowledged by parents as being outstanding.

The investment in Information Technology (IT) over the last two years played an integral part in the School's capacity to provide excellent remote teaching and learning. The School was shortlisted by the TES for the school that had provided the best remote learning provision.

In March, pupils returned to school in conditions similar to those at the start of the academic year with pupils in bubbles. Gradually restrictions were lifted throughout the summer and Year 8 Common Entrance exams went ahead, with papers marked internally. Pupils achieved many excellent results, with a high percentage of A and A* grades. The summer term included a number of events that parents were able to attend while maintaining social distancing, these included: Sports Days; the Year 6 play, 'A Midsummer's Night Dream'; Confirmation; and First Holy Communion. The Year 8 and Year 7 residential trips to Devon also took place very successfully. The year culminated with outdoor, socially distanced events including a Summer Soiree and three prize-giving ceremonies.

Pre-Prep school

The autumn term started positively with Pre-Prep organised into Year Group bubbles, COVID-19 safe class teaching and the playground arranged to allow different year groups to play but not mix. Clubs were arranged in year group bubbles and included a mixture of external specialist coach led clubs and internal teacher led clubs. In the classroom teachers revised planning formats to enable more transparency in monitoring the progress of the children and to ensure that curriculum development was evident as the children move up through the year groups, and that a consistent approach to teaching core subjects occurred.

During the national lockdown, in the autumn term, extra-curricular activities ceased but the children remained in school and teaching continued with enhanced COVID-19 safety precautions. In January the Pre-Prep reverted to remote learning on Zoom, but with Kindergarten and Keyworker children learning in school. Excellent teaching activities and extra activities including more individual reading sessions online and catch up learning sessions were provided. When the children returned to school, knowledge levels were good, indicating that they had accessed the curriculum successfully despite the disruption.

Sport

Sport is an integral daily part of Farleigh life and the School has invested significantly in both facilities and staffing over the last few years to make sure that the very best provision is available. The School's aim is to engage, develop and include all pupils, encouraging them to be competitive and to do their best at all times.

PE lessons from Reception to Year 8 are taught by well qualified specialists and focus primarily on the children's physical literacy. The games' programme, for Year 2 and above is designed to develop the children's understanding of spatial awareness, tactics and competitive play; Year 3 and above completed rugby, football, netball, and hockey in the autumn term, taking a full part in inter-house competitions. Until lockdown swimming lessons were taught for Reception to Year 5, and for older year groups swimming was conducted as part of PE lessons in Years 6 and 7 with fitness and lifesaving as the focus.

Sport was imaginatively delivered throughout the lockdown periods, via Moodle and Zoom lessons with PE lessons and HIIT (High Intensity Interval Training) available for all children from Kindergarten to Year 8. The scholarship programme was adapted due to senior schools requiring online assessment, therefore children provided e-portfolios and video submissions. The summer term allowed a return to cricket matches against other schools, working within year group bubbles and tight parameters, but provided competitive sport for the first time in over a year.

Throughout July, following the end of term, tennis coaching, cricket coaching and football courses were run. These activities were very well received by parents and children alike.

Creative and Performing Arts

The profile and reputation of music at Farleigh remains extremely high. Twenty-one members of staff taught a total of nearly four hundred lessons each week and we were able to secure the services of a specialist oboe teacher. Three pupils gained music scholarships to their senior schools (Marlborough, Radley and Wellington); while another offered music as part of their success in an all-rounder award (Bryanston).

Despite the restrictions imposed throughout the COVID-19 pandemic, concerts and performances continued during the year. A large number of concerts were live-streamed whilst some were pre-recorded and premiered on YouTube. During the January lockdown, concerts were performed from the children's homes. At the end of the summer term, we were able to hold a socially distanced outdoor concert (the Summer Soirée) which was the first time our ensembles had performed live since November 2019. In total, 34 concerts were held over the course of the year.

100% of pupils continued their music lessons during the January lockdown and music exams continued in all three terms, with 165 pupils taking music exams with the ABRSM ranging from Grades 1-5. Three pupils passed Grade 6 with merit. The vast majority of pupils were awarded a merit of distinction in their exams with an average mark of 121. In addition, 15 pupils took exams with Trinity and RSL boards with 14 of them achieving merit or distinction level.

Regrettably, collaborations with other schools were not possible this year, but the Recital Hall was used for external events including public Trinity exams and a Kids on Track camp.

In Art, pupils were awarded scholarships to Ampleforth, Radley and two to Bryanston; on-line exhibitions were held of their work. Lower down the School, Years 3 to 5 took part in an Arts School collaborative on-line project of Joseph and the Technicolour Dream Coat creating paper maché Egyptian Cats, and printing/painting cotton squares which were sewn together to create the dream coat used in their performance. Years 3 to 6 created a Cezanne inspired mural of Farleigh woods which will be displayed outside the art room.

Drama

Due to COVID-19 restrictions, the Year 8 musical was produced as a feature film. Pupils filmed scenes throughout the autumn and recorded songs in the school recording studio. The film was subsequently edited and shared with the Farleigh community; Year 8 pupils and teachers were treated to a red-carpet film premiere. In the spring term, Drama teaching throughout the School moved online for the lockdown and included costume and set design, stage makeup, audio plays and movement work. In the summer term, the Drama Ambassadors rehearsed and performed The Wardrobe via a live-stream; Year 6 rehearsed and performed A Midsummer Night's Dream in the Amphitheatre; and Year 8 Academic Scholars performed extracts from Antigone in the Recital Hall. As theatre trips were prohibited, senior school pupils benefited from online workshops; a Question and Answer session with the writers of the Year 8 film; a Diversity in Theatre panel discussion with BAME West End performers; and the RSC's live performance of A Midsummer Night's Dream. Pupils were awarded drama scholarships to Sherborne, Sherborne Girls, Radley, Ampleforth, Downside, Bryanston and Tudor Hall.

Chapel

The Chapel provides the focal point for religious observance for the local community and within the School; Mass is offered on Monday, Wednesday, Friday and Sunday with a whole school Mass held every other Thursday. The Chapel's use was inevitably curtailed during the Coronavirus lockdowns, although Mass continued to be celebrated each week and attended (virtually on You Tube). There were 450 subscribers to this site which was viewed more than 40,000 times. First Holy Communion and Confirmation were held in the summer term.

Regulation of Fundraising

Fundraising is overseen and monitored by the Board of Governors. No complaints were received regarding the function, nor were there any requests for suppressions from the Fundraising Preference Service, and no vulnerable persons were solicited for funds. No outside organisations were used for the purposes of soliciting funds during the period. Any donations solicited are requested and administered in accordance with the UK Fundraising Code of Conduct and in accordance with the School's GDPR-compliant Fundraising privacy policy, which outlines the measures taken to fundraise transparently, fairly and in accordance with lawful practices.

PLANS FOR FUTURE PERIODS

Plans to ensure the long-term success of the School are centred on four key areas: development of the core ethos; enhancing the curriculum; strengthening boarding; and ensuring the School has the right facilities and infrastructure. After several years of significant investment in the School's infrastructure which have included an all-weather pitch (2015), a new music school (2016), improved boarding facilities (2017), improved IT facilities and Pre-Prep playground (2017), enhanced sports changing rooms and catering facilities (2018), the expansion and refurbishment of the dining room (2019) and three additional, modern classrooms (2021), the School's capital expenditure plans under consideration, but not yet committed, include:

- Refurbishing the Senior Boarding house
- Refurbishing and modernising the Theatre
- Reducing the School's carbon footprint

The School will continue to invest significantly in IT assets and functionality.

Following the increase in the employer's contribution rate to the Teachers' Pension Scheme (TPS) from 16.4% to 23.6% in September 2019, the School entered into consultation with all teaching staff regarding changes to their pensions which led to new pension scheme arrangements with effect from 1st January 2021. The School continues to monitor developments regarding TPS.

RISK MANAGEMENT

The Governors maintain oversight of the risks facing the Charity as an educational trust as well as the School as an operating entity. Major risks are assessed, and the systems and procedures designed to manage those risks are reviewed. Internal controls and other means of mitigating the risks, such as appropriate insurance cover, are in place. Governors have third party indemnity insurance.

Principal Risks and Uncertainties

A formal review of the Charity's Risk Management process is undertaken by the Board at each of its formal meetings. The key controls used are:

- Formal agendas for all Board and committee meetings
- Terms of reference for all committees
- Comprehensive planning, budgeting and management accounting
- Established organisational structures and lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Use of vetting procedures as required by law for the protection of children

The principal risks currently facing the School, and the strategies for mitigating those risks, are managed using the key controls above and can be summarised as follows:

- Deep recession in the UK economy, particularly in light of COVID-19, leading to parents being unable to afford full school fees. The School manages this risk through a strategy of robust cost control.
- School closure or partial closure for any COVID-19 related reason leading to a loss of education for pupils and income for the School. The risk of COVID-19 being transmitted into and within the School is mitigated by a thorough risk assessment process and a comprehensive set of measures to mitigate the hazards. The risk of government directed closure must be tolerated, but the effects are mitigated by the School's proven ability to deliver excellent remote learning.
- Failure of IT systems and infrastructure to meet demand. Governors are mindful of the importance of having robust IT systems to meet both the educational needs of the School's pupils and business requirements. Sustained investment is being made to ensure that the School's data continues to be managed securely and efficiently, and that Farleigh's pupils benefit from new technologies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment of Governors

Governors are elected at a meeting of the Board of Governors on the basis of nominations forwarded by the Nominations Sub-Committee after due consideration of their eligibility and suitability to fill any vacancies. The Board comprises between 8 and 12 members, of which at least a two thirds majority are Roman Catholics. Governors serve for periods of four years and after re-election can normally serve up to a maximum term of 12 years (although this may be extended in certain circumstances agreed by the Board to ensure consistency and continuity).

Governor Induction and Training

New Governors are inducted into the workings of the Company and the School through briefings by fellow Governors and key executives, and the provision of a comprehensive information pack. A visit to the School soon after election and attendance on a course for new Governors, run by the Association of Governing Bodies in Independent Schools (AGBIS), is arranged. Ongoing training is made available for all Governors and funded by the School.

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
ANNUAL REPORT OF THE GOVERNORS ON THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

Key Management

The Governors consider that they, together with the Head, the Director of Finance & Operations and the senior managers, comprise the key management (see note 7 to the accounts). The Governors give their time freely and the pay and remuneration of the Head and senior staff is set by the Finance Committee and is kept under annual review. A number of criteria are used in setting pay, including:

- Nature of the role and responsibilities
- Competitor salaries in the region
- The sector average salary for comparable positions
- Trends in pay

Governance

The Board of Governors determines the general policies of the School and is legally responsible for its overall management and control. The Board complies with the Code of Governance for Charities and Institutions of a Public Character (IPCs) (April 2017).

The Governors meet as a board at least once each term to consider business brought to them by sub-committees, the Headmaster and the Director of Finance & Operations. The two principal sub-committees, the Academic and Pastoral sub-committee and the Finance sub-committee, meet at least termly, in advance of the main meeting. During the COVID-19 situation they have met more frequently. During the year a new Public Benefit sub-committee was also constituted; it meets twice per year, in the summer and autumn terms. The day-to-day running of the School is delegated to the Headmaster who is assisted by senior managers.

The School is a member of the Independent Association of Preparatory Schools (IAPS), the Boarding Schools' Association (BSA), the Association of Governing Bodies in Independent Schools (AGBIS), the Independent Schools' Bursar Association (ISBA) and the Catholic Independent Schools' Conference (CISC).

Having routinely considered budgets, reserves, cash flow projections, risk and business plans, and having ensured that the School has effective internal financial controls, the Governors are satisfied that the Accounts have been prepared on a going concern basis. The Governors have also satisfied themselves that despite the risks identified in this report, including those from COVID-19, the School has the ability to pay its debts not only for the next year, but for the foreseeable future.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO FINANCIAL STATEMENTS

The Directors (who are also Trustees of the Company for the purposes of Charity law) are responsible for preparing the Directors' Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable Company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Company and the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Company will continue in operation.

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

In accordance with the Charities Act 2011, a resolution proposing that Haysmacintyre LLP be appointed as Auditors of the Charity will be put to a General Meeting. Haysmacintyre LLP are deemed to be appointed under section 487(2) of the Companies Act 2006.

The Board of Governors confirms there is no relevant information of which the auditors are not aware. They have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of this information.

The Directors' and Strategic report are approved by the Board at its meeting on 10 November 2021 and signed on its behalf by:



Mr K Abel

Chair of Governor

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY (CONTINUED)

Opinion

We have audited the consolidated financial statements of Farleigh School Trust Limited for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charitable Company Balance Sheets, the Consolidated 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 of the parent charitable company's affairs as at 31 July 2021 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 trustees' 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 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.

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY (CONTINUED)

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report (which incorporates the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 13, 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 and the parent 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 group or the parent 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.

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to ISI regulations, safeguarding regulations, health and safety law, GDPR and employment law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (continued)

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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.



Lee Stokes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors
Date: 10 November 2021

10 Queen Street Place
London
EC4R 1AG

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING CONSOLIDATED INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2021

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
INCOME FROM:					
Donations and legacies	3	2,755	8,719	11,474	22,501
<i>Income Charitable activities</i>					
School Operating income	4	8,697,120	-	8,697,120	8,349,107
<i>Income from other trading activities</i>					
Trading income	5	275,503	-	275,503	173,505
Investment income		464	-	464	3,738
Income from government grants		119,707	-	119,707	204,576
TOTAL INCOME		<u>9,095,549</u>	<u>8,719</u>	<u>9,104,268</u>	<u>8,753,427</u>
EXPENDITURE ON:					
<i>Costs of raising funds</i>					
Trading expenditure	6	103,595	-	103,595	83,998
<i>Expenditure on charitable activities</i>					
School operating costs	6	8,623,590	732	8,624,322	8,519,038
TOTAL EXPENDITURE		<u>8,727,185</u>	<u>732</u>	<u>8,727,917</u>	<u>8,603,036</u>
NET INCOME AND NET MOVEMENT IN FUNDS FOR THE YEAR		368,364	7,987	376,351	150,391
<i>Reconciliation of funds:</i>					
Total funds brought forward	17	15,465,739	270,736	15,736,475	15,586,084
Total funds carried forward	17	<u><u>15,834,103</u></u>	<u><u>278,723</u></u>	<u><u>16,112,826</u></u>	<u><u>15,736,475</u></u>

Comparatives by fund are shown in note 23. All activities are classed as continuing.

There are no other recognised gains or losses than those detailed above.

The notes on pages 21 to 42 form part of these financial statements.

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
CONSOLIDATED AND PARENT COMPANY BALANCE SHEETS
COMPANY REGISTRATION NUMBER 00905522
FOR THE YEAR ENDED 31 JULY 2021

		Group		Company	
	Notes	2021 £	2020 £	2021 £	2020 £
FIXED ASSETS					
Tangible assets	8	16,035,018	16,437,993	123,733	188,342
		<u>16,035,018</u>	<u>16,437,993</u>	<u>123,733</u>	<u>188,342</u>
CURRENT ASSETS					
Stock	10	151,404	120,174	151,404	120,174
Debtors	11	358,952	226,043	6,086,554	5,679,994
Cash at bank and in hand		1,718,441	857,227	1,718,441	857,227
		<u>2,228,797</u>	<u>1,203,444</u>	<u>7,956,399</u>	<u>6,657,395</u>
LIABILITIES					
Creditors falling due within one year	12	(1,385,512)	(1,353,827)	(1,385,512)	(1,353,827)
Net current assets/(liabilities)		<u>843,285</u>	<u>(150,383)</u>	<u>6,570,887</u>	<u>5,303,568</u>
Total assets less current liabilities		<u>16,878,303</u>	<u>16,287,610</u>	<u>6,694,620</u>	<u>5,491,910</u>
CREDITORS: falling due after more than one year	13	(723,822)	(498,535)	(723,822)	(498,535)
Provision for liabilities	14	(41,655)	(52,600)	(41,655)	(52,600)
NET ASSETS		<u>16,112,826</u>	<u>15,736,475</u>	<u>5,929,143</u>	<u>4,940,775</u>
FUNDS					
Unrestricted funds	17	15,834,103	15,465,739	5,650,420	4,670,039
Restricted funds	17	278,723	270,736	278,723	270,736
TOTAL FUNDS	17	<u>16,112,826</u>	<u>15,736,475</u>	<u>5,929,143</u>	<u>4,940,775</u>

The net movement in funds for the Company during the year was £988,368 (2020: £819,138).

The Financial Statements were approved by the board on 10 November 2021
and signed on its behalf by:

Mr K Abel
Chairman

Kith Abel

The notes on pages 21 to 42 form part of these financial statements.

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2021

	Notes	Total 2021 £	Total 2020 £
CASH PROVIDED BY /(USED IN) OPERATING ACTIVITIES	21	895,595	433,554
<i>Cash flows from investing activities:</i>			
Interest income		464	3,738
Bank interest paid		-	(1,181)
Purchase of tangible fixed assets		(320,835)	(561,532)
CASH USED IN INVESTING ACTIVITIES		(320,371)	(558,975)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowing		(43,333)	(43,334)
Fees received in advance		329,323	809,296
CASH PROVIDED BY FINANCING ACTIVITIES		285,990	765,962
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS IN THE YEAR		861,214	640,541
Cash and cash equivalents at the beginning of the year		857,227	216,686
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		1,718,441	857,227
CASH AND CASH EQUIVALENTS:			
Cash at bank and in hand		1,718,441	857,227
		1,718,441	857,227

The notes on pages 21 to 42 form part of these financial statements.

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES

The accounting policies adopted by the company are as follows:

Basis of preparation

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

Farleigh House Trustee Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Monetary amounts in these financial statements are rounded to the nearest whole £1 except where indicated.

Group financial statements

The financial statements consolidate the results of Farleigh School Trust Limited and the unincorporated trust Farleigh House Educational Trust on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Trust has taken advantage of the exemption affected by section 408 of the Companies Act 2006.

Preparation of the accounts on a going concern basis

Having considered future risks, which are articulated in the Principal Risk Register and include risks due to COVID-19, and reviewed future budgets and cash flow forecasts, it is not considered that there are any material uncertainties that would prevent the group continuing to operate as a going concern in the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

Income

Boarding and tuition fees are included within the financial statements on a receivable basis. Amounts invoiced in advance are deferred and carried forward within creditors and accruals, whilst amounts due but not yet received in the year are shown within debtors and prepayments. Fees from related parties are accounted for in the same way.

Donations are included within income on a receivable basis. Trading income, which includes monies from services, rental and letting, is accounted for on a receivable basis.

Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants. Fees received in advance of education to be provided in future years under an Advance Fee Payments Scheme contract are held as interest-bearing liabilities until either taken to income in the term when used or else refunded.

1. ACCOUNTING POLICIES (CONTINUED)

Investment income

Interest receivable on sums invested in bank deposit accounts is recorded gross. The company is not liable to tax on this income.

Income from government grants

Income from the government's Coronavirus Job Retention Scheme is shown as income from Government grants.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred. Expenditure is analysed into such categories as to reasonably enable the user to gain an appreciation of the company's expenditure during the year. Central staff costs and some overhead expenses are allocated to activities on the basis of the time spent on those activities.

Governance costs comprise the cost of running the company, including strategic planning for its future development, also external audit, any legal advice and costs of complying with constitutional and statutory requirements.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office, finance, personnel, payroll and governance costs which support the charity's activities. These costs are identified within administration costs, those costs which support trading activities are identified separately within trading expenditure.

Pension schemes

The School participates in a multi-employer pension scheme, the Government's Teachers' Pension Defined Benefits Scheme, for its teaching staff. This scheme is administered by Teachers' Pensions. The pension liability under this scheme is not the responsibility of the School. In January 2021 the School also introduced an alternative defined contribution pension scheme for teaching staff the 'Aviva Pension Trust for Independent Schools'. The School also participates in separate multi-employer schemes for support staff. The Pensions Trust's Growth Plan was the original scheme and still has active members. Contributions paid into this Plan up to and including September 2001 were converted into defined benefits. From October 2001 contributions were invested in personal funds which are converted to pension on retirement. The School pays into personal pension schemes for some support staff and from April 2014 a new multi-employer scheme was made available under auto-enrolment rules. It is not possible to identify the assets and liabilities attributable to the School in these schemes. Accordingly, under FRS102 they are accounted for as if they were Defined Contribution schemes. Further information on these schemes is provided in note 7.

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES (CONTINUED)

Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost, being purchase price, or deemed cost for land and buildings held at valuation at the date of transition to FRS 102 less accumulated depreciation and any impairment losses. A lower limit of £1,000 is applied to individual items that are capitalised.

Depreciation is calculated and charged on assets, excluding freehold land, to write off the cost of fixed assets to their residual value over their expected useful lives to the group. The annual depreciation rates and methods of calculation are as follows:

Freehold land	- no depreciation
Freehold property and improvements to premises	- 2.5% - 10% Straight line
Furniture and equipment	- 20% Straight line
Motor vehicles	- 25% Reducing balance
Computer equipment	- 33% Straight line

The valuation of freehold property and improvements to premises has not been updated. Freehold premises were previously revalued in 1987.

Assets under construction are stated at cost, being the total cost incurred to date with no depreciation being charged until the asset comes into full use.

Deemed cost of fixed assets

Specific fixed assets have been revalued to deemed cost as allowed upon transition to FRS 102 based on assumptions made by an independent property consultant. The trustees are satisfied that the assumptions made are appropriate.

Leased assets

The charity classifies the lease of IT equipment, printers and the minibuses as operating leases; the title to the equipment remains with the lessor and the equipment is replaced every 4-5 years whilst the economic life of such equipment is at least 10 years. Rental charges are charged on a straight line basis over the lease term.

Financial instruments

The charity only 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 their settlement value with the exception of bank loans which are measured at amortised cost using the effective interest method.

1. ACCOUNTING POLICIES (CONTINUED)

Borrowing costs

Borrowing costs relating to freehold land & buildings or improvements which are directly attributable to the acquisition, construction or production of the asset are capitalised. All other borrowing costs are expensed as incurred.

Stocks

Stocks are stated at the lower of their cost, being purchase price, and net realisable value.

Debtors

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

Creditors and provisions

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

Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The pension liability provision referred to above and in note 7 is based on assumptions and estimates provided by The Pension Trust and the Farleigh Trustees are satisfied that The Pension Trust estimates are reasonable. There are considered to be no other estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Employee benefits

The cost of employee benefits are recognised as an expense in the period to which they relate.

Termination payments

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES (CONTINUED)

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity (daily).

Taxation Status

The charity is an exempt charity and is therefore not liable to Corporation Tax in respect of its charitable activities.

Fund Accounting

The nature and purpose of each fund is described in note 17.

Unrestricted funds are defined as income realised or generated for the objectives of the group without further specified purpose and which are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, will be identified to the fund.

Designated funds are to be used for a specific purpose as laid down by the Directors. Expenditure which meets these criteria will be identified to the fund.

2. LEGAL STATUS OF THE TRUST

The Trust is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member.

3. INCOME FROM DONATIONS AND LEGACIES

	2021	2020
	£	£
Gifts	11,474	22,501

The income from donations and legacies is made up of unrestricted £2,755 (2020: £18,675) and restricted £8,719 (2020: £3,826). The restricted income is made up of £8,719 in respect of the St Theresa Fund, see note 17.

4. SCHOOL OPERATING INCOME

	2021	2020
	£	£
Fees		
Gross fees	9,217,579	8,849,208
Less: Total Scholarships, bursaries and allowances	(479,267)	(475,955)
COVID-19 discount (summer term)	(537,003)	(452,665)
Recharged extras	495,811	428,519
	<u>8,697,120</u>	<u>8,349,107</u>

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

5. TRADING AND ANCILLARY INCOME

	2021	2020
	£	£
Holiday activities	51,935	22,908
Clothing shop	94,922	60,221
Swimming pool	34,345	42,261
Disbursements and miscellaneous	94,301	48,115
	<u>275,503</u>	<u>173,505</u>

6. EXPENDITURE

	2021	2020
	£	£
Trading expenditure		
Cost of goods sold	76,081	46,730
Clothing shop and swimming pool salaries	18,599	16,168
Bank and loan interest	-	1,181
Bank charges	4,587	10,911
Advance fee finance costs	4,328	9,008
	<u>103,595</u>	<u>83,998</u>

School operating costs

Teaching salaries and related costs	4,256,679	4,170,345
Administrative staff salaries and related costs	1,600,169	1,525,668
Office costs and supplies	194,362	197,415
Welfare	470,773	346,679
Property and grounds	733,945	790,862
School expenses	453,117	452,179
Marketing, recruitment and advertising	68,128	62,809
Scholarships and prizes	6,971	4,036
Accountancy fees	-	2,160
Legal and professional fees	36,602	67,624
Provision for doubtful debts	196	662
Depreciation	723,810	814,831
Callaghan Fund	300	300
Dodd Fund	432	-
Landscape fund	-	16
General expenses	59,328	63,755
Governance costs (see below)	19,510	19,697
	<u>8,624,322</u>	<u>8,519,038</u>

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

6. EXPENDITURE (continued)

Governance costs (including in school operating costs above)

	2021	2020
	£	£
Auditor's remuneration	19,280	19,000
Governors' training and expenses	230	697
	<u>19,510</u>	<u>19,697</u>

7. SALARIES AND RELATED COSTS

Included within school operating costs are the following:

WAGES AND SALARIES

	2021	2020
	£	£
Salaries and wages	4,504,002	4,346,843
Employers' NI	424,599	409,592
Pension contributions – defined benefits	624,599	644,133
Pension contributions – defined contribution	77,212	47,390
	<u>5,630,412</u>	<u>5,447,958</u>

The average number of staff are:

	2021		2020	
	Full time	Part time	Full time	Part time
Academic	62	24	56	31
Administration and support	31	46	30	44
In class support	10	13	6	13
	<u>103</u>	<u>83</u>	<u>92</u>	<u>88</u>

The number of employees earning over £60,000 was as follows:

	2021	2020
	£	£
Between £60,001 and £70,000	1	2
Between £80,001 and £90,000	1	1
Between £140,001 and £150,000	1	1

In addition, pension contributions totalling £62,949 (2020: £75,714) were made in respect of the above employees earning over £60,000.

7. SALARIES AND RELATED COSTS (continued)

The key management of the Group and Charity are the Governors and senior management team comprising of the Headmaster, Director of Finance and Operations, Deputy Head of Academic, Deputy Head of Pastoral, and Head of Pre-Prep. The remuneration including benefits of key management personnel for the group was £546,033 (2020: £545,466).

There were no payments to the Governors during the year. During the year 3 governors had children at the school (2020: 3) and fees were paid on normal terms. The wife of S Henderson works in the Music department and is paid a salary under normal terms in accordance with the Farleigh School pay-scale. S Henderson is a governor of the School. The School has paid for Trustee Indemnity Insurance for the year, the insurance premium is £1,445 (2020: £1,868).

There were no termination payments made to staff during the year (2020: None).

PENSION AND SIMILAR OBLIGATIONS

Teachers' 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 £600,871 (2020: £618,541) and at the year end £63,508 (2020: £76,433) 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.

7. SALARIES AND RELATED COSTS (continued)

PENSION AND SIMILAR OBLIGATIONS (continued)

Teachers' Pension Scheme (continued)

On 27 June 2020 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 2020 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 2021 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 from 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 Aviva Pension Trust for Independent Schools (APTIS)

Following the increase in the employer contribution rate to the TPS from 16.4% to 23.6% in September 2019, the School entered into consultation with all teaching staff regarding changes to their pensions. Subsequent to consultation an alternative, defined contribution pension scheme, the Aviva Pension Trust for Independent Schools (APTIS), was introduced for teachers on 1st January 2021. Teachers were given the option to either stay in TPS and accept a reduction in gross salary or join the new APTIS scheme.

In the year ended 31 July 2021 the pension cost charge for this scheme amounted to £29,456 (2020: £nil). At the year end there was a creditor of £86 (2020: £nil).

The Pensions Trust Growth Plan

The company participates in The Pensions Trust's Growth Plan, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

7. SALARIES AND RELATED COSTS (continued)

PENSION AND SIMILAR OBLIGATIONS (continued)

The Pensions Trust Growth Plan (continued)

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the scheme Trustee has asked the participating employers to pay additional contributions as follows:

Deficit contributions (all participating employers)

From 1 April 2022 to 31 January 2025:	£3,312,000 per annum (payable monthly with no annual increase)
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Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies. The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

The net present value of the provision has been calculated by the Pensions Trust for the company as follows:

	2021 (£,000)	2020 (£,000)	2019 (£,000)
Net present value	42	53	62
Discount rate	0.57%	0.60%	1.00%

Under FRS102 this has been included as a provision for liability in the accounts.

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
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7. SALARIES AND RELATED COSTS (continued)

PENSION AND SIMILAR OBLIGATIONS (continued)

The Pensions Trust Growth Plan (continued)

In the year ended 31 July 2021 the pension cost charge for support staff included in The Pensions Trust's Growth Plan amounted to £24,662 (2020: £25,566) and deficit contributions of £11,246 (2020: £10,918). At the year end there was no creditor except the provision above.

Other Pension Schemes

A multi-employer, auto-enrolment occupational scheme, set up in April 2014, is available to employees not eligible for the Teachers' Pension Scheme. It is a defined contribution scheme. The assets of the Scheme are held separately from those of the School in independently administered funds. In the year ended 31 July 2021 the pension cost charge amounted to £39,028 (2020: £38,773). At the year end there was a creditor of £8,174 (2020: £7,887).

8. FIXED ASSETS

Group	Land, freehold Premises and Improvements £	Furniture and Equipment £	Motor Vehicles £	Computer Equipment £	Total £
Cost/Deemed cost					
At 1 August 2020	21,248,739	742,610	11,994	375,673	22,379,016
Additions	273,651	22,910	-	24,274	320,835
At 31 July 2021	<u>21,522,390</u>	<u>765,520</u>	<u>11,994</u>	<u>399,947</u>	<u>22,699,851</u>
Depreciation					
At 1 August 2020	4,999,088	617,859	7,747	316,329	5,941,023
Charge for year	612,017	68,514	1,062	42,217	723,810
At 31 July 2021	<u>5,611,105</u>	<u>686,373</u>	<u>8,809</u>	<u>358,546</u>	<u>6,664,833</u>
Net book value					
At 31 July 2021	<u>15,911,285</u>	<u>79,147</u>	<u>3,185</u>	<u>41,401</u>	<u>16,035,018</u>
At 1 August 2020	<u>16,249,651</u>	<u>124,751</u>	<u>4,247</u>	<u>59,344</u>	<u>16,437,993</u>

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

8. FIXED ASSETS (continued)

Parent company

	Furniture and Equipment £	Motor Vehicles £	Computer Equipment £	Total £
Cost/Deemed cost				
At 1 August 2020	742,610	11,994	375,673	1,130,277
Additions	22,910	-	24,274	47,184
At 31 July 2021	<u>765,520</u>	<u>11,994</u>	<u>399,947</u>	<u>1,177,461</u>
Depreciation				
At 1 August 2020	617,859	7,747	316,329	941,935
Charge for year	68,514	1,062	42,217	111,793
At 31 July 2021	<u>686,373</u>	<u>8,809</u>	<u>358,546</u>	<u>1,053,728</u>
Net book value				
At 31 July 2021	<u>79,147</u>	<u>3,185</u>	<u>41,401</u>	<u>123,733</u>
At 1 August 2020	<u>124,751</u>	<u>4,247</u>	<u>59,344</u>	<u>188,342</u>

9. INVESTMENTS

On 1 August 2017 Farleigh House Educational Trust changed its name to Farleigh School Educational Trust (the unincorporated charity). Farleigh School Educational Trust is the wholly owned subsidiary of Farleigh School Trust Limited and holds the property assets of the group in trust to ensure it remains available for the purposes of education as laid out in the group's principal activity. Farleigh School Trust Limited is the ultimate controlling party.

The Net Assets of the unincorporated charity are £10,183,683 (2020: £10,795,700) made up of the land and building assets.

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

9. INVESTMENTS (continued)

The statement of financial activities for the year is as follows:

	2021	2020
	£	£
Total Income	-	-
Total Expenditure	(612,017)	(668,747)
Net movement in funds for the year	(612,017)	(668,747)
Total funds carried forward	<u><u>10,183,683</u></u>	<u><u>10,795,700</u></u>

10. STOCK

	Group	Group	Company	Company
	2021	2020	2021	2020
	£	£	£	£
Stock	<u><u>151,404</u></u>	<u><u>120,174</u></u>	<u><u>151,404</u></u>	<u><u>120,174</u></u>

11. DEBTORS

	Group	Group	Company	Company
	2021	2020	2021	2020
	£	£	£	£
Fees and disbursements	53,842	54,509	53,842	54,509
Summer term disbursements	114,941	73,348	114,941	73,348
Other debtors	28,932	35,499	28,932	35,499
Amounts owed by group entities	-	-	5,727,602	5,453,951
Prepayment and accrued income	161,237	62,687	161,237	62,687
	<u><u>358,952</u></u>	<u><u>226,043</u></u>	<u><u>6,086,554</u></u>	<u><u>5,679,994</u></u>

The amounts owed by group entities arose from the School paying for building improvements on the assets owned by Farleigh School Educational Trust.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Group	Company	Company
	2021	2020	2021	2020
	£	£	£	£
Fee deposits held	33,000	237,928	33,000	237,928
Bank loans (see note 13)	-	43,333	-	43,333
Trade creditors	296,488	5,303	296,488	5,303
Fees received in advance	223,399	173,452	223,399	173,452
Fees in advance scheme (see note 15)	218,756	200,626	218,756	200,626
Holiday pay accrual	341,744	345,452	341,744	345,452
Other creditors and accruals	96,356	155,325	96,356	155,325
Pension creditor	74,378	86,838	74,378	86,838
Tax and social security	101,391	105,570	101,391	105,570
	<u>1,385,512</u>	<u>1,353,827</u>	<u>1,385,512</u>	<u>1,353,827</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group and Company 2021 £	Group and Company 2020 £
Fees received in advance scheme (see note 15)	515,394	498,535
Fee deposits held	208,428	-
	<u>723,822</u>	<u>498,535</u>
	Group and Company 2021 £	Group and Company 2020 £
Loan maturity		
Within one year	-	43,333
Between one and two years	-	-
Between two and five years	-	-
	<u>-</u>	<u>43,333</u>

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
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14. PENSION PROVISION

	Group and Company 2021 £	Group and Company 2020 £
Opening balance	52,600	62,485
Movement in provision (note 7)	(10,945)	(9,885)
	<u>41,655</u>	<u>52,600</u>

15. ADVANCE FEE PAYMENTS

Parents may enter into a contract to pay to the school tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the school, advance fees will be applied as follows:

	2021 £	2020 £
Within one year	218,756	200,626
Within one to two years	139,895	142,537
Within two to five years	375,499	355,998
	<u>734,150</u>	<u>699,161</u>

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
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16. COMMITMENTS UNDER OPERATING LEASES

At 31 July 2021 the charity had aggregate annual commitments under non-cancellable operating leases for hire of plant, machinery and equipment as set out below:

	Group and Company 2021 £	Group and Company 2020 £
Amounts due:		
Within one year	87,798	70,960
Between one and two years	131,750	72,126
	<u>219,548</u>	<u>143,086</u>

17. ACCUMULATED FUNDS

Group	At 1 August 2020 £	Income £	Expenditure £	Transfer Between Funds £	At 31 July 2021 £
Unrestricted fund	15,465,739	9,095,549	(8,727,185)	-	15,834,103
Restricted funds					
B Harrison Fund	1,913	-	-	-	1,913
Callaghan Fund	9,221	-	(300)	-	8,921
Rugby Fund	1,996	-	-	-	1,996
Farleigh Society Fund	18,013	-	-	-	18,013
Dodd Fund	10,000	-	(432)	-	9,568
St Theresa Fund	229,593	8,719	-	-	238,312
Total restricted funds	<u>270,736</u>	<u>8,719</u>	<u>(732)</u>	<u>-</u>	<u>278,723</u>
Total Funds	<u>15,736,475</u>	<u>9,104,268</u>	<u>(8,727,917)</u>	<u>-</u>	<u>16,112,826</u>

Unrestricted fund includes a revaluation reserve of £5,919,919.

The B Harrison Fund represents monies received from an individual to provide one student with cricket equipment each year as a form of prize for achievement.

17. ACCUMULATED FUNDS (continued)

The Callaghan Fund represents monies received to provide awards to students at the end of the academic year.

The Rugby Fund represents monies received from an individual to provide opportunities to students to attend rugby trips abroad.

The Landscape Fund represents donations received to plant 60 trees as a living and enduring commemoration of the Jubilee year, which will also benefit future generations.

The Farleigh Society Fund represents funds paid to the Farleigh Society for former pupils. The society keeps the school connected to its former pupils and holds regular reunion events, this enables the school to continue to see their former pupils develop.

The Dodd Fund supports SEN provision within the School and the purchase of equipment for children with disabilities.

The St Theresa Fund (formerly known as The Dillon Fund) represents donations to enable children from disadvantaged backgrounds to access a boarding education at Farleigh. In 2017 the fund became the St Theresa Fund with donations made to continue the scheme set up under the Dillon Fund.

Company	At 1 August 2020 £	Income £	Expenditure £	Transfer Between Funds £	At 31 July 2021 £
Unrestricted fund	4,670,039	9,095,549	(8,115,168)	-	5,650,420
Restricted funds					
B Harrison Fund	1,913	-	-	-	1,913
Callaghan Fund	9,221	-	(300)	-	8,921
Rugby Fund	1,996	-	-	-	1,996
Farleigh Society Fund	18,013	-	-	-	18,013
Dodd Fund	10,000	-	(432)	-	9,568
St Theresa Fund	229,593	8,719	-	-	238,312
Total restricted funds	270,736	8,719	(732)	-	278,723
Total Funds	4,940,775	9,104,268	(8,115,900)	-	5,929,143

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
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17. ACCUMULATED FUNDS (continued)

Comparative Figures

Group	At 1 August 2019 £	Income £	Expenditure £	Transfer Between Funds £	At 31 July 2020 £
Unrestricted fund	15,318,858	8,749,601	(8,602,720)	-	15,465,739
Restricted funds					
B Harrison Fund	1,913	-	-	-	1,913
Callaghan Fund	9,521	-	(300)	-	9,221
Rugby Fund	1,996	-	-	-	1,996
Landscape Fund	16	-	(16)	-	-
Farleigh Society Fund	18,013	-	-	-	18,013
Dodd Fund	10,000	-	-	-	10,000
St Theresa Fund	225,767	3,826	-	-	229,593
Total restricted funds	267,226	3,826	(316)	-	270,736
Total Funds	15,586,084	8,753,427	(8,603,036)	-	15,736,475

Company	At 1 August 2019 £	Income £	Expenditure £	Transfer Between Funds £	At 31 July 2020 £
Unrestricted fund	3,854,411	8,749,601	(7,933,973)	-	4,670,039
Restricted funds					
B Harrison Fund	1,913	-	-	-	1,913
Callaghan Fund	9,521	-	(300)	-	9,221
Rugby Fund	1,996	-	-	-	1,996
Landscape Fund	16	-	(16)	-	-
Farleigh Society Fund	18,013	-	-	-	18,013
Dodd Fund	10,000	-	-	-	10,000
St Theresa Fund	225,767	3,826	-	-	229,593
Total restricted funds	267,226	3,826	(316)	-	270,736
Total Funds	4,121,637	8,753,427	(7,934,289)	-	4,940,775

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2021

Group	Unrestricted Funds £	Restricted Funds £	2021 Total £
Tangible fixed assets	16,035,018	-	16,035,018
Current assets	1,950,074	278,723	2,228,797
Current liabilities	(1,385,512)	-	(1,385,512)
Long term liabilities	(765,477)	-	(765,477)
Total net assets	<u>15,834,103</u>	<u>278,723</u>	<u>16,112,826</u>

Company	Unrestricted Funds £	Restricted Funds £	2021 Total £
Tangible fixed assets	123,733	-	123,733
Current assets	7,677,676	278,723	7,956,399
Current liabilities	(1,385,512)	-	(1,385,512)
Long term liabilities	(765,477)	-	(765,477)
Total net assets	<u>5,650,420</u>	<u>278,723</u>	<u>5,929,143</u>

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (Continued)

2020

Group	Unrestricted Funds £	Restricted Funds £	2020 Total £
Tangible fixed assets	16,437,993	-	16,437,993
Current assets	932,708	270,736	1,203,444
Current liabilities	(1,353,827)	-	(1,353,827)
Long term liabilities	(551,135)	-	(551,135)
Total net assets	15,465,739	270,736	15,736,475
Company	Unrestricted Funds £	Restricted Funds £	2020 Total £
Tangible fixed assets	188,342	-	188,342
Current assets	6,386,659	270,736	6,657,395
Current liabilities	(1,353,827)	-	(1,353,827)
Long term liabilities	(551,135)	-	(551,135)
Total net assets	4,670,039	270,736	4,940,775

19. CAPITAL COMMITMENTS

Capital expenditure of £186,073 (2020: £0) had been authorised by the Governors and was committed to at the balance sheet date.

20. RELATED PARTY TRANSACTIONS

During the year no donations were received from Governors (2020: £Nil). There were no other related party transactions in the current or preceding year.

The wife of S Henderson works in the Music department and is paid a salary under normal terms in accordance with the Farleigh School pay-scale. S Henderson is a governor of the School.

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2021 £	Group 2020 £
Net movement in funds	375,887	150,391
Deposit interest receivable	-	(3,738)
Bank interest payable	-	1,181
Finance cost on advanced fees	4,328	9,008
	<hr/>	<hr/>
Operating surplus	380,215	156,842
Depreciation of tangible assets	723,810	814,831
(Increase) in stocks	(31,230)	12,343
Decrease/(Increase) in debtors	(132,909)	85,021
Increase/(decrease) in creditors	265,316	(70,822)
Advanced fees drawdown	(298,662)	(554,776)
Loss on sale of fixed assets	-	-
Movement in provisions for liabilities	(10,945)	(9,885)
	<hr/>	<hr/>
	<u>895,595</u>	<u>433,554</u>

22. ANALYSIS OF CHANGES IN NET DEBT

	At 1 August 2020 £'000	Cash flows £'000	Fair value movements £'000	Other non-cash changes £'000	At 31 July 2021 £'000
Cash and cash equivalents					
Cash	857,227	861,214	-	-	1,718,441
Overdrafts	-	-	-	-	-
Cash equivalents	-	-	-	-	-
Borrowings					
Debt due within one year	(43,333)	43,333	-	-	-
Debt due after one year	-		-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	<u>813,894</u>	<u>904,547</u>	<u>-</u>	<u>-</u>	<u>1,718,441</u>

FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY
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23. PRIOR YEAR COMPARATIVES BY FUND

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
INCOME FROM:				
Donations and legacies	3	18,675	3,826	22,501
<i>Income Charitable activities</i>				
School Operating income	4	8,349,107	-	8,349,107
<i>Income from other trading activities</i>				
Trading income	5	173,505	-	173,505
Investment income		3,738	-	3,738
Income from government grants		204,576	-	204,576
TOTAL INCOME		<u>8,749,601</u>	<u>3,826</u>	<u>8,753,427</u>
EXPENDITURE ON:				
<i>Costs of raising funds</i>				
Trading expenditure	6	83,998	-	83,998
<i>Expenditure on charitable activities</i>				
School operating costs	6	8,518,722	316	8,519,038
TOTAL EXPENDITURE		<u>8,602,720</u>	<u>316</u>	<u>8,603,036</u>
NET INCOME AND NET MOVEMENT IN FUNDS FOR THE YEAR		146,881	3,510	150,391
<i>Reconciliation of funds:</i>				
Total funds brought forward	17	15,318,858	267,226	15,586,084
Total funds carried forward	17	<u><u>15,465,739</u></u>	<u><u>270,736</u></u>	<u><u>15,736,475</u></u>