

**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

**Company Number: 00905522**

**Charity Registration Number: 1157842**

**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**

**INDEX TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 JULY 2022**

Annual Report of the Governors incorporating the Strategic Report	1 – 13
Independent Auditor's Report	14-17
Consolidated Statement of Financial Activities	18
Consolidated and Parent Company Balance Sheets	19
Consolidated Cash Flow Statement	20
Notes to the Financial Statements	21 – 43

**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**  
**ANNUAL REPORT OF THE GOVERNORS ON THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

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## **INTRODUCTION**

The Board of Directors present their annual report for the year ended 31 July 2022, 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<sup>#♦♦</sup>

Charlotte Cunningham MBE\* (Resigned 31<sup>st</sup> July 2022)

Simon Henderson\*\*

Charles Ingram Evans\*

Hugo Keith KC

Fr Oswald McBride<sup>#</sup>

Gilly Orr (Appointed 1<sup>st</sup> August 2022)

Sarah Raffray<sup>###</sup>

Emma Todd<sup>#♦</sup>

\*\* 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 and the Public Benefit Committee meets twice per year. 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 2022**

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**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

Janet Watts, Deputy Head (Academic)

Sue Wilton, Head of Pre-Prep

**Professional Advisers**

**Bankers**

HSBC Bank Plc

West End Area Commercial Centre

2<sup>nd</sup> 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 460 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 guidance on public benefit and is satisfied that relevant, current activities comply with this guidance. The strong Catholic ethos of the School underpins the commitment of the School to serving others. The Governors' Public Benefit Committee, which was established in 2021, continues to develop the School's contribution to Public Benefit.

### **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 offered two places, one of which was taken up 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. These included interaction with Icknield Special School in Andover, whose pupils came and used the School's space and facilities. Once COVID-19 restrictions allowed, Farleigh children spent time with elderly residents at a local care home. 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.

### **Religious Support**

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. Fr Simon also provided pastoral support to members of the Parish when required; £6,564 was donated to Parish funds from the Chapel collections.

### **Sporting & Other Facilities**

The School's grounds, sports facilities and music school were used for community activities during the school holidays. This year opportunities included:

- An afternoon of singing with Stockbridge and Vigo primary schools, and also a popular 'Come and Sing' day for the local community, both hosted at the Recital Hall. Trinity College music exams were also hosted for internal and external candidates.
- 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 open to local primary schools, external swim schools, local residents' groups, individual local residents, the Royal Artillery Pony Club for swimming training and Farleigh families
- Alpha Away Day faith classes were hosted by the school
- Touch Typing courses from 'Type By Touch' were hosted for Farleigh pupils and children from the local area
- Hampshire County cricket teams and Andover Netball Club used the cricket pitches and netball courts, respectively
- Triathlon training took place in the school grounds during the Easter holidays
- Sam's Ride Cycle Sportive ran their annual charity event from the School during the summer holidays

### **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: Mary's Meals (£6,721 to date, on-going) and the Murray Parish Trust (£9,325 in total over the two years we have supported them), 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. It also held a successful Farleigh May Ball in 2022, raising in excess of £105,000 to be split between four charities: The Breck Foundation, The Countess of Brecknock Hospice, Mary's Meals and The Murray Parish Trust. A significant supplies collection was made on behalf of the Ukraine relief effort and additional funds of £1,659 were raised.



## **STRATEGIC REPORT**

### **Financial Review**

Total income for the year amounted to £9,900,475 (2021: £9,104,268), including £323,977 (2021: £275,503) 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 September 2021.

Total expenditure amounted to £9,547,131 (2021: £8,727,917).

The surplus funds generated during the year and available for reserves or reinvestment in the facilities of the School were therefore £353,344 (2021: £376,351). Cash and cash equivalents have increased by £334,687 during the year. There was a net decrease in fees received in advance, of £161,866, and the closing bank and cash balance was £2,053,128.

### **Reserves**

The unrestricted funds of the Group (including fixed assets) increased by £331,706 to £16,165,809 at the year end. The net book value of tangible fixed assets was £16,082,871 resulting in free reserves of £82,938. Careful management of short term liquid resources, along with the free reserves, ensures that the need for day-to-day working capital is met. 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.

### **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 13 pupils (2021: 19), amounting to £136,139 (2021: £143,208). The total fee assistance amounted to £517,353 (2021: £479,267).

### **Terms and Conditions**

During the year the School implemented Phased Withdrawal from the Teachers Pension Scheme (TPS) such that new teachers now join the School's Defined Contribution scheme rather than TPS. Changes were also made for non-teachers, who are covered by life assurance while they are employed by the School; this has been funded by the School.

### **Investment Performance**

Any uncommitted funds are placed on deposit. Interest received in the period amounted to £259 (2021: £464).

### **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 465 over the year. Boarding is an important part of the School's life with over 25% of Prep school pupils full or weekly boarding. Flexi-boarding is also available.

### **Operational Performance and Compliance**

The COVID-19 pandemic and government measures to contain it throughout the first half of 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 School was inspected by the Independent Schools Inspectorate in January. This was a Focused Compliance and Educational Quality Inspection including residential provision. The School met all the standards in the schedule to the Education (Independent Schools Standards) Regulations 2014, the National Minimum Standards for Boarding Schools 2015, and relevant requirements of the statutory framework for the Early Years Foundation Stage, and associated requirements, and consequently was found to be fully compliant.

The Report held that the quality of the pupils' academic and other achievements is excellent. Pupils make excellent progress over time attaining high standards in all areas of the curriculum; they are highly articulate and confident in all aspects of communication; they make significant progress in numeracy; and they have high levels of knowledge, skills and understanding in all subject areas. Furthermore, the quality of the pupils' personal development is also excellent. Pupils' spiritual understanding is excellent; they demonstrate deep self-knowledge; their social development and collaboration are significant strengths; and they show kindness and respect for each other overall.

The School was very pleased to have been rigorously inspected and found to have reached the highest possible standard.

## **Teaching and Learning**

### **Prep school**

The school has had another very successful academic year. Seventeen Year 8 pupils gained awards and scholarships. In detail, there were three Academic Scholarships and one Academic Exhibition, four Sports Scholarships and two Sports Exhibitions, two Music Scholarships, three Art Scholarships, one Drama Scholarship and one Drama Exhibition. Further pupils were awarded the Head's Scholarship (the top all-rounder award) to Downe House School, the Raban Award to Sherborne School and the Jolie Brise All Rounder Boarding Award to Dauntsey's School. As well as Downe House, Dauntsey's and Sherborne, awards were made from Benenden, Canford, Godolphin, Marlborough, Radley, Rugby, Sherborne Girls, St Mary's Ascot and St Mary's Calne. 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. All leaving pupils have gone on to their first choice of school and as well as those already mentioned, these were Abingdon, Bryanston, Downside, Eton, Heathfield, Millfield, Stowe and Winchester.



Teaching in classrooms focuses on active learning. The school aims to bring learning alive. Numerous trips and events take place across the year. Alongside Latin and French pupils will now also be offered Spanish as part of the curriculum so that they are exposed to different languages and cultures.

Much use is made of ICT in classrooms, which enhances teaching and learning. This is made possible by the provision of iPads for all Year 6, 7 and 8 pupils. Many academic departments have also written their own iBooks for pupils to access. The Maths department has introduced computerised learning platforms, to encourage different approaches to teaching.

The importance of educating the whole child continues to be central in the school's philosophy. Developing personal skills of collaboration, team work, leadership, is considered essential for future life. The school aims to develop children who have the skills that future employers will value, not just knowledge, which artificial intelligence can provide, but emotional and social skills. To promote personal development, the school has introduced an activity week in the penultimate week of term, during which time pupils in Years 6, 7 and 8 experience residential trips with a variety of activities such as kayaking, climbing, raft-building and coasteering. During this week younger pupils use the school grounds and the local community to take part in a variety of experiences, such as camping in the woods and learning survival skills.

#### **Pre-Prep school**

The organisation of the Pre-Prep has been adjusted with the introduction of an academic lead member of staff and a pastoral lead. This mirrors the Prep school and provides focus for academic progress and development and pastoral strategies.

To meet Government requirements, a phonics scheme has been introduced across the Pre-Prep. It was trialled in the Reception classes before being introduced into Years 1 and 2. It ensures pupils make good progress with phonics acquisition, reading and writing. To support the scheme the school also invested in additional reading books which dovetail with the successful Accelerated Reader scheme.

At the start of the year the Pre-Prep used the services of an Early Years Consultant to inspire and develop the Early Years Provision. His contribution involved workshops with the children, planning with all the staff and recommendations for how to develop further the links between Kindergarten and Reception years. His model of learning through play, and the children leading their learning has been reflected in the adapted planning and learning opportunities in Early Years.

The Pre-Prep woods continue to be developed; they are a terrific asset and used frequently by all Year groups. A Pre-Prep teacher completed an in-depth Forest School course, qualifying as a Forest School Leader, and a staff member from the Grounds team, completed a Bushcraft training course. Their structured plan of activities gives the children an excellent quality experience.

#### **Sport**

Sport is an integral part of daily Farleigh life, and the School has continued to invest in both facilities and staffing over the last few years to make sure that the very best provision is available. Some of the key sports



facilities are under review for future development and upgrades. 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 Kindergarten to Year 8 are taught by well qualified specialists and focus primarily on the children's physical literacy. The games programme, for Year 1 and above is designed to develop the children's understanding of spatial awareness, tactics and competitive play; Year 3 and above complete rugby, football, netball, hockey, and cricket, taking a full part in inter-house competitions. Swimming lessons are 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. An increase in gymnastics provision and equipment has been put in place under the guidance of gymnastic specialist staff and we are seeing an upward trend for the aesthetic sports.

SOCS software has been successfully introduced as the main communication tool for sports fixtures, calendar and team selections. This can be accessed by parent phones via apps and has been well received by parents and staff alike.

Throughout the year, a full range of holiday courses are organised for Farleigh and Non-Farleigh children. These activities are very well received by parents and children alike and are primarily led by the sports team.

### **Creative and Performing Arts**

The profile and reputation of music at Farleigh remains extremely high with twenty members of staff teaching a total of around 360 lessons each week. Two pupils gained music scholarships to their senior schools (Godolphin & Marlborough).

As COVID-19 restrictions were eased over the course of the year, concert performances returned to normal. In total, 35 concerts were programmed over the course of the year. These ranged from frequent early-evening Informal Concerts to more formal concerts held in the late-evening. Our ensembles performed in two large concerts, the St Cecilia Concert and Summer Soirée. Over 100 pianists took part in the sixth annual Piano Festival which was adjudicated by the Director of Music from Sherborne Girls. The Director of Music at Bradfield College judged the House Music Competition, and a finalist for 'The Voice' 2021 adjudicated and performed at the 'Battle of the Bands'. The Chapel Choir was invited (for the third time) to perform in Kensington for the Rainbow Trust Carol Service.

One hundred and forty four pupils took music exams with the ABRSM, Trinity or RSL exam, boards ranging from Grades 1-8. Four pupils took Grade 6, three passing with distinction and one with merit while two pupils passed Grade 7 with merit. One boy passed Grade 8. Approximately fifty per cent of pupils were awarded a merit or distinction in their exams with an average mark of 118.

Collaborations with other schools became possible with COVID-19 restrictions eased. Visits to senior schools included musical trips to Wellington College (an orchestral day), Bryanston School (strings masterclass with members of the De Kooning Ensemble) and Sherborne School (a jazz day). Following the day at Bryanston, five children were invited to return to partake in further masterclasses with a recorded performance and

radio broadcast. The Primary Schools Outreach resumed with Stockbridge Primary School and Vigo School attending a singing afternoon along with Year 5 and 7 pupils from Farleigh. An inaugural keyboard afternoon was also held attended by pupils from Grateley and Clatford Primary Schools. In addition, the Recital Hall was used by Trinity College as a public examination centre, Kids on Track for their holiday camps, the Alpha Youth Day foundation, and for an adult dance performance.

In Art, the Year 8 Scholars and talented artists had a very successful real-life art exhibition; they also took part in a printing workshop which focussed on etching and dry point techniques. A group of Year 6 boys attended an inspiring workshop 'Seeing the Light', creating art by the lake at Radley College. The Year 4s enjoyed a Bee Art Day in which they individually and collaboratively created kinetic sound art, whilst listening to 'The Flight of the Bumble Bee'. They also created bee ceramic houses and sculpted ceramic bees as part of a Year 4 sculpture. The Farleigh Art Gallery Exhibition has been created outside the chapel with high-level work created by Years 5 to 8 making a fabulous art-wall display.

### Drama

This academic year saw the return of live audiences in the Theatre, beginning with *Tales After Dark*, performed by Year 8; a group of these pupils also took part in *Little Shop of Horrors* and a LAMDA Showcase. Year 6 performed the first live musical at Farleigh for two years and it was a triumph of musical theatre. It was a long time since the whole Prep School had gathered to watch and this had a profound impact on younger years, who are looking forward to their own productions.

Throughout the year, Year 6-8 Drama Ambassadors took part in enrichment workshops, volunteered their time to support the department and performed smaller productions in the Recital Hall or Amphitheatre: *The Perfectly Timed Death of an Invisible Friend*, performed by Year 6-7 pupils; *Art Heist*, performed by Year 7 pupils; and a Year 6 Drama Ambassador Showcase. These performances developed pupils' skills and provided experiences of non-musical productions. This work is in addition to Drama Scholarship preparation and ensured pupils were well-prepared for life as a Drama Scholar at senior school, future involvement in theatre and GCSE Drama.

Pupils in Years 3-5 received weekly Drama lessons and performed their own class showcases at the end of the year. These showcases gave all pupils the opportunity to perform onstage.

During the Spring and Summer Terms, regular meetings were held with Chalk Creatives to plan the summer Theatre refurbishment.

### Chapel

The Chapel is at the heart of school life for pupils, staff and visitors. On Sundays, Mass is celebrated for boarders, residents and members of the public, and the Chapel is usually full. All collections are sent to the Parish Church of St John the Baptist, Andover. The Mass continues to be livestreamed for the benefit of those who are unable to attend in person.



**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**  
**ANNUAL REPORT OF THE GOVERNORS ON THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2022**

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Assemblies, School Masses and daily Masses take place in the Chapel as well as other services. It is also a place of quiet reflection and prayer throughout the week. In addition, First Holy Communion and Confirmation Masses are celebrated in the school.

**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**

The Governors held a strategy day in the summer at which they discussed future plans. To ensure the long-term success of the School they determined to: continue to develop the curriculum, with particular regard to extended thinking; ensure the Catholic identity of the School; and further enhance the boarding provision.

The Governors also decided to continue investment in the School's infrastructure which has included an all-weather pitch (2015), a new music school (2016), improved boarding facilities (2017), improved IT facilities and Pre-Prep playground (2017), enhanced boys' sports changing rooms and catering facilities (2018), the expansion and refurbishment of the dining room (2019) and three additional, modern classrooms (2021). They committed to refurbish the Theatre and the girls' changing rooms over the Summer 2022.

The School will continue to invest in IT assets in support of both learning and administration as well as continuing to enhance the School's cyber security.

Future plans now being considered, but not yet committed, include refurbishing the Senior Boarding house and developing a Master Plan.

**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 review of the Charity's Risk Management process is undertaken by the Board at each of its routine 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; and
- 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:

- An allegation of abuse by a current pupil against a past or present member of staff. To mitigate this risk child protection and safeguarding policies, procedures and training are given the very highest consideration and effort.
- Deep recession in the UK economy leading to parents being unable to afford full school fees. The School manages this risk by careful consideration of financial developments and a strategy of robust cost control.
- Cyber-attack leading to the failure of IT systems and access to data. 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 is funded by the School.

### **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 regular review. A number of criteria are used in setting pay, including:

- Nature of the role and responsibilities
- Competitor salaries in the region



**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**  
**ANNUAL REPORT OF THE GOVERNORS ON THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2022**

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- 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. The Public Benefit sub-committee 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' Bursars 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 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 reports are approved by the Board at its meeting on 11 November 2022 and signed on its behalf by:

  
Mrs J Vyvyan  
Chair of Governors

**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**  
**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**

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**Opinion**

We have audited the consolidated financial statements of Farleigh School Trust Limited for the year ended 31 July 2022 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 2022 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)**

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**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.

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

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**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)**

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**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, and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

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](http://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: 22 November 2022**

**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 2022**

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
<b>INCOME FROM:</b>					
<b>Donations and legacies</b>	3	6,564	21,638	28,202	11,474
<b><i>Income Charitable activities</i></b>					
School Operating income	4	9,548,037	-	9,548,037	8,697,120
<b><i>Income from other trading activities</i></b>					
Trading income	5	323,977	-	323,977	275,503
Investment income		259	-	259	464
Income from government grants		-	-	-	119,707
<b>TOTAL INCOME</b>		<u>9,878,837</u>	<u>21,638</u>	<u>9,900,475</u>	<u>9,104,268</u>
<b>EXPENDITURE ON:</b>					
<b><i>Costs of raising funds</i></b>					
Trading expenditure	6	110,177	-	110,177	103,595
<b><i>Expenditure on charitable activities</i></b>					
School operating costs	6	9,436,954	-	9,436,954	8,624,322
<b>TOTAL EXPENDITURE</b>		<u>9,547,131</u>	<u>-</u>	<u>9,547,131</u>	<u>8,727,917</u>
<b>NET INCOME AND NET MOVEMENT IN FUNDS FOR THE YEAR</b>		331,706	21,638	353,344	376,351
<b><i>Reconciliation of funds:</i></b>					
Total funds brought forward	17	15,834,103	278,723	16,112,826	15,736,475
<b>Total funds carried forward</b>	17	<u>16,165,809</u>	<u>300,361</u>	<u>16,466,170</u>	<u>16,112,826</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 2022**

		<b>Group</b>		<b>Company</b>	
	<b>Notes</b>	<b>2022 £</b>	<b>2021 £</b>	<b>2022 £</b>	<b>2021 £</b>
<b>FIXED ASSETS</b>					
Tangible assets	8	16,082,871	16,035,018	217,947	123,733
		<u>16,082,871</u>	<u>16,035,018</u>	<u>217,947</u>	<u>123,733</u>
<b>CURRENT ASSETS</b>					
Stock	10	218,922	151,404	218,922	151,404
Debtors	11	409,690	358,952	6,644,065	6,086,554
Cash at bank and in hand		2,053,128	1,718,441	2,053,128	1,718,441
		<u>2,681,740</u>	<u>2,228,797</u>	<u>8,916,115</u>	<u>7,956,399</u>
<b>LIABILITIES</b>					
Creditors falling due within one year	12	(1,702,156)	(1,385,512)	(1,702,156)	(1,385,512)
		<u>979,584</u>	<u>843,285</u>	<u>7,213,959</u>	<u>6,570,887</u>
<b>Net current assets</b>					
<b>Total assets less current liabilities</b>		<u>17,062,455</u>	<u>16,878,303</u>	<u>7,431,906</u>	<u>6,694,620</u>
<b>CREDITORS: falling due after more than one year</b>	13	(588,920)	(723,822)	(588,920)	(723,822)
<b>Provision for liabilities</b>	14	(7,365)	(41,655)	(7,365)	(41,655)
<b>NET ASSETS</b>		<u>16,466,170</u>	<u>16,112,826</u>	<u>6,835,621</u>	<u>5,929,143</u>
<b>FUNDS</b>					
Unrestricted funds	17	16,165,809	15,834,103	6,535,260	5,650,420
Restricted funds	17	300,361	278,723	300,361	278,723
<b>TOTAL FUNDS</b>	17	<u>16,466,170</u>	<u>16,112,826</u>	<u>6,835,621</u>	<u>5,929,143</u>

The net movement in funds for the Company during the year was £906,478 (2021: £988,368).

The Financial Statements were approved by the board on 11 November 2022  
and signed on its behalf by:

  
Mrs J Vyvyan  
Chair of Governors

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 2022**

	Notes	Total 2022 £	Total 2021 £
<b>CASH PROVIDED BY /(USED IN) OPERATING ACTIVITIES</b>	21	738,722	895,595
<i>Cash flows from investing activities:</i>			
Interest income		259	464
Purchase of tangible fixed assets		(700,126)	(320,835)
Proceeds from disposals of tangible fixed assets		8,750	-
<b>CASH USED IN INVESTING ACTIVITIES</b>		(691,117)	(320,371)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowing		-	(43,333)
Fees received in advance		287,082	329,323
<b>CASH PROVIDED BY FINANCING ACTIVITIES</b>		287,082	285,990
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		334,687	861,214
Cash and cash equivalents at the beginning of the year		1,718,441	857,227
<b>TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		2,053,128	1,718,441
<b>CASH AND CASH EQUIVALENTS:</b>			
Cash at bank and in hand		2,053,128	1,718,441
		2,053,128	1,718,441

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 2022**

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**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 School Trust 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 School 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, reviewed 12 month budgets, 5 year forecasts and 15 month 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 2022**

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**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.

**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 2022**

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**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**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Gifts	28,202	11,474

The income from donations and legacies is made up of unrestricted £6,564 (2021: £2,755) and restricted £21,638 (2021: £8,719). The restricted income is made up of £21,638 in respect of the St Theresa Fund, see note 17.

**4. SCHOOL OPERATING INCOME**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Fees</b>		
Gross fees	9,526,553	9,217,579
Less: Total Scholarships, bursaries and allowances	(517,353)	(479,267)
COVID-19 discount (summer term)	-	(537,003)
Recharged extras	538,837	495,811
	<u>9,548,037</u>	<u>8,697,120</u>

**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

**5. TRADING AND ANCILLARY INCOME**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Holiday activities	33,222	51,935
Clothing shop	92,576	94,922
Swimming pool	78,558	34,345
Disbursements and miscellaneous	119,621	94,301
	<u>323,977</u>	<u>275,503</u>

**6. EXPENDITURE**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Trading expenditure</b>		
Cost of goods sold	59,577	76,081
Clothing shop and swimming pool salaries	40,420	18,599
Bank charges	4,384	4,587
Advance fee finance costs	5,796	4,328
	<u>110,177</u>	<u>103,595</u>

**School operating costs**

Teaching salaries and related costs	4,519,255	4,256,679
Administrative staff salaries and related costs	1,736,473	1,600,169
Office costs and supplies	214,185	194,362
Welfare	526,593	470,773
Property and grounds	994,939	733,945
School expenses	586,894	453,117
Marketing, recruitment and advertising	77,878	68,128
Scholarships and prizes	5,735	6,971
Legal and professional fees	29,900	36,602
Provision for doubtful debts	782	196
Depreciation and disposal of assets	643,523	723,810
Callaghan Fund	-	300
Dodd Fund	-	432
General expenses	80,052	59,328
Governance costs (see below)	20,745	19,510
	<u>9,436,954</u>	<u>8,624,322</u>



**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

**6. EXPENDITURE (continued)**

**Governance costs (included in school operating costs above)**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration	20,640	19,280
Governors' training and expenses	105	230
	<u>20,745</u>	<u>19,510</u>

**7. SALARIES AND RELATED COSTS**

Included within school operating costs are the following:

**WAGES AND SALARIES**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Salaries and wages	4,765,859	4,504,002
Employers' NI	465,571	424,599
Pension contributions – defined benefits	600,229	624,599
Pension contributions – defined contribution	107,052	77,212
	<u>5,938,711</u>	<u>5,630,412</u>

The average number of staff are:

	<b>2022</b>		<b>2021</b>	
	<b>Full time</b>	<b>Part time</b>	<b>Full time</b>	<b>Part time</b>
Academic	62	25	62	24
Administration and support	35	49	31	46
In class support	10	14	10	13
	<u>107</u>	<u>88</u>	<u>103</u>	<u>83</u>

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Between £60,001 and £70,000	1	1
Between £80,001 and £90,000	-	1
Between £90,001 and £100,000	1	-
Between £140,001 and £150,000	1	1
	<u>1</u>	<u>1</u>

In addition, pension contributions totalling £55,926 (2021: £62,949) 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 Pastoral, and Head of Pre-Prep (2021 also included Deputy Head of Academic). The remuneration including benefits of key management personnel for the group was £470,156 (2021: £546,033).

There were no payments to the Governors during the year. During the year, 2 governors had children at the school (2021: 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 £1,764 (2021: £1,445).

There were termination payments of £14,146 made to staff during the year (2021: 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 £575,946 (2021: £600,871) and at the year end £66,381 (2021: £63,508) 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 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.

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 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 1<sup>st</sup> January 2022. 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 2022 the pension cost charge for this scheme amounted to £61,484 (2021: £29,456). At the year end there was a creditor of £9,889 (2021: £86).

**7. SALARIES AND RELATED COSTS (continued)**

**PENSION AND SIMILAR OBLIGATIONS (continued)**

**The Pensions Trust Growth Plan**

The company participates in The Pensions Trust's Growth Plan, a multi-employer scheme which provides benefits to some 638 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.

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**

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From 1 April 2022 to 31 January 2025:	£3,312,000 per annum (payable monthly)
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Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

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From 1 April 2019 to 30 September 2025:	£11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)
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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.



**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

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**7. SALARIES AND RELATED COSTS (continued)**

**PENSION AND SIMILAR OBLIGATIONS (continued)**

**The Pensions Trust Growth Plan (continued)**

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:

	<b>2022 (£,000)</b>	<b>2021 (£,000)</b>	<b>2020 (£,000)</b>
Net present value	7	42	53
Discount rate	3.15%	0.57%	0.60%

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

In the year ended 31 July 2022 the pension cost charge for support staff included in The Pensions Trust's Growth Plan amounted to £24,283 (2021: £24,662) and deficit contributions of £9,804 (2021: £11,246). 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 2022 the pension cost charge amounted to £42,613 (2021: £39,028). At the year end there was a creditor of £10,409 (2021: £8,174).

**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2022**

**8. FIXED ASSETS**

<b>Group</b>	<b>Land, freehold Premises and Improvements £</b>	<b>Furniture and Equipment £</b>	<b>Motor Vehicles £</b>	<b>Computer Equipment £</b>	<b>Total £</b>
<b>Cost/Deemed cost</b>					
At 1 August 2021	21,522,390	765,520	11,994	399,947	22,699,851
Additions	506,773	148,630	-	44,723	700,126
Disposals	-	(8,500)	-	-	(8,500)
<b>At 31 July 2022</b>	<u>22,029,163</u>	<u>905,650</u>	<u>11,994</u>	<u>444,670</u>	<u>23,391,477</u>
<b>Depreciation</b>					
At 1 August 2021	5,611,105	686,373	8,809	358,546	6,664,833
Charge for year	553,134	57,038	796	41,305	652,273
Disposals	-	(8,500)	-	-	(8,500)
<b>At 31 July 2022</b>	<u>6,164,239</u>	<u>734,911</u>	<u>9,605</u>	<u>399,851</u>	<u>7,308,606</u>
<b>Net book value</b>					
<b>At 31 July 2022</b>	<u>15,864,924</u>	<u>170,739</u>	<u>2,389</u>	<u>44,819</u>	<u>16,082,871</u>
At 1 August 2021	<u>15,911,285</u>	<u>79,147</u>	<u>3,185</u>	<u>41,401</u>	<u>16,035,018</u>

**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

**8. FIXED ASSETS (continued)**

<b>Parent company</b>	<b>Furniture and Equipment £</b>	<b>Motor Vehicles £</b>	<b>Computer Equipment £</b>	<b>Total £</b>
<b>Cost/Deemed cost</b>				
At 1 August 2021	765,520	11,994	399,947	1,177,461
Additions	148,630	-	44,723	193,353
Disposals	(8,500)	-	-	(8,500)
<b>At 31 July 2022</b>	<b>905,650</b>	<b>11,994</b>	<b>444,670</b>	<b>1,362,314</b>
<b>Depreciation</b>				
At 1 August 2021	686,373	8,809	358,546	1,053,728
Charge for year	57,038	796	41,305	99,139
Disposals	(8,500)	-	-	(8,500)
<b>At 31 July 2022</b>	<b>734,911</b>	<b>9,605</b>	<b>399,851</b>	<b>1,144,367</b>
<b>Net book value</b>				
<b>At 31 July 2022</b>	<b>170,739</b>	<b>2,389</b>	<b>44,819</b>	<b>217,947</b>
At 1 August 2021	79,147	3,185	41,401	123,733

**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 £9,630,549 (2021: £10,183,683) 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 2022**

**9. INVESTMENTS (continued)**

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Total Income	-	-
Total Expenditure	(553,134)	(612,017)
Net movement in funds for the year	(553,134)	(612,017)
<b>Total funds carried forward</b>	<u><u>9,630,549</u></u>	<u><u>10,183,683</u></u>

**10. STOCK**

	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>	<b>£</b>
Stock	<u><u>218,922</u></u>	<u><u>151,404</u></u>	<u><u>218,922</u></u>	<u><u>151,404</u></u>

**11. DEBTORS**

	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fees and disbursements	26,261	53,842	26,261	53,842
Summer term disbursements	175,256	114,941	175,256	114,941
Other debtors	46,067	28,932	46,067	28,932
Amounts owed by group entities	-	-	6,234,375	5,727,602
Prepayment and accrued income	162,106	161,237	162,106	161,237
	<u><u>409,690</u></u>	<u><u>358,952</u></u>	<u><u>6,644,065</u></u>	<u><u>6,086,554</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.

**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fee deposits held	30,500	33,000	30,500	33,000
Trade creditors	515,678	296,488	515,678	296,488
Fees received in advance	140,208	223,399	140,208	223,399
Fees in advance scheme (see note 15)	279,975	218,756	279,975	218,756
Holiday pay accrual	378,281	341,744	378,281	341,744
Other creditors and accruals	142,947	96,356	142,947	96,356
Pension creditor	88,189	74,378	88,189	74,378
Tax and social security	126,378	101,391	126,378	101,391
	<u>1,702,156</u>	<u>1,385,512</u>	<u>1,702,156</u>	<u>1,385,512</u>

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

	<b>Group and Company 2022 £</b>	<b>Group and Company 2021 £</b>
Fees received in advance scheme (see note 15)	375,500	515,394
Fee deposits held	213,420	208,428
	<u>588,920</u>	<u>723,822</u>

**14. PENSION PROVISION**

	<b>Group and Company 2022 £</b>	<b>Group and Company 2021 £</b>
Opening balance	41,655	52,600
Movement in provision (note 7)	(34,290)	(10,945)
	<u>7,365</u>	<u>41,655</u>

**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

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**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:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Within one year	279,975	218,756
Within one to two years	174,404	139,895
Within two to five years	201,096	375,499
	<u>655,475</u>	<u>734,150</u>

**16. COMMITMENTS UNDER OPERATING LEASES**

At 31 July 2022 the charity had aggregate annual commitments under non-cancellable operating leases for hire of plant, machinery and equipment as set out below:

	<b>Group and Company 2022</b>	<b>Group and Company 2021</b>
	<b>£</b>	<b>£</b>
Amounts due:		
Within one year	82,020	87,798
Between one and two years	96,554	131,750
	<u>178,574</u>	<u>219,548</u>



**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

**17. ACCUMULATED FUNDS**

<b>Group</b>	<b>At 1 August 2021 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfer Between Funds £</b>	<b>At 31 July 2022 £</b>
<b>Unrestricted fund</b>	15,834,103	9,878,837	(9,547,131)	-	16,165,809
<b>Restricted funds</b>					
B Harrison Fund	1,913	-	-	-	1,913
Callaghan Fund	8,921	-	-	-	8,921
Rugby Fund	1,996	-	-	-	1,996
Farleigh Society Fund	18,013	-	-	-	18,013
Dodd Fund	9,568	-	-	-	9,568
St Theresa Fund	238,312	21,638	-	-	259,950
<b>Total restricted funds</b>	<b>278,723</b>	<b>21,638</b>	<b>-</b>	<b>-</b>	<b>300,361</b>
<b>Total Funds</b>	<b>16,112,826</b>	<b>9,900,475</b>	<b>(9,547,131)</b>	<b>-</b>	<b>16,466,170</b>

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.

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 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.

**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

**17. ACCUMULATED FUNDS (continued)**

<b>Company</b>	<b>At 1 August 2021 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfer Between Funds £</b>	<b>At 31 July 2022 £</b>
<b>Unrestricted fund</b>	5,650,420	9,878,837	(8,993,997)	-	6,535,260
<b>Restricted funds</b>					
B Harrison Fund	1,913	-	-	-	1,913
Callaghan Fund	8,921	-	-	-	8,921
Rugby Fund	1,996	-	-	-	1,996
Farleigh Society Fund	18,013	-	-	-	18,013
Dodd Fund	9,568	-	-	-	9,568
St Theresa Fund	238,312	21,638	-	-	259,950
<b>Total restricted funds</b>	278,723	21,638	-	-	300,361
<b>Total Funds</b>	5,929,143	9,900,475	(8,993,997)	-	6,835,621

**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

**17. ACCUMULATED FUNDS (continued)**

**Comparative Figures**

<b>Group</b>	<b>At 1 August 2020 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfer Between Funds £</b>	<b>At 31 July 2021 £</b>
<b>Unrestricted fund</b>	15,465,739	9,095,549	(8,727,185)	-	15,834,103
<b>Restricted funds</b>					
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
	270,736	8,719	(732)	-	278,723
<b>Total restricted funds</b>					
<b>Total Funds</b>	15,736,475	9,104,268	(8,727,917)	-	16,112,826

<b>Company</b>	<b>At 1 August 2020 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfer Between Funds £</b>	<b>At 31 July 2021 £</b>
<b>Unrestricted fund</b>	4,670,039	9,095,549	(8,115,168)	-	5,650,420
<b>Restricted funds</b>					
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
	270,736	8,719	(732)	-	278,723
<b>Total restricted funds</b>					
<b>Total Funds</b>	4,940,775	9,104,268	(8,115,900)	-	5,929,143



**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**2022**

<b>Group</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total £</b>
Tangible fixed assets	16,082,871	-	16,082,871
Current assets	2,381,379	300,361	2,681,740
Current liabilities	(1,702,156)	-	(1,702,156)
Long term liabilities	(596,285)	-	(596,285)
<b>Total net assets</b>	<b>16,165,809</b>	<b>300,361</b>	<b>16,466,170</b>

<b>Company</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total £</b>
Tangible fixed assets	217,947	-	217,947
Current assets	8,615,754	300,361	8,916,115
Current liabilities	(1,702,156)	-	(1,702,156)
Long term liabilities	(596,285)	-	(596,285)
<b>Total net assets</b>	<b>6,535,260</b>	<b>300,361</b>	<b>6,835,621</b>

**FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (Continued)**

**2021**

<b>Group</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2021 Total £</b>
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>

<b>Company</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2021 Total £</b>
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>

**19. CAPITAL COMMITMENTS**

Capital expenditure of £407,152 (2021: £186,073) 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 (2021: £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 2022**

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

	Group 2022 £	Group 2021 £
Net movement in funds	353,344	376,351
Deposit interest receivable	(259)	(464)
Finance cost on advanced fees	5,796	4,328
Operating surplus	358,881	380,215
Depreciation of tangible assets	652,273	723,810
Decrease/(Increase) in stocks	(67,518)	(31,230)
Decrease/(Increase) in debtors	(50,738)	(132,909)
Increase/(decrease) in creditors	260,417	265,316
Advanced fees drawdown	(371,553)	(298,662)
Profit on sale of fixed assets	(8,750)	-
Movement in provisions for liabilities	(34,290)	(10,945)
	<u>738,722</u>	<u>895,595</u>

**22. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 August 2021 £'000	Cash flows £'000	Fair value movements £'000	Other non-cash changes £'000	At 31 July 2022 £'000
<b>Cash and cash equivalents</b>					
Cash	1,718,441	334,687	-	-	2,053,128
<b>Total</b>	<u>1,718,441</u>	<u>334,687</u>	<u>-</u>	<u>-</u>	<u>2,053,128</u>



FARLEIGH SCHOOL TRUST LIMITED AND SUBSIDIARY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022

23. PRIOR YEAR COMPARATIVES BY FUND

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

