

Charity registration number 280428 (England and Wales)

Company registration number 1497558

**THE SWEDISH FOLK HIGH SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

THE SWEDISH FOLK HIGH SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	P Sanders N Wescombe E Ingvarsson C Olsson
Secretary	A Thatcher
Charity number (England and Wales)	280428
Company number	1497558
Registered office	Loxdale Locks Hill Portslade East Sussex BN41 2LA
Auditor	West & Berry Limited Nile House Nile Street Brighton BN1 1HW
Bankers	Natwest Bank PLC Western Avenue Chatham Maritime Chatham ME4 4RT

THE SWEDISH FOLK HIGH SCHOOL

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THE SWEDISH FOLK HIGH SCHOOL

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their report and financial statements for the year ended 31 December 2024.

Please refer to Legal and Administrative Information page for charity statutory information.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 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 (FRS 102)" (effective 1 January 2019).

Objectives and activities

The school was established for the advancement, promotion and furtherance of public education.

The charity's main objective is the provision of high-quality educational courses for foreign students. The policy continues to be to utilise the funds supplied by Folkhogskola Braheskolan and the charity's assets in the most efficient and effective manner for the benefit of the students.

The involvement of Folkhogskola Braheskolan enables the charity to concentrate on the education of the students. The charity also supplies conference and sports facilities to the local community.

The objectives of The Swedish Folk High School for the year were to:

- Continue to provide high quality educational courses for foreign students and to work on educational improvements.
- Refresh our website and marketing information ready for concerted promotions in 2025.
- Update and improve the condition of the buildings for student and staff comfort.
- Continue to offer a wide range of Continual Professional Development options for all staff.
- Hire staff to include help in the Accommodation and Sales departments
- Build up reserves for future building work and repairs.
- Produce a video to promote our courses for Young Learners
- To conduct a feasibility study to see the viability of building a student residence on site.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The charitable company's policy is to consult and discuss with employees matters likely to affect employees' interests.

Information of matters of concern to employees is given through regular meetings, information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the performance of the charity.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charitable company continues and that the appropriate training is arranged. It is the policy of the charitable company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Strategic report

The description under headings 'Achievements and performance' and 'Financial review' meet the company law requirements for the trustees to present a strategic report.

THE SWEDISH FOLK HIGH SCHOOL

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Achievements and performance

2024 started off well with Loxdale welcoming Swedish students, international adults and then a mix of 65 Chileans, Panamanians and Peruvians for the Winter course. It was a lively and interesting course with excellent feedback from the group leaders and students. All wanted to rebook for Winter 2025.

When the Winter course finished, Loxdale continued with closed courses of teenagers throughout the Spring alongside their adult programmes. The split of teaching adults in one building and teenagers in the other continues to work well.

The Swedish students who study at Loxdale continue to be from all social backgrounds including immigrants to Sweden, those with mild depression, autism or Asperger's, those with an incomplete secondary education, university students and mature students. Some have a range of mental health issues, and the school continued to provide monthly counselling sessions, support them through regular meetings and tutorials and individualising support when needed.

The Summer courses went very well with wonderful students. There was an article in the EL Gazette which shows that Loxdale English Centre is in the Top 5 Summer Courses 2024.

The Principal still has to restrict the number of students for the summer period. The pressure on accommodation in particular means that she feels that it was important to keep the quality and safety of the courses high and to build up resources gradually to ensure this. Loxdale had it's busiest year for the small on site residence in the summer with a maximum of 20 students with 2 staff caring for them.

Loxdale managed to recruit all the staff they needed and had a very successful summer. Already all the groups have re-booked for Summer 2025.

Due to our high British Council scores, Loxdale was told that we were still in the top 8% of all English language teaching providers in the UK. We were awarded use of the EL Gazette Centre of Excellence logo.

A priority of the school for 2024 was to do some essential work to the school and facilities. Work was done to rebuild the showers and toilets in Loxhall and to split one large bedroom into two rooms. This will provide extra income from accommodation for adults to help build up the school reserves. One of the social rooms was also made into accommodation.

The Autumn term went well, and the number of international students increased.

One of the main focus for the Autumn was preparing for the British Council inspection which will take place in January 2025 and making sure all staff felt confident and happy in their roles.

The other focus was on conducting a feasibility study on the viability of building a larger student residence on site. Through meetings with a quantitative surveyor and architects and initial discussions with the bank, it was decided to split the ambitious plans into two phases. The initial phase is to maximize the number of students in the Loxhall building whilst increasing the quality. The second phase will see the expansion of the dining room, create a larger common room and four classrooms as well as more bedrooms.

During the Autumn much work was also done by Loxdale to build up and promote the Winter 2025 teenage course and closed group course numbers for 2025 and this is looking very promising.

Loxdale also paid off both of their loans in the Autumn – the Covid loan and the long-term loan.

The Swedish Folk High School continues to be a committed member of the English UK Special Interest Group for Young Learners and has improved its procedures and policies for working with vulnerable adults and children. Anna Thatcher, Principal is on the Board and organises training sessions for this group. Anna Thatcher is still involved with Sussex Safeguarding, a dedicated Safeguarding Group for language schools in Brighton.

The charity continues to welcome requests from various charities and members of the local community to use the sports hall and conference facilities at discounted rates.

THE SWEDISH FOLK HIGH SCHOOL

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Financial review

The statement of Financial Activities shows a net deficit of £49,280 (2023: £1,536 surplus), total reserves stand at £1,074,416 (2023: £1,123,696) and free reserves at £35,192 (2023: £91,899).

The principal sources of income are the educational grant from Folkhogskola Braheskolan supplemented by conference, rental, the Summer School, non-Swedish students, and closed group income.

The expenditure during the year continued to be applied to staff costs and the premises running costs, supporting the objectives.

The present level of funding is considered adequate to support the continuation of The Swedish Folk High School and the trustees consider that the financial position of the charity is satisfactory.

The total number of student weeks (Swedes, Summer and International students) was almost back to 2019 numbers

2024	2023	2022	2021	2020	2019
3,658	3,449	2,725	1,471	1,343	3,819

The Principal and Accounts Manager continue to work together to react to maintain cashflow for the school.

As in 2023, the Board confirmed that their parent company, Folkuniversitetet, is in a strong financial situation and this should serve as a guarantee. There is no threat to Loxdale's continued work over the next year.

The trustees plan to increase free reserves to support the future development of the charity.

Organisational controls include an annual review of the controls over key financial systems.

The trustees have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

Plans for the future include continual improvement to the school and the courses offered. The situation is looking very positive for 2025 including a busy Winter teenager course with new nationalities in January 2025 and a well booked diary of closed-group courses throughout the Winter and Spring. Summer 2025 bookings have also started to come in and look very promising.

Structure, governance and management

The charitable company is a company limited by guarantee and is therefore governed by its Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

P Sanders
N Wescombe
E Ingvarsson
C Olsson

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

THE SWEDISH FOLK HIGH SCHOOL

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

The company's Memorandum & Articles state that one-third of the directors must resign each year but each can be eligible for re-election should he/she and the Board wish it.

In accordance with the charity's procedures, new trustees, with an interest in the marketing and success of the charity are nominated by Stiftelsen Braheskolan. They are inducted and supported by the Chairman. The trustees are currently looking to elect one more person to the Board.

The trustees meet at least four times a year to manage the charity's affairs. At these meetings the current situation is discussed, along with the marketing process, financial position, major maintenance issues and funding. The Principal makes the day-to-day decisions in running the school and meets with one or more of the Board to discuss marketing and major financial decisions at various times. Key management remuneration is set by the Trustees.

The charity receives grant income from Folkhogskola Braheskolan on a monthly basis.

The trustees consider that the major risk to which the charity is exposed is a reduction in grant funding. However, the increase in the number of international students, closed course income and the development of the summer young learner courses are considered sufficient to mitigate this risk.


Auditor

In accordance with the company's articles, a resolution proposing that West & Berry Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees report was approved by the Board of Trustees.


.....
P Sanders
Trustee


.....
C Olsson
Trustee

Date: 28 Feb 2025
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THE SWEDISH FOLK HIGH SCHOOL

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees, who are also the directors of The Swedish Folk High School for the purpose of company law, are responsible for preparing the Trustees 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE SWEDISH FOLK HIGH SCHOOL

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE SWEDISH FOLK HIGH SCHOOL

Opinion

We have audited the financial statements of The Swedish Folk High School (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its 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 charity 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

THE SWEDISH FOLK HIGH SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE SWEDISH FOLK HIGH SCHOOL

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: the Charities Act 2011, the Companies Act 2006, safeguarding legislation, health & safety and employment laws.
- We obtained an understanding of how the charity is complying with the legal and regulatory frameworks by making inquiries to management.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
- identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE SWEDISH FOLK HIGH SCHOOL

- understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- assessing the extent of compliance with the relevant laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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.

Michelle Westbury FCCA

Michelle Westbury FCCA (Senior Statutory Auditor)

For and on behalf of West & Berry Limited, Statutory Auditor

Chartered Certified Accountants

Nile House

Nile Street

Brighton

BN1 1HW

Date: 28 Feb 2025.....

THE SWEDISH FOLK HIGH SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from:			
Donations and legacies	3	253,523	254,484
Charitable activities	4	911,195	823,036
Investments	5	44,745	38,747
Total income		1,209,463	1,116,267
Expenditure on:			
Charitable activities	6	1,258,743	1,114,731
Total expenditure		1,258,743	1,114,731
Net income/(expenditure) and movement in funds		(49,280)	1,536
Reconciliation of funds:			
Fund balances at 1 January 2024		1,123,696	1,122,160
Fund balances at 31 December 2024		1,074,416	1,123,696

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.


THE SWEDISH FOLK HIGH SCHOOL

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	11		1,039,224		1,031,797
Current assets					
Debtors	12	218,609		235,186	
Cash at bank and in hand		177,340		434,857	
		395,949		670,043	
Creditors: amounts falling due within one year	14	(360,757)		(493,319)	
Net current assets			35,192		176,724
Total assets less current liabilities			1,074,416		1,208,521
Creditors: amounts falling due after more than one year	15		-		(84,825)
Net assets			1,074,416		1,123,696
The funds of the charity					
Unrestricted funds			1,074,416		1,123,696
			1,074,416		1,123,696

The financial statements were approved by the trustees on 28 Feb 2025


 P Sanders
 Trustee


 C Olsson
 Trustee

Company registration number 1497558 (England and Wales)

THE SWEDISH FOLK HIGH SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	20		(174,868)		101,627
Investing activities					
Purchase of tangible fixed assets		(14,636)		(21,687)	
Investment income received		44,745		38,747	
Net cash generated from investing activities			30,109		17,060
Financing activities					
Repayment of bank loans		(112,758)		(25,361)	
Net cash used in financing activities			(112,758)		(25,361)
Net (decrease)/increase in cash and cash equivalents			(257,517)		93,326
Cash and cash equivalents at beginning of year			434,857		341,531
Cash and cash equivalents at end of year			177,340		434,857

THE SWEDISH FOLK HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

The Swedish Folk High School is a private company limited by guarantee incorporated in England and Wales. The registered office is Loxdale, Locks Hill, Portslade, East Sussex, BN41 2LA.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The accounts comply with FRS 102.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

The charity established a designated fund as a reserve to protect against industry downturn, perform emergency repair work, or other uses at the discretion of the trustees. In normal years, the fund shall equate to 30% of the annual surplus.

1.4 Income

Grant and rental income are included on a receivable basis. Course fees received in advance are deferred.

Funds received as Agent relating to accommodation are not recognised in the accounts.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

THE SWEDISH FOLK HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Resources expended are included in the Statement of Financial Activities on an accruals basis inclusive of any VAT which cannot be recovered.

Charitable expenditure are expenses incurred directly in pursuance of the charity's principal activity and support costs relating to this activity.

Support costs are those incurred in connection with running the charity that enables the charitable activity to be undertaken.

Governance costs are those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

The Charity has a policy of capitalising fixed assets that cost in excess of £250.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line (where above residual value)
Plant and equipment	25% reducing balance
Motor vehicles	25% reducing balance

No depreciation is provided in respect of freehold land and buildings. The Charity has a policy of high maintenance of the building and the trustees feel that this leads to a high residual value such that depreciation would not be material.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

THE SWEDISH FOLK HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoings resources.

1.13 Funds

The funds of the charity are all unrestricted.

1.14 Value added tax

Value added tax is not recovered by the charity and as such is included in the relevant costs in the Statement of Financial Activities.

THE SWEDISH FOLK HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Grants	253,523	254,484

4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income		
Incoming resources from charitable activities	911,195	823,036

Funds received as agent not recognised in the accounts £530,428 (2023: £501,123)

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income and bank interest	44,745	38,747

THE SWEDISH FOLK HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

6 Expenditure on charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Direct costs		
Staff costs	529,966	474,291
Depreciation and impairment	3,256	5,777
Commission and discounts	35,747	29,024
Material/library/student	342,601	328,658
Staff canteen/welfare/entertainment	12,519	14,261
Building costs	217,448	152,519
Marketing costs	12,741	11,843
Bus passes	23,865	29,499
Other administration costs - main	32,737	32,920
Representation/British Council	6,012	5,271
Subscriptions and professional fees	16,202	2,268
Bank charges	2,243	2,262
Loan interest	7,049	9,930
Loss on disposal of tangible fixed assets	3,956	3,181
	<u>1,246,342</u>	<u>1,101,704</u>
Share of support and governance costs (see note)		
Governance	12,401	13,027
	<u>1,258,743</u>	<u>1,114,731</u>
Analysis by fund		
Unrestricted funds	<u>1,258,743</u>	<u>1,114,731</u>

Governance costs include payments to the auditors for audit fees of £5,650 (2023: £5,650) and non-audit fees £4,100 (2023: £4,100).

Included in expenditure above are operating lease payments of £3,744 (2023: £3,744).

Support costs are costs incurred to facilitate an activity. Unlike direct costs, which result directly from undertaking the activity. All costs above relate directly to the one activity of running of the school, support costs including payroll and finance are not considered material to disclose separately as support costs.

7	Net movement in funds	2024 £	2023 £
	The net movement in funds is stated after charging/(crediting):		
	Fees payable for the audit of the charity's financial statements	5,650	5,650
	Depreciation of owned tangible fixed assets	3,256	5,777
		<u></u>	<u></u>

THE SWEDISH FOLK HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Three trustees were reimbursed for accommodation expenses totalling £320 during the year (2023: Nil).

9 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Administrative	6	6
Teaching	15	14
Premises	2	2
Total	23	22

Employment costs

	2024 £	2023 £
Wages and salaries	486,641	436,410
Social security costs	31,366	26,640
Other pension costs	11,959	11,241
	529,966	474,291

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,000 to £70,000	1	-

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	63,332	59,421

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

THE SWEDISH FOLK HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

11 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2024	1,017,650	69,434	800	1,087,884
Additions	11,807	2,829	-	14,636
Disposals	-	(28,643)	-	(28,643)
At 31 December 2024	1,029,457	43,620	800	1,073,877
Depreciation and impairment				
At 1 January 2024	-	55,392	693	56,085
Depreciation charged in the year	-	3,229	27	3,256
Eliminated in respect of disposals	-	(24,688)	-	(24,688)
At 31 December 2024	-	33,933	720	34,653
Carrying amount				
At 31 December 2024	1,029,457	9,687	80	1,039,224
At 31 December 2023	1,017,650	14,041	106	1,031,797

On adoption of FRS 102 the deemed cost exemption was applied to land and buildings with a carrying value of £1,000,000.

At the 31 December 2024, had the revalued assets been carried at historical cost less accumulated depreciation and accumulated impairment losses, their carrying amounts would have been approximately £948,032 (2023: £936,225).

12 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	169,735	168,537
Other debtors	7,952	11,554
Prepayments and accrued income	40,922	55,095
	218,609	235,186

13 Loans and overdrafts

	2024	2023
	£	£
Bank loans	-	112,758
Payable within one year	-	27,933
Payable after one year	-	84,825

THE SWEDISH FOLK HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

13 Loans and overdrafts

(Continued)

The long-term loans were secured by fixed charges over the freehold land and building, and were repaid in full during the year.

14 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans	13	-	27,933
Other taxation and social security		8,217	12,748
Deferred income	16	326,542	418,384
Trade creditors		6,369	11,622
Other creditors		4,346	8,248
Accruals		15,283	14,384
		<u>360,757</u>	<u>493,319</u>

15 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	13	-	84,825
		<u>-</u>	<u>84,825</u>

16 Deferred income

	2024 £	2023 £
Arising from course fees	326,542	418,384
	<u>326,542</u>	<u>418,384</u>

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	326,542	418,384
	<u>326,542</u>	<u>418,384</u>
Movements in the year:		
Deferred income at 1 January 2024	418,384	271,674
Released from previous periods	(418,384)	(271,674)
Resources deferred in the year	326,542	418,384
	<u>326,542</u>	<u>418,384</u>
Deferred income at 31 December 2024	<u>326,542</u>	<u>418,384</u>

THE SWEDISH FOLK HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

17 Retirement benefit schemes

	2024	2023
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	11,959	11,241

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charitable company to the fund.

The pension liabilities outstanding at the year end were £1,384 (2023: £1,114)

18 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	3,744	3,744
Between two and five years	4,608	8,352
	8,352	12,096

19 Related party transactions

Trustees

There are no related party transactions with any trustees for both the current and prior year.

20 Cash (absorbed by)/generated from operations

	2024	2023
	£	£
(Deficit)/surplus for the year	(49,280)	1,536
Adjustments for:		
Investment income recognised in statement of financial activities	(44,745)	(38,747)
Loss on disposal of tangible fixed assets	3,955	3,181
Depreciation and impairment of tangible fixed assets	3,256	5,777
Movements in working capital:		
Decrease in debtors	16,577	5,679
(Decrease) in creditors	(12,789)	(22,509)
(Decrease)/increase in deferred income	(91,842)	146,710
Cash (absorbed by)/generated from operations	(174,868)	101,627

THE SWEDISH FOLK HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

21 Analysis of changes in net funds

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	434,857	(257,517)	177,340
Loans falling due within one year	(27,933)	27,933	-
Loans falling due after more than one year	(84,825)	84,825	-
	<u>322,099</u>	<u>(144,759)</u>	<u>177,340</u>