

Company registration number: 01720539

Charity registration number: 287037

# Greenfields Educational Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

Manningtons

39 High Street  
Battle  
East Sussex  
TN33 0EE

## **Greenfields Educational Trust**

### **Contents**

Reference and Administrative Details	1
Trustees Report	2 to 5
Statement of Trustees' Responsibilities	6
Independent Auditors' Report	7 to 10
Statement of Financial Activities	11 to 12
Balance Sheet	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 to 27

## **Greenfields Educational Trust**

### **Reference and Administrative Details**

<b>Chairman</b>	P Hodkin
<b>Chief Executive Officer</b>	Beverley Croft - Resigned 01.03.2021
<b>Trustees</b>	P Hodkin J Scarfe Beckett A V Chalmers S L Rush A C Calcioli S M Guy
<b>Secretary</b>	V Tupholme
<b>Principal Office</b>	Greenfields School Priory Road Forest Row East Sussex RH18 5JD  The charity is incorporated in England and Wales.
<b>Company Registration Number</b>	01720539
<b>Charity Registration Number</b>	287037
<b>Solicitors</b>	Hodkin & Company 42-44 Copthorne Road Felbridge East Grinstead West Sussex RH19 2NS
<b>Bankers</b>	HSBC Bank plc 56-58 London Road East Grinstead West Sussex RH19 1BJ
<b>Auditor</b>	Manningtons Statutory auditor 39 High Street Battle East Sussex TN33 0EE

## **Greenfields Educational Trust**

### **Trustees Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2021.

#### **Trustees**

P Hodkin

J Scarfe Beckett

A V Chalmers

S L Rush

A C Calcioli (appointed 2 April 2021)

S M Guy (appointed 2 April 2021)

#### **Structure, governance and management**

##### ***Nature of governing document***

Greenfields Educational Trust is a company limited by guarantee, governed by its memorandum and articles of association. It is registered as a charity with the Charity Commission.

##### ***Recruitment and appointment of trustees***

New trustees are appointed by the existing trustees.

##### ***Induction and training of trustees***

New trustees undergo an orientation session to brief them on their legal obligations under charity and company law, the content of the memorandum and articles of association, the decision making processes, the business plan and recent financial performance of the charity. They will be given a tour of the charity's operational sites and an outline of the work of the various sections.

##### ***Organisational structure***

The trustees meet regularly to determine the general policy of the trust. The day to day management of the school and other facilities is delegated to an executive office.

##### ***Risk management***

###### ***General Risk Management***

The trustees have a risk management strategy which comprises an ongoing review of the risks the charity may face; the establishment of systems and procedures to mitigate the identified risks; and the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

## **Greenfields Educational Trust**

### **Trustees Report**

#### ***Arrangements for setting key management personnel remuneration***

Key management remuneration is set on a sliding pay scale which is kept in alignment with the rest of the staff. It allows for a small yearly bonus for added responsibility. This bonus has not changed significantly over the last 10 years.

#### **Relationships with related parties**

##### **Newgale Farm Cottages Limited**

Newgale Farm is the wholly owned subsidiary of Greenfields educational Trust holding 1 ordinary share. Newgale farm was set up to run the letting of the Newgale properties collecting rents and paying all costs so that Greenfields can concentrate on its own objectives, and use the remaining land to develop in the future for school activities.

#### **Objectives and activities**

##### ***Objects and aims***

The objects of the charity are the establishment, maintenance and operation of schools and other educational establishments in the United Kingdom and elsewhere.

In furtherance of the Trust's objectives, the charity owns and operates the Greenfields School in Forest Row. At Railway Approach, East Grinstead the Trust operates the Children's House Nursery, the free literacy HELP Centre, the Effective Education Centre and the Greenfields English Language College.

##### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The school has a policy of trying to provide for all types of students from all kinds of backgrounds regardless of race, colour, creed or the inability to pay private school fees. To this end the amount of discounts allowed in this financial year total 10% (2020- 12%) of the full gross fees, in addition to free trial days.

The Children's House Nursery offer free trial days and Free Entitlement system and the Effective Education Centre delivers free educational lectures and testing facilities for basic subjects. The HELP Centre programme is a completely free literacy programme for all ages in the local community.

## **Greenfields Educational Trust**

### **Trustees Report**

#### **Achievements and performance**

After the disruption brought about by COVID in 2020, the Trust began the academic year 2020 – 2021 re-evaluating and re-establishing its educational purposes and services. Two new Trust Members had been appointed, but the Chief Executive was obliged to retire for personal reasons and has not been replaced. Newgale Farm had been purchased in October 2020 and proved a convenient quarantine area for students returning to school. Meanwhile, the Trust discussed how best to utilise the property in line with the Trust's educational purposes and what it hopes to achieve on its way forward. There was strong support for an Arts Centre in memory of the late founder and Headmistress of the school, Mrs Margaret Neal (nee Hodkin).

The Executive Head and his team discussed proposals for expansion and put them forward to the Trustees. These included a more expansive curriculum with new subjects, more surveys and contact with parents, more time allocated to staff training, and early preparation for the expected ISA (Independent Schools Association) inspection in 2023.

In June, Trust Members were taken for a tour of the other facilities owned by the Trust, namely, the Children's House Nursery, the Effective Education Centre, Greenfields English Language College and the HELP Centre in East Grinstead, each being introduced and Trustees being welcomed by their respective managers.

In July, the School celebrated its 40th Anniversary with the annual Gala Weekend Event. Some protocols being still in place meant that performances of the Senior Play and the Summer Fair could not take place, but staff, students and parents were able to enjoy the usual Junior Sports Day, Prize Giving, the Head's Tea for Graduates and their families, and finally the Graduates' Ball. A photographic display consisting of hundreds of pictures on forty boards depicting the history of the school was set up in two large classrooms for all to see.

School external examinations were replaced by teacher assessment based on mock examinations and other evidence sent to the examination boards. The students involved did well. With some COVID restrictions in place, there was no summer school.

When the former local school, Ashdown House, came onto the market, the Trustees considered the possibility of its purchase during the summer months and into the beginning of the current academic year, September 2021.

During lockdown, the Children's House Nursery had remained open to service Vulnerable Children and children of Key Workers and the extra expenses involved were acknowledged by the West Sussex Council in a grant of approximately £1200 afterwards. The nursery was at full capacity after COVID and the Effective Education Centre, which had continued to deliver its services online during lockdown, welcomed new students for online and face-to-face tuition as restrictions were lifted.

#### **Financial review**

##### ***Policy on reserves***

Free reserves are funds which are not restricted or represented by fixed assets or designated by the trustees for a particular purpose. There are no free reserves this year due to the capital improvements in the whole school during the year. The trustees intend to build up this reserve as pupil numbers increase, to have a realistic level of reserves for the future. We are operating at the moment on having minimal reserves to cover any capital expenses that may arise from time to time.

## **Greenfields Educational Trust**

### **Trustees Report**

#### ***Investment policy and objectives***

Under the memorandum and articles of association the charity has the power to invest in any way the trustees wish. The trustees, having regard to the liquidity requirements of the charity's operations and to the reserves policy, have operated a policy of keeping available funds in interest bearing deposit accounts.

#### **Going concern**

Although each area of the Trust has been impacted by both COVID and Brexit there is sufficient income and interest being received in each area to ensure a productive year post balance sheet.

#### **Disclosure of information to auditor**

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

## **Greenfields Educational Trust**

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of Greenfields Educational Trust for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 charitable company will continue in business.

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

Approved by the trustees of the charity on 30 June 2022 and signed on its behalf by:



P Hodkin  
Chairman and Trustee



## **Greenfields Educational Trust**

### **Independent Auditor's Report to the Members of Greenfields Educational Trust**

#### **Opinion**

We have audited the financial statements of Greenfields Educational Trust (the 'charity') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 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 original financial statements were authorised for issue.

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

#### **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

## **Greenfields Educational Trust**

### **Independent Auditor's Report to the Members of Greenfields Educational Trust**

We have nothing to report in this regard.

#### **Opinion 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 Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Report.

We have nothing to report in respect of the following matters where 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.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 6), the trustees 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 charity 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:

## **Greenfields Educational Trust**

### **Independent Auditor's Report to the Members of Greenfields Educational Trust**

The detection of fraud and irregularities is a primary consideration of the audit planning and is carried through to the audit completion stage. A risk assessment and preliminary analytical review is undertaken at the planning stage and areas of concern are then built into the audit strategy and testing to ensure sufficient procedures and evidence is obtained to give comfort that material irregularities and potential instances of fraud are detected where possible.

The audit team is briefed regarding any areas of concern, the potential audit risks and consequential impact. The audit team remained vigilant throughout their work and made enquiries of key management and finance personnel throughout.

Greenfields key management and finance personnel were consulted on any known or suspected breaches in laws and regulations along with misappropriation of funds at both the planning and completion stages of the audit. Due consideration was given to the possible use of management override and this was built into our audit strategy.

The initial risk assessment highlighted a potential show stopper being of non-compliance with the ISI and Ofsted. We were able to obtain a sufficient evidence that no potential risk has arisen.

The purpose of the preliminary analytical review of the financial statements is to highlight any possible areas of concern to investigate whether the variance is expected or unexpected, based on the information obtained as part of the planning process and the current climate the charity is operating under. Relevant audit tests had then been planned to obtain supporting documentation to ensure that they are within the charitable objectives and no misappropriation of funds by way of fraud, or misstatements. Latest accounts disclosure checklists available are also completed to ensure the accounts comply with the latest reporting framework that is applicable to the charitable company.

There are aspects of the audit which are deliberately unpredictable to assist in the detection of irregularities, such as varying how we test items which are more susceptible to fraud, year on year and by incorporating systematic sampling over the populations tested.

A further description of our responsibilities is available 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 trustees, 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 charity's trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Greenfields Educational Trust**

**Independent Auditor's Report to the Members of Greenfields Educational Trust**



.....  
Rowena T K Walsh (Senior Statutory Auditor)  
For and on behalf of Manningtons , Statutory auditor

39 High Street  
Battle  
East Sussex  
TN33 0EE

Date: 30/06/22

# Greenfields Educational Trust

## Statement of Financial Activities for the Year Ended 31 August 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2021 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	60,682	60,682
Charitable activities	4	1,584,967	1,584,967
Investment income	5	19	19
Other income	6	31,200	31,200
Total income		<u>1,676,868</u>	<u>1,676,868</u>
<b>Expenditure on:</b>			
Charitable activities	7	<u>(1,673,274)</u>	<u>(1,673,274)</u>
Total expenditure		<u>(1,673,274)</u>	<u>(1,673,274)</u>
Net income		<u>3,594</u>	<u>3,594</u>
Net movement in funds		3,594	3,594
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>2,214,554</u>	<u>2,214,554</u>
Total funds carried forward	20	<u>2,218,148</u>	<u>2,218,148</u>

The notes on pages 15 to 27 form an integral part of these financial statements.

# Greenfields Educational Trust

## Statement of Financial Activities for the Year Ended 31 August 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2020 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	151,546	151,546
Charitable activities	4	1,576,739	1,576,739
Investment income	5	163	163
Other income	6	14,400	14,400
Total income		<u>1,742,848</u>	<u>1,742,848</u>
<b>Expenditure on:</b>			
Charitable activities	7	<u>(1,733,023)</u>	<u>(1,733,023)</u>
Total expenditure		<u>(1,733,023)</u>	<u>(1,733,023)</u>
Net income		<u>9,825</u>	<u>9,825</u>
Net movement in funds		9,825	9,825
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>2,204,729</u>	<u>2,204,729</u>
Total funds carried forward	20	<u>2,214,554</u>	<u>2,214,554</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 20.

The notes on pages 15 to 27 form an integral part of these financial statements.

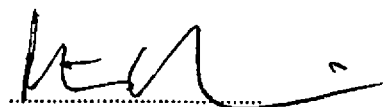
# Greenfields Educational Trust

(Registration number: 01720539)

## Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	6,352,694	6,364,464
Investments	14	<u>1</u>	<u>-</u>
		<u>6,352,695</u>	<u>6,364,464</u>
<b>Current assets</b>			
Stocks	15	23,769	33,487
Debtors	16	132,372	183,798
Cash at bank and in hand		<u>706,005</u>	<u>319,716</u>
		862,146	537,001
<b>Creditors: Amounts falling due within one year</b>	17	<u>(494,046)</u>	<u>(287,640)</u>
<b>Net current assets</b>		<u>368,100</u>	<u>249,361</u>
<b>Total assets less current liabilities</b>		6,720,795	6,613,825
<b>Creditors: Amounts falling due after more than one year</b>	18	<u>(1,604,344)</u>	<u>(1,500,968)</u>
<b>Net assets</b>		<u>5,116,451</u>	<u>5,112,857</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		2,218,148	2,214,554
Revaluation reserve		<u>2,898,303</u>	<u>2,898,303</u>
<b>Total unrestricted funds</b>		<u>5,116,451</u>	<u>5,112,857</u>
<b>Total funds</b>	20	<u>5,116,451</u>	<u>5,112,857</u>

The financial statements on pages 11 to 27 were approved by the trustees, and authorised for issue on 30 June 2022 and signed on their behalf by:



P Hodkin  
Chairman and Trustee

The notes on pages 15 to 27 form an integral part of these financial statements.

# Greenfields Educational Trust

## Statement of Cash Flows for the Year Ended 31 August 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash income		3,594	9,825
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		11,769	12,045
Investment income	5	(19)	(163)
		<u>15,344</u>	<u>21,707</u>
<b>Working capital adjustments</b>			
Decrease/(increase) in stocks	15	9,718	(17,346)
Decrease in debtors	16	51,426	56,979
Increase in creditors	17	192,862	8,810
(Decrease)/increase in deferred income	18	(21,355)	20,820
Net cash flows from operating activities		<u>247,995</u>	<u>90,970</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	19	163
Purchase of tangible fixed assets	13	-	(1,151,409)
Acquisition of investments in subsidiary undertakings	14	(1)	-
Net cash flows from investing activities		<u>18</u>	<u>(1,151,246)</u>
<b>Cash flows from financing activities</b>			
Value of new loans obtained during the period		200,000	1,200,000
Repayment of loans and borrowings	17	(61,724)	(7,648)
Net cash flows from financing activities		<u>138,276</u>	<u>1,192,352</u>
Net increase in cash and cash equivalents		386,289	132,076
Cash and cash equivalents at 1 September		<u>319,716</u>	<u>187,640</u>
Cash and cash equivalents at 31 August		<u><u>706,005</u></u>	<u><u>319,716</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 27 form an integral part of these financial statements.



## **Greenfields Educational Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2021**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Greenfields School  
Priory Road  
Forest Row  
East Sussex  
RH18 5JD

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### **Basis of preparation**

Greenfields Educational Trust 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 notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Judgements**

Determination of whether there are indicators of impairment of the Charity's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

## **Greenfields Educational Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2021**

#### **Key sources of estimation uncertainty**

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. The carrying amount is £6,352,694 (2020 -£6,364,464).

The recoverability of book debts is reviewed by management and a provision is made based on all the information available. The carrying amount is £59,964 (2020 -£103,005).

#### **Income and endowments**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Deferred income***

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.
- EYES Funding received in the summer for the Autumn term falling in the next accounting period.

#### ***Charitable activities***

Charitable income is for the provision of pre school through to sixth form education with added support by way of tutoring available to all pupils and the general public to be inclusive for all who would like to learn.

#### ***Other income***

Other income is rents received from Childrens House and Effective Education to Greenfields School to cover the use of the premises owned by Greenfields School.

## **Greenfields Educational Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2021**

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Goodwill**

Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

#### **Tangible fixed assets**

Individual fixed assets costing £200.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The land and buildings was revalued in 2016 financial year by RII & RW Clutton Chartered Surveyors, Land Agents, RICS Valuers, an independent valuer on 1 September 2015. The revaluation was treated as deemed cost in the first year of adopting FRS 102. The land and building will remain recorded at cost and will not be accounted for under the revaluation model.

#### **Amortisation**

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	Straight line over 10 years

## **Greenfields Educational Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2021**

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Fixtures and fittings	15% - 25% straight line
Motor vehicles	20% straight line

#### **Business combinations**

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the charity. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

#### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### **Stock**

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at cost less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## **Greenfields Educational Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2021**

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

### **3 Income from donations and legacies**

	<b>Unrestricted funds General £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Donations and legacies;			
Donations to major appeals	508	508	7,006
Grants, including capital grants;			
Government grants	60,174	60,174	144,540
	<u>60,682</u>	<u>60,682</u>	<u>151,546</u>

## Greenfields Educational Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 4 Income from charitable activities

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Greenfields School	1,220,709	1,220,709	1,178,653
Children's House Nursery	272,266	272,266	274,412
Effective Education Centre	91,992	91,992	123,674
	<u>1,584,967</u>	<u>1,584,967</u>	<u>1,576,739</u>

#### 5 Investment income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>19</u>	<u>19</u>	<u>163</u>

#### 6 Other income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Rental income	<u>31,200</u>	<u>31,200</u>	<u>14,400</u>

#### 7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2021 £	Total 2020 £
Greenfields School		1,273,795	1,273,795	1,370,031
Children's House Nursery		287,273	287,273	232,908
Effective Education Centre		97,137	97,137	114,757
Governance costs	8	<u>15,069</u>	<u>15,069</u>	<u>15,327</u>
		<u>1,673,274</u>	<u>1,673,274</u>	<u>1,733,023</u>

## Greenfields Educational Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 8 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Staff costs			
Wages and salaries	7,869	7,869	8,127
Audit fees			
Audit of the financial statements	5,150	5,150	5,150
Accountancy services	2,050	2,050	2,050
	<u>15,069</u>	<u>15,069</u>	<u>15,327</u>

#### 9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021 £	2020 £
Audit fees	5,150	5,150
Other non-audit services	2,050	2,050
Depreciation of fixed assets	<u>11,769</u>	<u>12,045</u>

#### 10 Trustees remuneration and expenses

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 11 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	1,049,562	1,135,452
Social security costs	65,123	59,224
Pension costs	12,602	15,625
	<u>1,127,287</u>	<u>1,210,301</u>

## Greenfields Educational Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Charitable activities	<u>69</u>	<u>73</u>

Contributions to the employee pension schemes for the year totalled £12,602 (2020 - £15,623).

During the year, the charity made redundancy and/or termination payments which totalled £17,691 (2020 - £Nil).

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £105,058 (2020 - £85,043).

#### 12 Taxation

The charity is a registered charity and is therefore exempt from Corporation Tax.

#### 13 Tangible fixed assets

	Land and buildings £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 September 2020	<u>6,330,275</u>	<u>320,567</u>	<u>23,780</u>	<u>6,674,622</u>
At 31 August 2021	<u>6,330,275</u>	<u>320,567</u>	<u>23,780</u>	<u>6,674,622</u>
<b>Depreciation</b>				
At 1 September 2020	-	294,064	16,095	310,159
Charge for the year	<u>-</u>	<u>7,013</u>	<u>4,756</u>	<u>11,769</u>
At 31 August 2021	<u>-</u>	<u>301,077</u>	<u>20,851</u>	<u>321,928</u>
<b>Net book value</b>				
At 31 August 2021	<u>6,330,275</u>	<u>19,490</u>	<u>2,929</u>	<u>6,352,694</u>
At 31 August 2020	<u>6,330,275</u>	<u>26,503</u>	<u>7,685</u>	<u>6,364,463</u>



# Greenfields Educational Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 14 Fixed asset investments

	2021 £	
Shares in group undertakings and participating interests	<u>1</u>	
<b>Shares in group undertakings and participating interests</b>		
	<b>Subsidiary undertakings £</b>	<b>Total £</b>
<b>Cost</b>		
Additions	<u>1</u>	<u>1</u>
At 31 August 2021	<u>1</u>	<u>1</u>
<b>Net book value</b>		
At 31 August 2021	<u>1</u>	<u>1</u>

### Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2021	2020	
Subsidiary undertakings					
Newgale Farm Cottages Limited	England and Wales	Ordinary Share	100%	100%	Other letting and operating of own or leased real estate

## Greenfields Educational Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### Subsidiaries

The financial period end of Newgale Farm Cottages Limited is 28 February. The loss for the financial period of Newgale Farm Cottages Limited was £1,799 (2020 - £Nil) and the aggregate amount of capital and reserves at the end of the period was £(1,798) (2020 - £Nil).

Newgale Farm Cottages Ltd 2021 accounts and activities is considered immaterial to consolidate into group accounts for this year, However from the 1st March 2021 the year end has been extended to the 31st August 2022 to ensure coterminous year ends to facilitate consolidated accounts. The annual activity from 1st March 2021 is considered material as all properties are now rented out.

#### 15 Stock

	2021 £	2020 £
Stocks	<u>23,769</u>	<u>33,487</u>

#### 16 Debtors

	2021 £	2020 £
Trade debtors	78,639	124,462
Due from group undertakings	26,498	-
Prepayments	12,034	11,593
Accrued income	8,617	41,159
Other debtors	<u>6,584</u>	<u>6,584</u>
	<u>132,372</u>	<u>183,798</u>

#### 17 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans	99,240	64,341
Trade creditors	341,852	126,868
Other taxation and social security	10,977	25,789
Other creditors	2,733	9,233
Accruals	6,300	7,110
Deferred income	<u>32,944</u>	<u>54,299</u>
	<u>494,046</u>	<u>287,640</u>

## Greenfields Educational Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 18 Creditors: amounts falling due after one year

	2021 £	2020 £
Bank loans	<u>1,604,344</u>	<u>1,500,968</u>

Included in the creditors are the following amounts due after more than five years:

	2021 £	2020 £
After more than five years by instalments	<u>(1,155,937)</u>	<u>(1,225,799)</u>

#### Bank loans and overdrafts after five years

At the year end the Trust has three loans with two separate banks. Loan 1 and Loan 2 include security held on different properties. The third loan is a government Covid19 related bounce back loan which is unsecured.

Loan 1 is from 2018 over 10 years and is secured by a legal charge over the freehold business property; 59 Railway Approach. Interest is charged at 3.67% above base rate, with a total interest charged for the year amounting to £8,004 (2020 - £7,338) The interest was higher in 2021 due to a payment holiday being undertaken during the covid period.

Loan 2 taken in August 2019 to purchase Newgale Farm and is secured by a legal charge over the freehold business property; Greenfields School, Priory Road. The loan is over 25 years with a small draw down taken in 31st August 2019 financial year end, then the majority of loan was drawn in this financial year when the purchase was completed. Interest is charged at 2.50% , with a total interest charge for the year amounting to £34,455 (2020 - £23,159).

Loan 3 is the Covid bounce back loan taken for £200,000 in October 2020 , Interest and repayment free for 12 months and then repayable over 5 years, with the last installment due November 2026. The interest rate on the loan is 3.79 %, due to the interest free period no interest was charged in the accounts this year.

#### 19 Reserves

	Unrestricted revaluation reserve £	Total £
At 1 September 2020	<u>2,898,303</u>	<u>2,898,303</u>

## Greenfields Educational Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 20 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Balance at 31 August 2021 £
<b>Unrestricted</b>				
<i>General</i>				
General fund	1,719,292	1,676,868	(1,637,445)	1,758,715
<i>Designated</i>				
Norman Lewis designated fund	<u>495,262</u>	<u>-</u>	<u>(35,829)</u>	<u>459,433</u>
<b>Total funds</b>	<u>2,214,554</u>	<u>1,676,868</u>	<u>(1,673,274)</u>	<u>2,218,148</u>
	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>				
<i>General</i>				
General fund	1,664,780	1,741,948	(1,687,436)	1,719,292
<i>Designated</i>				
Norman Lewis designated fund	<u>539,949</u>	<u>900</u>	<u>(45,587)</u>	<u>495,262</u>
<b>Total funds</b>	<u>2,204,729</u>	<u>1,742,848</u>	<u>(1,733,023)</u>	<u>2,214,554</u>

The specific purposes for which the funds are to be applied are as follows:

Norman Lewis designated fund is monies gifted to Greenfields School for the general purposes of the charity and the charity has decided to use it to further develop the school's infrastructure rather than the day to day running of the school.

## Greenfields Educational Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 21 Analysis of net assets between funds

	Unrestricted funds		Total funds at 31 August 2021
	General	Designated	
	£	£	£
Tangible fixed assets	6,349,876	2,818	6,352,694
Fixed asset investments	1	-	1
Current assets	405,531	456,615	862,146
Current liabilities	(494,046)	-	(494,046)
Creditors over 1 year	(1,604,344)	-	(1,604,344)
Total net assets	<u>4,657,018</u>	<u>459,433</u>	<u>5,116,451</u>

	Unrestricted funds		Total funds at 31 August 2020
	General	Designated	
	£	£	£
Tangible fixed assets	6,359,931	4,533	6,364,464
Current assets	46,272	490,729	537,001
Current liabilities	(287,640)	-	(287,640)
Creditors over 1 year	(1,500,968)	-	(1,500,968)
Total net assets	<u>4,617,595</u>	<u>495,262</u>	<u>5,112,857</u>

#### 22 Related party transactions

During the year the charity made the following related party transactions:

##### Staff training

Trustee S L Rush provides group staff training, amounts invoiced in the year total £0 (2020- £300). At the balance sheet date the amount due to/from Staff training was £Nil (2020 - £Nil).

##### Newgale Farm Cottages Limited

(Newgale Farm Cottages Ltd is a wholly owned subsidiary of Greenfield Educational Trust Ltd. Both entities have a director in common; Peter Hodkin. )

The Company rents out the properties owned by Greenfields Educational Trust on licence whilst undertaking the running and maintenance in doing so. Any profits realised are to be donated to the Parent; Greenfields Educational Trust. The first financial year of the Subsidiary ended on 28 February 2022 and only 1 property was rented out from September 2020, there were no profits available to donate.. At the balance sheet date the amount due from Newgale Farm Cottages Limited was £26,498 (2020 - £Nil).

##### School Fees

(Trustees Calcioli and Guy both have children attending the school at agreed rates that comply with the school fee policy.)

At the balance sheet date the amount due to School Fees was £989 (2020 - £Nil).