



FINTON HOUSE
SCHOOL

FINTON HOUSE EDUCATIONAL TRUST

GOVERNORS' REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

COMPANY REGISTERED NUMBER: 02119682
REGISTERED CHARITY NUMBER: 296588

1 Report of the Governors

2	Our Charity.....	2
3	2020-2021 – Charity Review.....	4
4	Public Benefit & Partnerships.....	8
5	Operational & Financial Review	10
6	Governance.....	14
7	Reference & Administrative Details.....	16
8	Statement of Governors’ Responsibilities	17
9	Independent auditor’s report to the members of FHET.....	18
10	Statement of Financial Activities.....	21
11	Balance Sheet as at 31 July 2021.....	22
12	Cashflow Statement for the year ended 31 July 2021.....	23
13	Notes to the Financial Statements	24





2 Our Charity

Finton House was founded in 1987 as a charitable trust with two principles in mind. Firstly, that children joining Reception should not have to face the pressures of a competitive entry system.

Secondly that of providing an inclusive environment, where all children, including those with specific needs, have the same opportunities. These principles underpin the educational experience at Finton House.

The school motto "Open Hearts and Guiding Hands" sums up the warm and caring relationships that we aim to promote in order to provide the best education.

Our objects are:

The objects of the School (the "Objects") are for the public benefit to establish and maintain in London or elsewhere any school or schools to further the education of boys and girls including those with special educational needs.

At Finton House:

- Everyone feels safe, happy and valued in a community that promotes lifelong health and wellbeing.
- Children of all abilities, including the most able and those with special educational needs, are nurtured and challenged to make excellent personal and academic progress.
- The education is broad, inclusive and inspiring, enhanced by technology as well as making use of the outdoors.
- Children are prepared for the next stage of their education in a positive and stimulating environment.
- Children discover their own strengths and passions in order to flourish in a rapidly changing world.

These aims are achieved through:

Developing a culture of responsible, caring and happy people

We protect and enhance the wellbeing of the entire Finton community and beyond, by:

- Embedding the Finton Goals of self-belief, kindness, respect, communication, curiosity, resilience and doing the right thing.
- Continuing to enhance our inclusive provision.
- Promoting and embedding diversity across the school.
- Encouraging and modelling behaviours that help protect and sustain the local and global environment.

Creating a dynamic and diverse learning environment

We offer exciting opportunities for learning by:

- Developing use of the latest technology, to enhance teaching and learning and foster creativity.
- Ensuring that the physical environment is designed and maintained to the highest standard.
- Providing access to a range of external facilities and, when and where possible, be involved in their development.

Providing a broad, inclusive and inspiring education

We develop the education we provide by:

- Challenging all pupils to ensure maximum personal and academic progress.
- Providing an exciting, relevant and broad curriculum.
- Offering a varied and stimulating extra-curricular programme.
- Preparing pupils to succeed in a rapidly changing world, whilst nurturing their well-being.

Ensuring the longevity of Finton House

As a non-profit making charitable trust, we ensure Finton House remains a first-choice school by:

- Investing in staffing, facilities and resources.
- Controlling our costs to ensure good value for money.
- Seeking alternative sources of income to help mitigate fee increases.
- Ensuring the local community benefits from our charitable aims.



3 2020-2021 – Charity Review

3.1 Pupil Numbers and Fees

The School provides day school education in London SW17 to boys and girls from the ages of 4 to 11. The revised pupil cap granted by Wandsworth came in from September 2020 allowing 340 pupils (previously 322). The School is growing into those numbers, successfully reaching them by September 2021.

The School experienced a larger than usual number of leavers throughout the academic year, but these were replaced through occasional vacancies to ensure we started the academic year 2021-22 with a full school. A large number of parents across the capital have taken the opportunity remote learning poses to move to the countryside earlier than they might have, or directly because of remote working. The success of our own remote learning provision meant a large swing of pupil numbers from the state sector moving into independent education, with strong take up at Finton.

With Covid-19 hitting incomes, the School made the decision to freeze the fee levels for 2020-21 at the same level as the previous year (see below). The School has subsequently only applied a small rise for the fees 2021-22 (2.87%) to continue to support our community. We will need to catch up at some point, as the School has had to bear significant costs during the pandemic.

Lower School Fees - £5,379 per term

Upper School Fees - £5,414 per term

The above fees include all extras other than residential trips in the Upper School, additional 1:1 learning support lessons, and 1:1 music lessons.

3.2 Remote Learning

There is no doubt that the second lockdown presented a tougher challenge for everyone with the lack of daylight and poor weather, and for the children particularly, the novelty of remote learning had definitely worn off. Building on the resounding successes of the last provision, we did capture feedback from staff, pupils and parents and made sure that this was acted on in our planning for January. From a management point of view, the most significant change was the inclusion of regular staff meetings in the weekly timetable, to help ensure good communication and support. Towards the end of remote learning, Frog (the providers of our VLE that was central to our remote learning) announced we were shortlisted along with just three other schools, for their 'Great Engagement with Remote Learners Award'.

3.3 Entry into senior schools

The Year 6 cohort consisted of 20 girls and 17 boys and between them they made 134 applications to next schools. Every child received at least one offer with a total of 100 offers altogether. The cohort also achieved an amazing 24 scholarships: 18 Academic, 3 Music, 1 Sport and 2 Drama. The 2021 cohort has been one of the most successful years ever for the school with regards securing places at senior schools.

3.4 Outdoor Learning

We have continued to embed this into the curriculum, particularly in the lower years and going forward we plan to extend this into KS2. The residential trips went ahead with Year 6 visiting Wales, Year 5 went to Land & Wave in Dorset and Year 4 visited Bushcraft, Kent. We decided to cancel the Year 3 trip to PGL due to the lack of sleepovers and time away from home that these children have experienced for the past year. We have also enjoyed housing an incubator

from Tom's Farm and hatching some rare breed chicks. This included the installation of a 'hatch-cam' so the children could watch from home or from their classroom.

We also organised an outdoor learning day for the whole school and activities included:

- A visit from the Pig Father and his miniature pigs
- Mobile caving
- A bugs and Bunsen burners workshop
- A nature walk & a tree trail
- A visit to the Paradise Outdoor Learning Centre
- Creative activities, including creating a wooden parliament of owls and bug skewers.



3.5 Wellbeing

The wellbeing of the pupils and staff has remained a priority once again this year, both during lockdown and generally. A number of initiatives have been introduced, from tutor groups and staff social groups during remote learning, to mentor groups in Year 5 and 6 and the formation of a Mental Health and Wellbeing Committee of staff. We now conduct an annual Pupil Attitudes to Self and School (PASS) Survey in the autumn and then follow up with a second survey of any children whose scores were a concern and were consequently a focus of support. We also now conduct regular staff wellbeing surveys as another form of feedback for the management team.

With the ongoing success of Mindfulness teaching in KS2, we have now extended our Mindfulness teaching to the younger years of the school. This has involved two members of staff undergoing a new three day MISP Teach Dots training course to deliver the programme.

3.6 More Able Pupils

The exceptional number of scholarships achieved by Year 6 suggests that the most able pupils are being challenged leading to these excellent performances. We aim to ensure that boys and girls of all abilities, including the most able, are nurtured and challenged to make excellent academic and personal progress. All children are encouraged to express their opinions, strive for excellence and think 'out of the box'.

We use a range of strategies to identify more able pupils and plan for their needs. A child is identified as being more able when they achieve, or are believed to be capable of achieving, high levels of attainment across the curriculum, or in particular skills or aspects of subjects. When a child is identified they are included on our More Able Register which is shared with all staff. This list is regularly updated and officially reviewed by all teachers twice a year (October and March). This activity is overseen by the Curriculum Co-ordinators.

A child may be added to the More Able Register based on teacher judgement and discussions with other staff, performance in school exams, CATs tests and other standardised assessments, as well as following observation or reports from previous schools, specialist teachers, and peripatetic teachers either in school or out. We currently have 105 children on our More Able Register, some in more than one subject area/category.

Teachers plan carefully to provide children with opportunities to show what they know, understand and can do through the use of differentiation, open-ended questions, enrichment activities, opportunities for individual progression in their work, educational visits, inter-school events, and national events and competitions.

Although many events were cancelled due to the pandemic, the children have experienced a range of events and competitions which have provided excellent opportunities for them to nurture and demonstrate their ability. These include:

- 'Poetry by Heart', a national poetry competition. Children were asked to memorise two poems;
- Children in Years 3 – 6 continue to enjoy our invitational Thursday morning Quiz Club.
- There are a number of music ensembles, creative writing, languages, swimming and art clubs which are by invitation only and well-attended.



3.7 SEN

As well as having a large number of children on our More Able register, the school is proud of its broad intake, which includes some children with SEN. According to the government figures for 2020-21, 15.9% of children had SEN (3.7% EHCP and 12.2% SEN support). At Finton 17.5% of children had SEN (1.6% EHCP, 15.9% SEN support).

Some of these children would not have gained a place in a mainstream setting, but where we believe we can provide for a child with our generous staff ratio and expertise on-site such as an occupational therapist and speech and language therapist, we will do so. This approach was one of the founding principles of the school.

In accordance with the 2010 Equality Act, the School operates a fully integrated admissions policy. Children of all abilities are offered places on a first come first serve basis, including those with known special needs. Children with special needs are assessed before a place is confirmed to ensure the School can reasonably meet their needs. These needs have included Down's Syndrome, hearing impairment, Asperger's, speech and language difficulties, and educational developmental delay. Children with special educational needs are supported by the Special Educational Needs Co-ordinator, a team of Special Needs Assistants and in-house therapists. In addition, those mainstream children, who, once in the School are found to have additional learning needs, are supported by the Special Educational Needs Co-ordinator and, if appropriate, by specialist support. The School is able to provide one-to-one tuition for children with dyslexia, dyspraxia or speech and language difficulties. The additional cost of such extra staffing support over and above parent and Local Authority contributions, through Education and Health Care Plans, is substantial and is borne by the School and Parents in a shared manner as we believe our approach benefits all children.

3.8 Music

Approximately 70% of pupils above Year 3 learn a musical instrument. The School has a strong Upper School band and a choir, both of which perform in concerts within the local community. All Upper School pupils perform in a concert each year. Every class has two music lessons on their timetable, one predominantly singing and the other to learn various instruments and music theory. In addition, we have a company, MTech, offering a music composition club after school, which has proved very popular.

3.9 Drama

Due to the on-going restrictions, our traditional Year 2 and Year 6 play productions were pre-recorded and shared with parents. We also installed special cameras and broadcast facilities in the hall to ensure that children still had an audience, even if this was at home.

3.10 Sport

There are four full time members of staff teaching PE with support from many other members of staff who are qualified coaches in various sports. All pupils have the opportunity to develop individual and team skills through coaching and fixtures with other schools in football, rugby, cricket, netball, hockey and swimming. We also teach athletics, gymnastics and dance as part of our PE curriculum. There are after school clubs that offer additional sports such as karate, cheerleading and dodgeball. The scheme of work for sport has been adapted to include more co-ed teaching of cricket and the introduction of a fitness programme to track the improvement in fitness of the children.

Many of the usual tournaments and events did not take place this year due to the pandemic, but we did enjoy success in the Autumn Term in Netball and football, including 3rd place at the Bisham Abbey Football Tournament, with one of our players voted 'player of the tournament'.



3.11 Art

Art is taught to every class in the school by a specialist teacher and teaching assistant, both of whom are artists. There are a variety of art clubs after school and a lunch time club. Scholarship sessions are offered after school for those older pupils assembling an art portfolio for scholarship entry to senior schools. In 2021 we had a finalist for the Global Canvas Competition, a winning entry for the Bottle Moments National Competition, and a Year 5 artist won the 'Design a Logo' competition for a local rugby club. Sadly the annual RCA Youth Art competition, which the school has enjoyed much success in over the years, was cancelled this year.

4 Public Benefit & Partnerships

4.1 Development Strategy

The School has developed a Development Strategy centred on its founding principles of inclusiveness, and following our philanthropic founder's vision for education.

As such, the School is in the process of establishing a Development Board who will help steer our public benefit activities towards our 40th Anniversary in 2027.

This involves a bold vision to more than double our current bursary provision alongside creating a dedicated partnerships fund to ensure deep and meaningful mutual partnerships with local schools, community groups and charities.

Governors have had regard to the Charity Commission's guidance on public benefit in setting its aims and objectives for the School. This has included:

- The creation of an Assistant Head role responsible for forming and nurturing partnerships.
- The inclusion of partnership activity within the assessment system for employees, having to demonstrate partnership working as part of the criteria for pay progression.
- The creation of a Development Board to help spearhead the fundraising for partnerships which will help unlock barriers to entry.

The overall strategy for 'Finton at 40' will be launched at the end of the academic year 2021-22 following extensive work by both the senior leadership team, and the governors.

4.2 Sally Walker Bursary

The Governors view Bursary awards as central in helping to ensure that the education offered by Finton House can be accessed by children from families who would otherwise be unable to afford the fees. The awards are means-tested and are made solely on the basis of parental means. When assessing means, all family income, assets and liabilities are reviewed. However, the School is only young and does not have large endowment funds. The School and Governors continue to work to raise the funds necessary to extend the bursary provision.

The means-tested bursary awards currently range from 80% to 100% of remission of fees (with the school also contributing towards clubs, trips, travel and musical instruments on top of the fees). Fee assistance through the bursary programme is available on the school's website and advertised in the School prospectus, the local press and in third party venues such as doctors' surgeries, nurseries, local places of worship, and professional bodies.

There were six pupils in 2020/21 who are in receipt of a bursary, valued at £90,955. The School continues to promote the bursary fund across the local area to increase participation. This includes support for a previous bursary holder now attending senior school.

4.3 Hardship

The School supported a handful of families during the financial year, significantly down from the year before. The School offered favourable payment terms to those in genuine need. The School funded this through operational surplus, along with a small number of donations from parents donating their deposit or Covid-19 fee credit.

4.4 Partnerships

The School is keen to ensure that the education offered is not restricted to those who can afford fees. The School's belief is that pupils benefit from learning within a diverse community which includes children with special needs. This integration is central to the ethos and philosophy of the School.

The provision of fee assistance through the bursary scheme, combined with the School's special needs programme and outreach programmes, helps contribute to a widening of access to the education offered and the facilities enjoyed by our pupils.

The School continued to support Trinity Fields Trust (Charity no.1060813) which uses the income from us to enable other young people under the age of 25 in the local Wandsworth and Lambeth communities to use these playing fields. The previous consortium agreement expired in August 2021 post financial year. We have now begun a 50 year partnership with the fields, so will continue to develop partnerships in this area, including the School paying a 1.4 multiplier on its use expressly to allow Trinity Fields Trusts the funds to support youth sport.

In addition, the School has engaged in partnerships as follows:

- Tom's Farm – a partnership based on outdoor learning
- Friends of Wandsworth Common – events based partnership with children being engaged in litter picking and outdoor education
- Wandsworth Food Bank – appeals for both Harvest Festival, alongside Christmas presents for those in need.
- Wandsworth 'A Place to Call Home' – participation in a borough wide art exhibition for children.
- Pupil led charity events including for the British Lung Foundation and Breathing Spaces at Great Ormond Street (seeing Finton children walking and running 100km combined, which raised in excess of £15k).



5 Operational & Financial Review

5.1 Estates

The School has continued its investment in the School estate since our last accounts were submitted. This has included further compliance upgrades, new automatic doors and the full redecoration of all communal spaces in both the Victorian villas. This has given the School a fresh feel and sense of pride, benefiting both the wellbeing of our current community, and impressing potential new community members.

The year has not been without its challenges however. Long standing snagging issues with the Emma Thornton Building came to a head, with the failure of the pumping system, resulting in major flooding to the basement building. This has resulted in a not insignificant insurance claim, but the building has been restored and indeed improved upon to match the look and feel of the rest of the school upgrades. Sadly we also had a second incident within the plant room where a water inlet into the school failed meaning all the electrical distribution for the building had to be replaced and secured. We did manage to sort all of the outstanding snagging issues over the summer of 2020 and 2021 so we are pleased the building is now operating in the way it was designed.

The School continued its partnership with the firm NVB Architects to review the physical provision on site and how this could be adapted to meet the future needs of the School and the changes to the way schools will operate in the future, and indeed how children will learn. The governors have approved a further stage of analysis of the proposals and the financing options before making any firm commitments.

5.2 Human Resources

We continued the strong work of the previous year with regards to Human Resources, with the final implementation of the following:

- the unification of numerous policies into one Employment Handbook;
- the standardisation of contracts across all staff;
- a new roles and responsibilities handbook including all employees;
- a revised pay policy including new pay scales and threshold requirements;
- a revised pension and benefits package for teachers.

All employees are now on the new contracts and following new policies and procedures as of January 2021. The implementation of the new pay policy and pension arrangements has been in place since September 2021.

The pandemic presented us with some interesting challenges with regards to Human Resources, particularly the aftermath and the effects this had on mental and physical health.

Moving forward, we are now turning our focus back towards staff wellbeing and staff culture. We are focussing actively on supporting positive working behaviour and fairness. Committees and working groups have been formed for Equality, Diversity & Inclusion plus Culture, alongside the existing social committee and Mental Health Group. Staff are noticeably more positive and have an open outlook for the future, with a strong continuing spirit of cooperation in the School.

5.3 Information Technology

The School has now almost concluded its investment in technology for the current cycle, with all classrooms and specialist spaces having access to interactive whiteboards by April 2022. In addition, we rolled out brand new iPads and Student Laptops, adding to our staff pool of laptops too.

The pandemic required investments in connectivity and software, which the School met as a challenge head on. We continue this investment with new software for Alumni & Development, and for workflow management in IT and HR.

We have also invested in screens around the School to help with dissemination of information such as safeguarding, goals messaging etc.

The School is now turning its attention to the next cycle of investment, with our servers due for replacement in 2023. This is an exciting time for technology, so the School looks forward to working out how best to adapt to our ever changing world.

5.4 Financial Performance

The year ending 31 July 2021 has been another whirlwind year. The effects of the Covid-19 pandemic continued with a further lockdown of Schools, with a closure of half a term at the start of 2021. This resulted in a rebate to parents of 5.8%. We also honoured the same fee level for the current academic year as previous, meaning our costs rose, but our income did not.

The School also had to bear additional costs of operation to meet the expectations we required for online learning, as well as increased staffing in school to cope with the various 'bubbling' that took place.

In addition, we had to deal with a number of larger estate issues relating to the Emma Thornton Building which were not all covered by insurance. We also had the tail end of costs for professional advice relating to the number of the School's outstanding Human Resource issues.

All the above compounded to the School's net income returning a small deficit of £(74,003) (2020: £103,494) before the effects of investments. Our investments performed exceedingly well, giving a net gain of £510,810 (2020: £75,467).

School investments (including the Sally Walker Bursary & Special Needs Fund) had reserves of £1,622,267 (2020: £1,421,284) at the year-end after gains and losses on investments, donations and reinvested investment income.

The year-end reserves position was £8.10m (2020: £7.66m) of which £5.94m (2020: £6.0m) was held in unrestricted funds.

5.4.1 Financial Policies

Financial Policy & Procedure is delegated to the Finance & General Purposes Committee. The School has developed an overarching 'Financial Policies & Procedures Manual' which brings together all school policies and procedures relating to financial control. This document is reviewed annually and signed by the Chair of the Finance & General Purposes Committee and the Bursar.

5.4.2 Investments & Reserves

The School has full powers of investment over its surplus funds and the funds of the Special Needs Appeal and Sally Walker Bursary funds. Short term surplus cash balances are placed on Treasury deposit or High Interest bank deposit accounts. The funds in the Special Needs Appeal and Bursary funds are invested by a professional fund manager.

The school has an Investment & Reserves Policy, contained with the Financial Policies & Procedures Manual.

The current financial year saw a bounce back for all our investments following Covid-19 returning them to previous levels. As always, the School takes a longer term view on investments, and expect them to fluctuate over time.

The School needs some free reserves to enable it to meet its charitable obligations in the eventuality of an unexpected shortfall in revenue. The Charity Commission defines free reserves as unrestricted funds available to spend on the general purposes of the School and therefore, exclude those designated for particular purposes and those already utilised in

purchasing tangible assets. The Governors believe that the level of reserves freely available for its general purpose should be sufficient to secure the future of the School. The Governors have determined that the appropriate level of free (liquid) reserves which are not invested or planned to be invested in tangible assets should be one term's expenditure. The School has actively over the past two years not added to reserves to ensure we support our community through fee reductions during closure, and by not increasing fees to reflect the tough operating environment. The School anticipates return to increasing its reserves in the next financial year (year ending 31 July 2022). The current level of free reserves as of 31 July 2021 amounts to approximately £19k (2020 £133k). The reduction on previous year relates to the School making a deficit in the financial year, alongside the continued investment in the School's estate. The School retains a strong cash reserve of £550k (2020: £322k) which is available for unrestricted use.

5.4.3 Risk Management

The School maintains an active risk register, reviewed termly under delegated authority by the Finance & General Purposes Committee. Risks rated above 9 (severity and likelihood on a scale of 1-5 each) are reported to the main governing body. With regards to material effect to the School and our accounts, key areas of concern are highlighted below.

5.4.3.1 Teacher Pension Scheme (TPS)

Teacher Pension employer contributions increased by 43% from September 2019, moving from 16.48% to 23.68%. A decision on future pension arrangements for Teachers was made, whereby future pension entitlement would be accrued in a new defined contribution scheme. The School withdrew from TPS on 31 August 2021. This risk has now been reduced in its entirety.

5.4.3.2 Covid-19

When the Covid-19 Pandemic started, we did not know how long it would really last and affect our lives.

The School kept an active risk assessment (reviewed by SLT and Governors), updated initially on a daily basis, and then on a weekly basis. Insurers were kept fully aware of activities and alterations to procedures.

In the previous financial year, parental livelihoods were challenged in ways not seen before due to the pandemic, but this seems to have recovered to some extent. School numbers are higher than when we started the pandemic, and we have had to offer little assistance this year to families by way of hardship support.

There may be a further variant, but we feel confident this risk has lessened.

5.4.3.3 Brexit & Political Actions

The transition period for the UK's departure from the EU has now passed. Although there has been changes in things such as food pricing, the overall risk to the School has not been as great as we have seen. We are mid-election cycle so the risk of political upheaval has lessened to a degree, but the last Labour party conference focussed on the removal of charitable status for independent schools. This does mean that we face a serious risk should power changes hands at the next election.

5.4.3.4 Cyber Security

The school takes IT security very seriously. Whilst continuously aware of the risk that IT fraud brings, mitigation strategies adopted include ensuring that systems are secure, backed up, passwords are used and changed regularly, acceptable use policies are reviewed and signed by children, staff and parents. The school also provides IT, fraud and safeguarding training where needed and consults on the matter regularly with advisers

and insurers. Additionally the school has launched 'Project Fortress' which is designed to help protect the school against future risks and be proactive in our risk approach.

5.4.3.5 Societal Factors

There has been some seismic changes over the past 24 months within society with campaigns like Black Lives Matter, Me Too and Everyone's Invited. These campaigns, along with changes in guidance to Keeping Children Safe in Education (KSCIE) have made the School more aware of its responsibilities and the importance of staff and pupil culture when it comes to speaking out. The School has already offered training to staff, and to focus on School culture (including the appointment of an Assistant Head: Culture) to ensure Finton stays a safe, aware and respectful community.

5.4.4 Going Concern

The Finance & General Purposes Committee reviews the School's cash flow on an annual basis with regards to the charity remaining a going concern. This was formerly completed in November 2021, with the governors concluding the School remains a going concern. The School has extrapolated 10 years ahead, with several scenarios revolving around drops in pupil numbers.



6 Governance

The Governors, who are also directors for the purposes of the Companies Act 2006 and trustees for the purposes of the Charities Act 2011, present their report with the financial statements of the School for the year ended 31 July 2021. The financial statements have been prepared in accordance with the Statement of Recommended Practice for charities (SORP 2015) (second Edition, effective 1 January 2019); Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The Report of the Governors includes a Strategic Report for the purposes of the Companies Act 2006.

6.1 Governing Document

The School is controlled by its governing document, the Memorandum and Articles of Association, and is constituted as a company limited by guarantee, as defined by the Companies Act 2006.

6.2 Governing Body

The Charity's governing body is the Board of Governors ("the Board"), the members of which are listed in these accounts.

6.3 Organisational Structure

The Governors, as the Charity Trustees and Directors, are legally responsible for the overall management and control of the School, and meet at least three times a year. In addition, the Finance & General Purposes Sub-Committee chaired by Mr M Pink meets before each meeting of the main Board to review the School's finances in general and to approve and monitor budgets, the audited accounts and the annual report prior to presentation to the Board.

There are also further sub-groups as follows:

- Formal Committees (meeting termly)
 - Finance & General Purposes
 - Education
 - Safeguarding & Wellbeing
 - Marketing & Development
 - Nominations
- Informal Committees (meet as required)
 - Benefits Committee
 - Remuneration Committee
 - Information Technology Committee
 - Bursary & Hardship Committee

It is the responsibility of the Senior Leadership Team of the School to implement the policies of the Board. The day-to-day running of the School is delegated to the Head supported by the Bursar. The Head and Bursar attend all meetings of the Board.

The School is an active member of the IAPS for the promotion and maintenance of preparatory school standards, and is inspected regularly by the Independent Schools Inspectorate, an affiliated body of Ofsted.

The pay of key personnel is set by the Governing Body, reviewed annually. The Board participate in the tri-annual Baines Cutler Financial Benchmarking Survey for staff, and procures a custom report to benchmark key personnel salaries against local comparators.

6.4 Recruitment & Appointment of New Governors

The Charity's elected Governors are appointed at a meeting of the Board of Governors on the basis of nominations received from a committee of existing Governors and the Head (the Nominations Committee) who ensures the person meets the Board's requirements concerning eligibility, personal competence, specialist skills and availability through a process of interviews and selection. New Governors are inducted into the workings of the School, including Board Policy and Procedures, through an induction process organised for them by the Head and Bursar. At least one parent Governor is appointed to sit on the Board at any one time.



7 Reference & Administrative Details

Registered Company number	Registered Charity number
02119682	296588
Registered office	Principle office
Regis House, 45 King William Street, Candlewick, London, EC4R 9AN	Finton House School, 171 Trinity Road, London, SW17 7HL

Governors

Name (Alphabetical)	Appointment	Role/Committee
Nick Addyman	Elected 2017 To retire 2025	Finance & General Purposes Marketing & Development
Victoria Andrews	Elected 2017 To retire 2022	Safeguarding & Wellbeing
Ms L Buckley	Elected 2018 To retire 2026	Chair
Mr R Chatwin (Co-opted Governor)	Elected 2011 To retire 2019	Deputy Chair Nominations
Annabelle Elliott	Elected 2014 To retire 2022	Safeguarding & Wellbeing
Ben Freeman	Elected 2016	Head
Tom Frost	Elected 2016 To retire 2024	Finance & General Purposes
Matt Hancox	Elected 2014 To retire 2022	Finance & General Purposes
Nathalie Hart	Elected 2019 To retire 2027	Safeguarding & Wellbeing
Sally Hobbs	Elected 2015 To retire 2022	Education Nominations
Clare King	Elected 2015 To retire 2023	Education Safeguarding & Wellbeing
Lucy Myres	Elected 2022 To retire 2030	Finance & General Purposes
Myles Pink	Elected 2014 To retire 2022	Chair Finance & GPC Nominations
Ian Priest	Elected 2014 To retire 2022	Marketing & Development
Saroop Purewal	Elected 2022 To retire 2030	Staff/Parent Liaison
Ravi Ruparel	Elected 2017 To retire 2025	Finance & General Purposes
Katherine Stuart	Elected 2018 To retire 2026	Legal
Natalie Trumper	Elected 2022 To retire 2030	Staff/Parent Liaison
Annabel Tuckey	Elected 2019 To retire 2027	Education
Julian Walker	Elected 2022 To retire 2030	Marketing & Development

Company Secretary & Bursar
G Collins-Down

Auditors
Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG

8 Statement of Governors' Responsibilities

The Governors (who are also the directors of Finton House Educational Trust for the purposes of company law and Trustees for the purposes of charity law) are responsible for preparing the Report of the Governors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in business.

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

In so far as the Governors are aware:

- there is no relevant audit information of which the School's auditors are unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Report of the Governors, incorporating a strategic report, approved by order of the Board of Governors, as the company directors, on and signed on the board's behalf by:

Name	Role
L Buckley	Chair of Governors
Signed	Date
	22/04/2022

9 Independent auditor's report to the members of FHET

9.1 Opinion

We have audited the financial statements of Finton House Educational Trust for the year ended 31 July 2021 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

9.2 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 charitable company 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.

9.3 Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's 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 governors with respect to going concern are described in the relevant sections of this report.

9.4 Other information

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

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

work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

9.5 Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Governors (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Report of the Governors have been prepared in accordance with applicable legal requirements.

9.6 Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

9.7 Responsibilities of trustees for the financial statements

As explained more fully in the governors' responsibilities statement set out on page 17, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

9.8 Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

9.9 Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Lee Stokes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors
Date: 22 April 2022

10 Queen Street Place
London
EC4R 1AG

10 Statement of Financial Activities

(incorporating Income & Expenditure Account) for the year ended 31 July 2021

		Unrestricted Funds	Restricted Funds	2021 Total funds	2020 Total funds
	Notes	£	£	£	£
INCOME FROM					
Grants and donations	13.2	105,475	-	105,475	144,980
Charitable activities	13.3	5,415,404	-	5,415,404	5,021,430
Sundry other income		21,518	-	21,518	17,703
Investment income		-	32,959	32,959	49,777
Total		5,542,397	32,959	5,575,356	5,233,890
EXPENDITURE ON					
Raising funds	13.4	23,963	-	23,963	19,628
Charitable activities					
School operating costs	13.6	5,625,396	-	5,625,396	5,110,768
Total		5,649,359	-	5,649,359	5,130,396
NET INCOME/(EXPENDITURE) BEFORE GAINS/(LOSSES) ON INVESTMENTS					
		(106,962)	32,959	(74,003)	103,494
Net gains/(losses) on investments	13.12	-	510,810	510,810	(75,467)
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS					
		(106,962)	543,769	436,807	28,027
Transfers between funds	13.17	-	-	-	-
NET INCOME/(EXPENDITURE)					
		(106,962)	543,769	436,807	28,027
RECONCILIATION OF FUNDS					
Total funds brought forward		6,047,953	1,610,091	7,658,044	7,630,017
TOTAL FUNDS CARRIED FORWARD					
		5,940,991	2,153,860	8,094,851	7,658,044

CONTINUING OPERATIONS


All income and expenditure arose from continuing activities.
The notes on the following pages form part of these financial statements.

11 Balance Sheet as at 31 July 2021

	Notes	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Tangible Assets	13.11		5,922,432		5,914,839
Investments	13.12		1,622,267		1,421,284
			<u>7,544,699</u>		<u>7,336,123</u>
CURRENT ASSETS					
Debtors	13.13	390,923		154,121	
Cash at Bank		<u>1,483,669</u>		<u>1,719,252</u>	
		1,874,592		1,873,373	
CREDITORS					
	13.14	<u>(667,835)</u>		<u>(787,952)</u>	
NET CURRENT ASSETS			1,206,757		1,085,421
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>8,751,456</u>		<u>8,421,544</u>
CREDITORS	13.15				
Amounts falling due after more than one year			(656,605)		(763,500)
NET ASSETS			<u>8,094,851</u>		<u>7,658,044</u>
FUNDS	13.17				
Unrestricted funds:					
General fund		313,964		342,137	
Building fund		<u>5,627,027</u>		<u>5,705,816</u>	
			5,940,991		6,047,953
Restricted funds:					
Sally Walker Bursary		1,928,436		1,434,613	
Special Needs Appeal		<u>225,424</u>		<u>179,066</u>	
			2,153,860		1,610,091
TOTAL FUNDS			<u>8,094,851</u>		<u>7,658,044</u>

The financial statements were approved by the Board of Governors on
signed on its behalf by:

and were

Name	Role
L Buckley	Chair of Governors
Signed	Date
	22/04/2022

12 Cashflow Statement for the year ended 31 July 2021

	Note	2021 £	2020 £
Cash flows from operating activities:			
Cash generated from operations	A	(261,090)	566,425
Cash flows from investing activities:			
Purchase of tangible fixed assets		(317,279)	(287,479)
Purchase of investments		(272,515)	(478,782)
Proceeds from disposal of investments		582,342	430,331
Investment income		32,959	49,777
Net cash provided by (used in) investing activities		<u>25,507</u>	<u>(286,153)</u>
Change in cash and cash equivalents in the reporting period		(235,583)	280,272
Cash and cash equivalents at the beginning of the reporting period		1,719,252	1,438,980
Cash and cash equivalents at the end of the reporting period	B	<u>1,483,669</u>	<u>1,719,252</u>

The accompanying notes on the following pages form an integral part of these financial statements.

A: RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the statement of financial activities)	436,807	28,027
Adjustments for:		
Depreciation charge	309,686	268,343
(Gains)/losses on investments	(510,810)	75,467
Investment income	(32,959)	(49,777)
(Increase)/decrease in debtors	(236,802)	108,076
(Decrease)/Increase in creditors	(227,012)	136,289
Net cash provided by operating activities	<u>(261,090)</u>	<u>566,425</u>

B: ANALYSIS OF CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD

	2021 £	2020 £
Cash at bank and in hand	1,482,050	1,716,886
Cash held by investment managers	1,619	2,366
Total cash and equivalents	<u>1,483,669</u>	<u>1,719,252</u>

13 Notes to the Financial Statements

13.1 Accounting Policies

13.1.1 General information and basis of preparing the financial statements

Finton House Education Trust is a Charitable Company limited by guarantee (without share capital) in the United Kingdom. The address of the registered office and principal place of business is given in the charity information in section 7. The nature of the charity's operations and principal activities is the day schooling for children of both sexes between the ages of 4 and 11.

The financial statements of the School, which is a public benefit entity under FRS 102, have been prepared in accordance with the Statement of Recommended Practice for charities (SORP 2015) (second Edition, effective 1 January 2019); Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

13.1.2 Going Concern

The financial statements have been prepared on the going concern basis as the Governors believe that no material uncertainties exist. The Governors have considered the level of funds held and the expected level of income and expenditure for twelve months from authorising these financial statements, including the ongoing impact of the COVID-19 pandemic on the reserves and financial health of the School. The budgeted income and expenditure is sufficient with the level of reserves for the school to be able to continue as a going concern.

13.1.3 Income

All income is recognised in the Statement of Financial Activities once the School has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably. Income is deferred when the fees or donations are received in advance of the academic year or event to which they relate.

Donations and other voluntary income

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the school is considered probable. Voluntary income for the School's general purposes is accounted for as unrestricted and it's credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

Donations receivable for the general purposes of the School are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds.

School fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds are accounted for in the period in which the services are provided.

Investment income

Investment income including income from dividends is accounted for on an accruals basis.

13.1.4 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the School to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Supplies of games equipment, books, stationery and sundry materials are written off when the expenditure is incurred.

Governance costs, included within support costs, comprise the costs of external audit and legal and professional expenses in order to comply with constitutional and statutory requirements, and school inspection costs.

Grants awarded are expensed as soon as they become legal or operational commitments.

13.1.5 Taxation

The School, as a registered Charity, is exempt from corporation tax on its charitable activities.

13.1.6 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Governors.

Restricted funds can only be used for particular restricted purposes within the objects of the School. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds can be set aside by the Governors out of unrestricted general funds for specific future purposes or projects.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

13.1.7 Tangible fixed assets

All fixed assets are initially recorded at cost.

Depreciation is provided on all tangible fixed assets retained for use by the School, other than freehold land, at rates calculated to spread each asset's cost less estimated residual value based on current market prices, evenly over its expected useful economic life, which for each class of asset is assessed as averaging:

Category	Depreciation Period
Buildings (Major)	40 Years
Buildings (Minor)	20 Years
Fixtures, Fittings & Equipment (Major)	10 Years
Fixtures, Fittings & Equipment (Minor)	5 Years
Information Technology (Equipment)	3 Years
Information Technology (Infrastructure)	7 Years

Items costing less than £1,000 are written off to expense as acquired.

13.1.8 Debtors and creditors

Short term debtors and creditors are measured at transaction price, less any impairment. Long term creditors are measured at their settlement amount due.

13.1.9 Investments

Investments are valued at their market value at year end. Any gains or losses on investments throughout the year are recorded in the SOFA.

13.1.10 Operating leases

Rentals payable under operating leases are charged on a straight-line basis over the lease term.

13.1.11 Pension schemes

The School contributes to the Teacher's Pension Defined Benefits Scheme (TPS) at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are applicable to the School. In accordance with FRS 102 the scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

The School contributes to a defined contribution pension scheme for all other non-teaching staff.

13.1.12 Judgements and key sources of estimation uncertainty

Accounting estimate and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

13.1.13 Useful economic lives of tangible assets:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See section 13.11 for the carrying amount of the property, plant and equipment, and section 13.1.7 'tangible fixed assets' for the useful economic lives for each class of assets.

13.2 Income from Grants and Donations

	2021 £	2020 £
Donations and forfeited deposits	82,560	115,223
Government grants	22,915	29,757
	<u>105,475</u>	<u>144,980</u>

Income from government grants consists of amounts claimed under the coronavirus job retention scheme.

13.3 Income from Charitable Activities

	2021 £	2020 £
Gross fees*	5,321,770	5,002,149
Staff discounts & Bursaries	(154,347)	(175,827)
Registration fees	15,615	17,000
Other fees incl. school clubs	232,366	178,108
	<u>5,415,404</u>	<u>5,021,430</u>

*Gross fees includes reduced income due to Covid-19 Fee Credit on Summer Fees 2020 and Spring Fees 2021.

13.4 Raising Funds

	2021 £	2020 £
Fundraising and publicity	22,442	17,815
Finance and other costs	1,521	1,813
	<u>23,963</u>	<u>19,628</u>

13.5 Analysis of Total Expenditure

	Staff Costs £	Depreciation £	Other £	Total 2021 £
Charitable expenditure - 2021				
Teaching Costs	3,253,208	-	56,867	3,310,075
Welfare	32,998	-	297,033	330,031
Premises	-	309,686	403,694	713,380
Support Costs – see 13.6	529,074	-	742,836	1,271,910
	<u>3,815,280</u>	<u>309,686</u>	<u>1,500,430</u>	<u>5,625,396</u>

	Staff Costs £	Depreciation £	Other £	Total 2020 £
Charitable expenditure - 2020				
Teaching Costs	3,060,748	-	62,512	3,123,260
Welfare	45,570	-	263,188	308,758
Premises	-	268,343	181,891	450,234
Support Costs – see 13.6	526,961	-	701,555	1,228,516
	<u>3,633,279</u>	<u>268,343</u>	<u>1,209,146</u>	<u>5,110,768</u>

13.6 Support Costs

	2021 £	2020 £
Salaries, Pensions & Social Security	529,074	526,961
Transport	24,453	35,277
Information Technology	4,490	13,045
Sundry Extras	484,222	432,519
Governance Costs	229,171	220,714
	<u>1,271,910</u>	<u>1,228,516</u>
Governance costs		
Auditors' remuneration	11,250	10,900
Auditors remuneration for non-audit work	3,400	5,800
Legal and professional fees	214,521	204,014
	<u>229,171</u>	<u>220,714</u>

13.7 Net Income/(Expenditure)

	2021 £	2020 £
Net income/(expenditure) is stated after charging/(crediting):		
Auditors' remuneration – for audit	11,250	10,900
Auditors' remuneration for non-audit work	3,400	5,800
Depreciation – owned assets	309,686	268,343
Operating lease rentals	<u>36,836</u>	<u>15,735</u>

13.8 Governors' Remuneration & Benefits

No Governor received remuneration during this year (2020: none). No Governor received reimbursement of expenses during the year (2020: none).

13.9 Staff Costs

	2021 £	2020 £
Salaries & wages	2,990,653	2,794,564
Social security costs	249,008	249,008
Pensions	482,021	478,990
Life and health insurance	10,720	11,351
Other staff costs	82,878	99,366
	<u>3,815,280</u>	<u>3,633,279</u>
	2021	2020
The average number of employees in the year was:		
Teaching staff	39	40
Other	37	37
	<u>76</u>	<u>77</u>

Employee time has been allocated to direct and support costs allocated on a percentage basis over all the costs.

The number of employees whose emoluments exceeded £60,000 were:

	2021	2020
£60,001 - £70,000	-	1
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-

Pension contributions totalling £52,732 (2020: £61,650) were made to defined benefit & defined contribution contribution schemes in respect of the three higher paid employees. The aggregate benefits of key management personnel amounted to £343,653 (2020: £326,065). The increase is reflected in the change from 16.48% employer contribution for defined benefit employees to 23.68% from September 2020.

13.10 Comparatives for the Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	2020 Total funds £
INCOME FROM			
Grants and donations	83,026	61,954	144,980
Charitable activities	5,021,430	-	5,021,430
Sundry other income	17,703	-	17,703
Investment income	5,587	44,190	49,777
Total	5,127,746	106,144	5,233,890
EXPENDITURE ON			
Raising funds	14,383	5,245	19,628
Charitable activities			
School operating costs	5,110,768	-	5,110,768
Total	5,125,151	5,245	5,130,396
NET INCOME BEFORE (LOSSES)/GAINS ON INVESTMENTS	2,595	100,899	103,494
Net (losses)/gains on investments	-	(75,467)	(75,467)
NET INCOME BEFORE TRANSFERS	2,595	25,432	28,027
Transfers between funds	-	-	-
NET INCOME	2,595	25,432	28,027
RECONCILIATION OF FUNDS			
Total funds brought forward	6,045,358	1,584,659	7,630,017
TOTAL FUNDS CARRIED FORWARD	6,047,953	1,610,091	7,658,044

13.11 Tangible Fixed Assets

	Freehold & Buildings £	Fixtures & Equip £	Information Technology £	Totals £
COST				
At 1 August 2020	8,219,361	33,751	951,333	9,204,445
Additions	161,501	33,743	122,035	317,279
At 31 July 2021	8,380,862	67,494	1,073,368	9,521,724
DEPRECIATION				
At 1 August 2020	2,535,966	2,306	751,334	3,289,606
Charge for year	217,869	6,771	85,046	309,686
At 31 July 2021	2,753,835	9,077	836,380	3,599,292
NET BOOK VALUE				
At 31 July 2021	5,627,027	58,417	236,988	5,922,432
At 31 July 2020	5,683,395	31,445	199,999	5,914,839

13.12 Fixed Asset Investments

	2021 £	2020 £
MARKET VALUE		
Listed investments at 1 August 2020	1,421,284	1,448,300
Additions	272,515	478,782
Disposals	(582,342)	(430,331)
Net gains/(losses) on investments	510,810	(75,467)
Listed investments at 31 July 2021	1,622,267	1,421,284
Cash balances held at fund manager:	1,619	2,366
Total	1,623,886	1,423,650
Cost of listed portfolio	1,318,716	1,346,628

13.13 Debtors: Amounts Falling Due Within One Year

	2021 £	2020 £
Trade debtors*	350,654	61,816
Other debtors	40,269	92,305
	390,923	154,121

13.14 Creditors: Amounts Falling Due Within One Year

	2021 £	2020 £
Trade creditors	152,547	132,124
Social security and other taxes	-	78,924
Other creditors	240,517	190,691
Deposits and fees receive in advance	129,694	353,374
Accrued expenses & deferred income	145,077	32,839
	<u>667,835</u>	<u>787,952</u>

13.15 Creditors: Amounts Falling Due After More Than One Year

	2021 £	2020 £
Deposits	<u>656,605</u>	<u>763,500</u>
	<u>656,605</u>	<u>765,500</u>

13.16 Operating Lease Commitments

	2021 £	2020 £
Amounts falling due:		
Within one year	25,374	2,185
Between one and five years	<u>51,122</u>	<u>-</u>
	<u>76,496</u>	<u>2,185</u>

13.17 Movement in Funds – Current Year

	At 1/8/20 £	Net Movement in Funds £	Transfers Between Funds £	At 31/7/21 £
Unrestricted funds				
General fund	342,137	110,907	(139,080)	313,964
Building fund	<u>5,705,816</u>	<u>(217,869)</u>	<u>139,080</u>	<u>5,627,027</u>
	6,047,953	(106,962)	-	5,940,991
Restricted funds				
Sally Walker Bursary Fund	1,431,025	493,823	-	1,974,794
Special Needs Appeal Fund	<u>179,066</u>	<u>49,946</u>	<u>-</u>	<u>179,066</u>
	1,610,091	543,769	-	2,153,860
Total Funds	<u>7,658,044</u>	<u>436,807</u>	<u>-</u>	<u>8,094,851</u>

The building fund was created to hold the net book value of the School's freehold properly separately to other unrestricted funds.

Net movement in funds, included in the above are as follows:

	Income £	Expenditure £	Gains and Losses £	Movement in Funds £
Unrestricted funds				
General fund	5,542,397	(5,431,490)	-	110,907
Building fund	-	(217,869)	-	(217,869)
	<u>5,542,397</u>	<u>(5,649,359)</u>	<u>-</u>	<u>(106,962)</u>
Restricted funds				
Sally Walker Bursary Fund	29,371	-	463,891	493,823
Special Needs Appeal Fund	3,588	-	46,919	49,946
	<u>32,959</u>	<u>-</u>	<u>510,810</u>	<u>543,769</u>
Total Funds	<u>5,575,356</u>	<u>-</u>	<u>510,810</u>	<u>436,807</u>

The 10th Anniversary Special Needs Fund was established with the objective to raise funds to help cover the staffing costs of the School Special Needs Department. For the Sally Walker Bursary Fund, donations of £11,306 (2020: £65,000) from the PTA and Friends of Finton House were received and bursaries totalling £103,080 (2020: £74,713) were partly financed from the income received from the Fund.

The School Building Fund represents designation fund retained to finance School freehold property deducting other long-term financing provided by fees in advance. The balance of corporate reserves represents free reserves to cover normal fluctuations in working capital and further investment in school facilities.

13.18 Movement in Funds – Prior Year

	At 1/8/19 £	Net Movement in Funds £	Transfers Between Funds £	At 31/7/20 £
Unrestricted funds				
General fund	382,326	207,142	(247,331)	342,137
Building fund	5,663,032	(204,547)	247,331	5,705,816
	6,045,358	2,595	-	6,047,953
Restricted funds				
Sally Walker Bursary Fund	1,405,172	25,853	-	1,431,025
Special Needs Appeal Fund	179,487	(421)	-	179,066
	1,584,659	25,432	-	1,610,091
Total Funds	7,630,017	28,027	-	7,658,044

Net movement in funds, included in the above are as follows:

	Income £	Expenditure £	Gains and Losses £	Movement in Funds £
Unrestricted funds				
General fund	5,127,746	(4,920,604)	-	207,142
Building fund	-	(204,547)	-	(204,547)
	5,127,746	(5,125,151)	-	2,595
Restricted funds				
Sally Walker Bursary Fund	102,556	(4,778)	(71,925)	25,853
Special Needs Appeal Fund	3,588	(467)	(3,542)	(421)
	106,144	(5,245)	(75,467)	25,432
Total Funds	5,233,890	(5,130,396)	(75,467)	28,027

13.19 Net Assets by Fund

	Unrestricted Funds £	Restricted Funds £	2021 Total funds £
Tangible fixed assets	5,922,432	-	5,922,432
Investments	-	1,622,267	1,622,267
Current assets	1,342,999	531,593	1,874,592
Current liabilities	(667,835)	-	(667,835)
Non-current liabilities	(656,605)	-	(656,605)
TOTAL FUNDS	5,940,991	2,153,860	8,094,851

	Unrestricted Funds £	Restricted Funds £	2020 Total funds £
Tangible fixed assets	5,914,839	-	5,914,839
Investments	-	1,421,284	1,421,284
Current assets	1,684,566	188,807	1,873,373
Current liabilities	(787,952)	-	(787,952)
Non-current liabilities	(763,500)	-	(763,500)
TOTAL FUNDS	6,047,953	1,610,091	6,134,611

13.20 Contingent Liabilities & Capital Commitments

The School has guaranteed a bank facility granted to Trinity Fields Trust. The maximum amount of such guarantee is £5,000 (2020: £5,000).

At the year-end, the School still maintains a non-contractual agreement to spend £500,000 on developing the Trinity Fields site in cooperation with 3 other local schools. No obligation had arisen at the balance sheet date and therefore no provision has been made in the financial statements. There were capital commitments at 31 July 2021 of £nil.

13.21 Related Third Party Disclosures

There were no related party transactions for the year ended 31 July 2021 (2020: none).

13.22 Pension Schemes

13.22.1 Teachers' Pension Scheme

The School participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff up to August 2021. The pension charge for the year includes contributions payable to the TPS of £419,440 (2020: £404,923) and at the year-end £nil (2020 - £nil) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation

of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism revision is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The School consulted with staff on withdrawal from the TPS, which was agreed and has been implemented from September 2021.

13.22.2 Defined Contribution Scheme

The School also operates a defined contribution pension scheme with both Standard Life and Scottish Widows for its non-teaching staff (and teaching staff who are opted in), the assets for which are held separately from those of the school in an independently administered fund. Net contributions payable by the school amounted to £94,862 (2020: £64,608). Contributions by the employer are 7.5% (2019: 7.5%). All contributions due were paid in the year. All eligible non-teaching staff are automatically enrolled into this scheme when joining the School. The School opened a new defined contribution scheme for teachers (APTIS) from September 2021, with the School contributing 18%.

13.23 Liability of Members

The school is a company limited by guarantee and the liability of members is limited to £1 in the event of a winding up.