



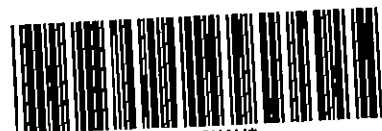
FINTON HOUSE SCHOOL

FINTON HOUSE EDUCATIONAL TRUST GOVERNORS' REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

COMPANY REGISTERED NUMBER: 02119682
REGISTERED CHARITY NUMBER: 296588

FRIDAY



AC2D0K1V

A08

28/04/2023

#217

COMPANIES HOUSE

Table of Contents

1	2021-2022 – Stable footings with headwinds to manage.....	2
2	Educational highlights.....	2
3	Our Charity	5
4	Public Benefit & Partnerships	6
5	Operational & Financial Review	8
6	Governance	10
7	Reference & Administrative Details	12
8	Statement of Governors' Responsibilities.....	13
9	Independent auditor's report to the members of Finton House Educational Trust	14
10	Statement of Financial Activities.....	17
11	Balance Sheet as at 31 July 2022.....	18
12	Cashflow Statement for the year ended 31 July 2022	19
13	Notes to the Financial Statements.....	20

1 2021-2022 – Stable footings with headwinds to manage

1.1 Pupil Numbers, fees and market conditions

Finton House School provides day school education in London SW17 to boys and girls from the ages of 4 to 11. Total pupil numbers are limited to 340 by Wandsworth Council.

The Financial Review below demonstrates that the school has weathered the challenges of Covid. A small surplus was generated in 21-22 and there are few residual impacts on costs or pupils numbers. This stability is critical as the School predicts that inflation, changing demographics, and a potential change in government, will create financial headwinds that will need to be carefully navigated over the next few years.

Whilst the School has managed through the Covid period well, operating conditions have not returned to pre pandemic norms. In previous years, the School was able to rely on historical trends to accurately predict offer conversion percentages and the demand for occasional places. Now the School finds there are a range of factors that make it difficult to accurately predict pupil application and conversion rates. We expect this may lead to some volatility of pupil numbers in certain year groups, most notably in Reception and at the start of the Upper School. Non-full year groups can impact on School finances for many years and as such we are focused on ensuring all year groups are full. The Admissions team and the Senior Leadership Team work together on managing this dynamic and currently the school is operating at capacity.

The pandemic has also had an impact on finding the correct balance for our fees. Fees were frozen in 20-21 (and only moderately increased in 21-22) in order to support parents going through challenging times. At the same time the School still experienced inflationary cost increases and made a cost-of-living pay award to our staff. The result is that we have had a period of smaller surpluses and will be seeking fee increases more aligned with market rates in the coming years in order to build our surpluses back to sustainable levels.

Upwards pressure is exacerbated by the threat of a change of Government. Labour has been clear in its proposals to adjust business rate relief and impose VAT on private school fees. These risks are set out in more detail below.

2 Educational highlights

2.1 Leadership

A restructure of the Senior Leadership Team (SLT) to comprise the Head, Bursar and Deputy Heads of Academic and Pastoral & Safeguarding was put in place in January 2022. In addition, a Junior Leadership Team (JLT) was formed to include Assistant Heads responsible for Curriculum, Culture, Technology & Innovation, Partnerships, Wellbeing, Teaching & Learning in addition to the Head of Marketing, Communications and Development. The impact has been notable and much progress has already been made in areas such as culture, wellbeing and partnerships. There has also been a flurry of activity related to the work of the Development Committee, including the formation of the Development Board and the successful launch of the 1987 Appeal.

2.2 Senior School Places

Our 42 Year 6 pupils (21 boys, 21 girls) made 170 applications to 48 different schools. This includes independent day & boarding schools, maintained schools, senior schools abroad and prep schools.

The 2022 leavers received an outstanding total of 119 offers, and all the children have received at least one offer.

In total, an incredible 32 scholarships were awarded to 19 children: 28 academic, 3 art, 1 drama, 5 music and 1 sport (some of these were awarded as joint scholarships). This was another highly successful year for Finton House.

2.3 Outdoor Learning

We have continued to embed this into the curriculum, particularly in the lower years and are continuing to build on opportunities to involve KS2 as well. 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.

During Summer 2022, Year 5 & 6 pupils visited Wales. Year 4 Bushcraft, Kent and Year 3 stayed at Windmill Hill for their residential trips. This was the first post-Covid residential trip for the youngest year.

Our next Outdoor Learning Day is planned for 2023-24.

2.4 Wellbeing

The wellbeing of the pupils and staff has remained a priority once again this year. The Mental Health Support Group, comprising staff from each area of school life, oversees the wellbeing of pupils and staff with a range of existing and new initiatives. Our annual Pupil Attitudes to Self and School (PASS) Survey is conducted in the autumn term with a second survey of any children whose scores were a concern. If these children's scores remain concerning, additional support is put into place through social groups, one to one sessions or counselling with one of our two school counsellors. We continue to offer mentor groups for pupils in year 5 and 6, Mindfulness lessons for Reception, Year 4 and Year 6 children and Mindfulness drop-in sessions open to all pupils. In the summer term, with the support of staff, pupils and parents, we transformed a disused strip of land on Trinity Fields into The Secret Garden. Pupils use this space to play, plant, learn and for periods of peace and quiet reflection.

For our staff, we conduct regular wellbeing surveys which inform our decision making and the results and action points are fed back to staff. We offer a number of staff social events such as the annual staff quiz, a staff choir, weekly Pilates classes and an annual staff rounders and cricket match.

2.5 More Able Pupils

The exceptional number of scholarships achieved by Year 6 demonstrates 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 is overseen by the Academic Team.

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.

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; one child went through to the final round as a national finalist.
- Winners – TES SEND Poetry competition
- 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.

2.6 Special Educational Needs (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. Generally the School welcomes children whose needs can be met with additional support in the classroom and who do not require significant levels of separate teaching. These needs have included Down's Syndrome, hearing impairment, Autistic Spectrum Condition, 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 literacy and/or numeracy difficulties, including those with dyslexia, dyspraxia or dyscalculia, as well as specialist support for children with 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 by the Special Needs Appeal Fund.

2.7 Music

Approximately 70% of pupils above Year 3 learn a musical instrument, while similar musical experiences such as the Y1 Violin group are offered to our younger students. The school has a strong Wind & Brass Band, a Choir and a Violin Ensemble, which perform in concerts within the school as well as the local community. All Upper School pupils perform in a concert each year, while younger students perform for their annual musical. Every class has two music lessons on their timetable, one focusing on singing and basic musicianship, while the other focuses on learning various and diverse musical instruments (recorder, ukulele, keyboard and djembe drumming), music theory and composition. In addition, we have a company, MTech, offering a music composition club after school, which has proved very popular.

2.8 Drama

All children had a weekly drama lesson and Year 5 and 6 also had Dance for one term. All children have taken part in a variety of drama performances over the course of the year: Year 2 and Year 6 all performed in their major play production at Trinity Chapel and the Chelsea Theatre respectively. Other Year groups have performed in Class plays and assemblies and some in dance workshops. Every child recited a poem to their class and parents during Poetry Week and many children play musical instruments in assemblies, perform readings or make speeches. After school, there is an Act Drama & LAMDA Club for any children in Year 3 – 6 who wish to pursue this area further.

2.9 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.

2.10 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 2022, we experienced success at the Young RCA awards, with 8 children having work chosen for the exhibition. One child came runner up in the RAD School of Art competition and a year group took part in a local community art exhibition 'A Place to Call Home', which was a reflection on covid lockdowns.

3 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 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 diversity across the school.

- Encouraging and modelling behaviours that help protect and sustain the local and global environment.

Creating a dynamic 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, current 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.

4 Public Benefit & Partnerships

4.1 Development Strategy

The School has developed a Development Strategy centered around its founding principle of inclusivity, and following our philanthropic founders' vision for education in the local area. The Development strategy which we have formulated this year, 'Finton at 40', looks ahead to our vision for the School's public benefit in 2027.

In January and February 2022 we successfully formed a Development Board comprising of families who committed to giving a substantial donation across the next five years towards the School's bursaries and partnerships projects. Alongside this, the Board have a voice in advising the School on meaningful projects of benefit to local community organisations.

In July 2022 we launched the strategy to the whole school (including parents and staff) and have been successful in raising a significant funds for development. We are in the process of identifying appropriate partnerships by building on existing relationships within our community, and intend to increase our bursary offering over the coming years.

4.2 Sally Walker Bursary

Our means-tested bursaries are central to helping ensure that the education offered by Finton House can be accessed by children from families who would otherwise be unable to afford the fees. When assessing means, all family income, assets and liabilities are reviewed.

Bursaries in 2021/22 amounted to £138k and benefitted 14 students. 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.

We have also taken steps to form links with other organisations to create channels for recruiting potential bursary recipients. We have this year accepted two pupils with a high level of sporting ability through such a channel.

4.3 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. Our 50-year partnership with the Fields is now underway. This partnership includes the School paying a 1.4 multiplier on its use expressly to provide Trinity Fields Trusts the funds to support youth sport.

The School has, with the support of Trinity Fields, created 'The Secret Garden' as a wellbeing outdoor resource for use by the school and other community groups. The project was funded entirely through parent donations to 'Finton at 40' and brought to life by volunteers and the expertise provided by an outdoor educational specialist.

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 Hospital.

The 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 an advisory Development Board to aid in the fundraising for partnerships, which will help unlock barriers to entry.

4.4 Ukraine Refugee Education Appeal

The Governors and Senior Leadership Team created a campaign to raise funds for families displaced from Ukraine in April 2022. This campaign successfully helped the School to fund a bursary place for a Ukrainian child and a translator to assist in the classroom.

5 Operational & Financial Review

5.1 Estates

The School will continue to invest in the Estate and its facilities. The School is aware of the need to continuously invest in infrastructure and ensure that facilities remain fit-for-purpose. The Board has allocated funds from 23-24 onwards that will be focussed on the upgrading of classrooms. A key focus of this investment will be to ensure that it maximises the positive impact that well designed facilities can have on teaching in the classroom.

The School continued its partnership with the firm NVB Architects to review options to improve the physical provision on site (without increasing the pupil cap). This work is challenging as it is a compact site, operating at full capacity with historical legacies. The Governors have approved further funds to continue analysis of the options and financing before making any firm commitments.

5.2 Human Resources

21-22 was a year for embedding numerous HR policies, including new pay structures and employment practices. The new policies and procedures give the School a very stable structure and will help to ensure that HR risks are mitigated through good practice and effective procedures

The School is very keen to ensure that there is a continual focus on employee wellbeing and support. The staff groups for Equality, Diversity and Inclusion; Culture; and Mental Health are all becoming embedded in school culture and are a source of several creative innovations to better support all staff.

Staff turnover is low and there is a healthy focus on continuous professional development.

5.3 Information Technology

The School is currently undergoing a review of IT Infrastructure. The school has a good IT backbone with effective network resources and interactive whiteboards in all areas. We now need to be mindful of the lifespan of staff and pupil devices. As demand for such devices increases, so does the need to continuous ongoing investment. We have allocated funds of £30,000 for each of the next three years to ensure that we can be an exemplar school for the effective use of IT in the classroom.

Project Fortress continues to mitigate the risks of malicious cyber activity. From 22-23 we will also be independently testing our cyber security measures through penetration testing and other independent audits. Separately, we have just invested £10k in upgrading server capacity and are mindful that the servers themselves will need to be replaced in the next two to three years.

5.4 Financial Performance

The Schools financial performance in the year ending 31 July 2022 has been solid. Following two tumultuous years heavily impacted by the effects of Covid, there has been stability in pupil numbers. The SLT managed to control costs within a lower than originally predicted fee structure reflecting actions to mitigate increases during the pandemic.

All the above compounded to the School's net income returning a surplus of £239,694 (2021: £(74,003)) before the effects of investments. Our investments returned a net gain of £39,336 (2021: £510,810).

School investments (including the Sally Walker Bursary & Special Needs Fund) had reserves of £1,590,880 (2021: £1,622,267) at the year-end after gains and losses on investments, donations and reinvested investment income.

The year-end reserves position was £8.37m (2021: £8.1m) of which £6.14m (2021: £5.94m) was held in unrestricted funds. The majority of these unrestricted funds relate to the value of the School's freehold property (£5.6m)

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 within the Financial Policies & Procedures Manual.

The current financial year saw small returns on all our investments. 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 in line with development plans. The Governors have determined that the appropriate level of free (liquid) reserves should be one term's expenditure, ie. approximately £1,959k. Over the previous two years the School did not add to reserves to ensure we supported our community through fee reductions during closure, and by not increasing fees to reflect the tough operating environment. The surplus achieved in the year increased reserves to £6,139k, including £5,714k invested in tangible fixed assets.

5.4.3 Risk Management

The School maintains an active risk register, reviewed termly under delegated authority by the Finance & General Purposes Committee. Material areas of concern are highlighted below.

VAT on school fees and other political influences:

A change of Government is considered likely and Labour has expressly stated that they will introduce VAT on private school fees. This may be complicated to implement, but if it was to be enacted it would have a significant impact on the School. An ISC survey of parents at the school suggested that 7% of our parents might need to withdraw pupils as a direct consequence of the imposition. This equates to a drop of 25 pupils at the school, or about £140k in fees. (Assuming that these pupils required a place at a state school, this would also collectively cost our local authorities around £150,000)

Additionally, Labour is expected to remove business rate relief and the School is factoring this into its forecast models.

We are also concerned about the potential loss of charity status and the imposition of corporate tax. This would be particularly concerning as it would impact the School's ability to deliver the broader social and development agenda, both through our partnership schemes with local charities and our bursary places.

Cost-of-living

Parents will clearly be affected by the cost-of-living crisis. It is reported by the ISBA that in previous recessions there was commonly an 18-month lag before there was a noticeable decline in pupil

numbers. It is difficult to say with any confidence whether there will be a similar impact in this economic cycle, but we are attentive to the risk

Changing Demographics

Birth rates have been dropping consistently in Wandsworth, and London as a whole, for over ten years. In Wandsworth the birth rate is now 76% of the figure from 2011. This will already be having an impact on the size of the School's market and Finton has done well to maintain pupil numbers in this context. The full impact of the reduction in the birth rate are still to be experienced, so the School must remain mindful of this risk.

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.

Safeguarding, Health & Safety and Compliance

Significant work is conducted on an ongoing basis to ensure that the school is a safe and caring place for students and staff alike, covering various Health & Safety, Employment, Charities Commission guidelines and legislation. Efforts in this area include staff awareness and training and the use of external consultants to perform periodic audits.

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 February '23, with the governors concluding the School remains a going concern. The School has created financial models projecting our income and expenditure over the next 10 years and applied several stress scenarios revolving around drops in pupil numbers and unexpected costs.

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 2022. 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
 - Investment Committee
 - Audit 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 normally appointed to sit on the Board at any one time. At this time there is no governor in this role and a recruitment process is currently underway.

7 Reference & Administrative Details

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

Governors (as at July 2022)

Name	Date of Election	Role/Committee
Nick Addyman	Elected 2017 Retires 2025	Finance and General Purposes Development
Liz Buckley	Elected 2018 Retires 2026	Chair
Andrew Cattle	Elected 2022 Retires 2026	Finance and General Purposes
Matthew Falconer	Elected 2022 Retires 2026	Finance and General Purposes
Tom Frost	Elected 2016 Retired 2022	Finance and General Purposes
Matt Hancox	Elected 2014 Retired 2022	Finance and General Purposes
Nathalie Hart	Elected 2019 Retires 2023	Safeguarding and Wellbeing
Sally Hobbs	Elected 2015 Retires 2023	Education Nominations
Clare King	Elected 2015 Retires 2023	Education Safeguarding and Wellbeing
Paul Mehta	Elected 2022 Retires 2026	Finance and General Purposes
Lucy Myres	Elected 2022 Retires 2026	Finance and General Purposes
Myles Pink	Elected 2014 Retires 2023	Finance and General Purposes Nominations
Saroop Purewal	Elected 2022 Retires 2026	Safeguarding and Wellbeing
Katherine Stuart	Elected 2018 Retires 2026	Legal
Natalie Trumper	Elected 2022 Retires 2026	Safeguarding and Wellbeing
Annabel Tuckey	Elected 2019 Retires 2023	Education
Harriet Turnbull	Elected 2022 Retires 2030	Safeguarding and Wellbeing
Julian Walker	Elected 2022 Retires 2030	Finance and General Purposes Development Health & Safety
Ben Freeman	Elected 2016	Head
Victoria Andrews	Elected 2017 Retired 2022	Safeguarding and Wellbeing
Robin Chatwin	Elected 2011 Retired 2022	Finance and General Purposes Health & Safety

Annabelle Elliott	Elected 2014 Retired 2022	Safeguarding and Wellbeing
Ian Michael Priest	Elected 2014 Retired 2022	Development Marketing
Ravi Ishwar Ruparel	Elected 2016 Retired 2022	Safeguarding and Wellbeing Technology

Company Secretary & Bursar at July 2022

Guy Collins-Down was Bursar throughout the financial year (resigned July 2022)

Gareth Atkinson appointed August 2022 (resigned March 2023)

Mustafa Davies appointed April 2023

Auditors

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

Head

Ben Freeman

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
	26/04/2023

9 Independent auditor's report to the members of Finton House Educational Trust

9.1 Opinion

We have audited the financial statements of Finton House Educational Trust for the year ended 31 July 2022 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 2022 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 16, 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, 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:

- 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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. 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: 27 April 2023

10 Queen Street Place
London, EC4R 1AG

10 Statement of Financial Activities

(Incorporating Income & Expenditure Account) for the year ended 31 July 2022

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total funds £	2021 Total funds £
INCOME FROM					
Grants and donations	13.2	114,866	16,000	130,866	105,475
Charitable activities	13.3	5,941,092	-	5,941,092	5,415,404
Sundry other income		11,683	-	11,683	21,518
Investment income		3,115	28,767	31,882	32,959
Total		6,070,756	44,767	6,115,523	5,575,356
EXPENDITURE ON					
Raising funds	13.4	27,298	3,099	30,397	23,963
Charitable activities		-	-	-	-
School operating costs	13.5	5,845,432	-	5,845,432	5,625,396
Total		5,872,730	3,099	5,875,829	5,649,359
NET INCOME/(EXPENDITURE) BEFORE GAINS/(LOSSES) ON INVESTMENTS		198,026	41,668	239,694	(74,003)
Net gains/(losses) on investments	13.12	-	39,336	39,336	510,810
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		198,026	81,004	279,030	436,807
Transfers between funds	13.17	-	-	-	-
NET INCOME/(EXPENDITURE)		198,026	81,004	279,030	436,807
RECONCILIATION OF FUNDS					
Total funds brought forward		5,940,991	2,153,860	8,094,851	7,658,044
TOTAL FUNDS CARRIED FORWARD		6,139,017	2,234,864	8,373,881	8,094,851

CONTINUING OPERATIONS


All income and expenditure arose from continuing activities.
The notes on pages 20 to 31 form part of these financial statements.

11 Balance Sheet as at 31 July 2022

Company number: 02119682

	Notes	2022 £	2022 £	2021 £	2021 £
FIXED ASSETS					
Tangible Assets	13.11		5,714,556		5,922,432
Investments	13.12		1,590,880		1,622,267
			<u>7,305,436</u>		<u>7,544,699</u>
CURRENT ASSETS					
Debtors	13.13	314,801		390,923	
Cash at Bank		<u>2,183,011</u>		<u>1,483,669</u>	
		<u>2,497,812</u>		<u>1,874,592</u>	
CREDITORS					
	13.14	<u>(665,815)</u>		<u>(667,835)</u>	
NET CURRENT ASSETS			<u>1,831,997</u>		<u>1,206,757</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,137,433</u>		<u>8,751,456</u>
CREDITORS	13.15				
Amounts falling due after more than one year			(763,552)		(656,605)
NET ASSETS			<u>8,373,881</u>		<u>8,094,851</u>
FUNDS	13.17				
Unrestricted funds:					
General fund		687,420		313,964	
Building fund		<u>5,451,597</u>		<u>5,627,027</u>	
			<u>6,139,017</u>		<u>5,940,991</u>
Restricted funds:					
Sally Walker Bursary		2,051,953		1,928,436	
Special Needs Appeal		<u>182,911</u>		<u>225,424</u>	
			<u>2,234,864</u>		<u>2,153,860</u>
TOTAL FUNDS			<u>8,373,881</u>		<u>8,094,851</u>

The financial statements were approved by the Board of Governors on 22/03/2023 and were signed on its behalf by:

Name	Role
L Buckley	Chair of Governors
Signed	Date
	26/04/2023

12 Cashflow Statement for the year ended 31 July 2022

	Note	2022 £	2021 £
Cash flows from operating activities:			
Cash generated from operations	A	733,005	(261,090)
Cash flows from investing activities:			
Purchase of tangible fixed assets		(136,268)	(317,279)
Purchase of investments		(218,150)	(272,515)
Proceeds from disposal of investments		288,873	582,342
Investment income		31,882	32,959
Net cash provided by (used in) investing activities		<u>(33,663)</u>	<u>25,507</u>
Change in cash and cash equivalents in the reporting period		699,342	(235,583)
Cash and cash equivalents at the beginning of the reporting period		1,483,669	1,719,252
Cash and cash equivalents at the end of the reporting period	B	<u>2,183,011</u>	<u>1,483,669</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

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	279,030	436,807
Adjustments for:		
Depreciation charge	344,144	309,686
(Gains)/losses on investments	(39,336)	(510,810)
Investment income	(31,882)	(32,959)
(Increase)/decrease in debtors	76,122	(236,802)
(Decrease)/Increase in creditors	104,927	(227,012)
Net cash provided by operating activities	<u>733,005</u>	<u>(261,090)</u>

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

	2022 £	2021 £
Cash at bank and in hand	2,113,767	1,482,050
Cash held by investment managers	69,244	1,619
Total cash and equivalents	<u>2,183,011</u>	<u>1,483,669</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. 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 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

	2022 £	2021 £
Donations and forfeited deposits	127,400	82,560
Government grants	3,466	22,915
	<u>130,866</u>	<u>105,475</u>

13.3 Income from Charitable Activities

	2022 £	2021 £
Gross fees*	5,738,375	5,321,770
Staff discounts & Bursaries	(210,961)	(154,347)
Registration fees	22,450	15,615
Other fees incl. school clubs	391,228	232,366
	<u>5,941,092</u>	<u>5,415,404</u>

*Gross fees includes reduced income due to Covid-19 Fee Credit on Summer Fees 2021 and Spring Fees 2022.

13.4 Raising Funds

	2022 £	2021 £
Fundraising and publicity	28,406	22,442
Finance and other costs	1,991	1,521
	<u>30,397</u>	<u>23,963</u>

13.5 Analysis of Total Expenditure

	Staff Costs £	Depreciation £	Other £	Total 2022 £
Charitable expenditure - 2022				
Teaching Costs	3,208,509	-	59,991	3,268,500
Welfare	47,822	-	363,847	411,669
Premises	-	344,144	297,469	641,613
Support Costs – see 9.6	555,838	-	967,812	1,523,650
	<u>3,812,169</u>	<u>344,144</u>	<u>1,689,119</u>	<u>5,845,432</u>
	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 9.6	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>

13.6 Support Costs

	2022 £	2021 £
Salaries, Pensions & Social Security	555,838	529,074
Transport	51,068	24,453
Information Technology	5,999	4,990
Sundry Extras	694,717	484,222
Governance Costs	216,028	229,171
	<u>1,523,650</u>	<u>1,271,910</u>
Governance costs		
Auditors' remuneration	12,000	11,250
Auditors remuneration for non-audit work	3,500	3,400
Legal and professional fees	200,528	214,521
	<u>216,028</u>	<u>229,171</u>

13.7 Net Income/(Expenditure)

	2022 £	2021 £
Net income/(expenditure) is stated after charging/(crediting):		
Auditors' remuneration – for audit	12,000	11,250
Auditors' remuneration for non-audit work	3,500	3,400
Depreciation – owned assets	344,144	309,686
Operating lease rentals	33,474	36,836

13.8 Governors' Remuneration & Benefits

No Governor received remuneration during this year (2021: none). No Governor received reimbursement of expenses during the year (2021: none).

13.9 Staff Costs

	2022 £	2021 £
Salaries & wages	2,969,138	2,990,653
Social security costs	298,729	249,008
Pensions	396,691	482,021
Life and health insurance	3,847	10,720
Other staff costs	143,764	82,878
	<u>3,812,169</u>	<u>3,815,280</u>

	2022	2021
The average number of employees in the year was:		
Teaching staff	38	39
Other	35	37
	<u>73</u>	<u>76</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:

	2022	2021
£60,001 - £70,000	1	-
£70,001 - £80,000		-
£80,001 - £90,000		1
£90,001 - £100,000	1	1
£100,001 - £110,000		-
£110,001 - £120,000	1	1

Pension contributions totalling £3,036 (2021: £45,787) were made to defined benefit contribution schemes in respect of two of the paid employees. £37,585 (2021: £6,945) was contributed to a defined contribution scheme in respect of all four employees.

The key management personnel comprise the Head, Academic Head, Pastoral Head and the Bursar. The aggregate benefits of key management personnel amounted to £391,339 (2021: £343,653).

The increase is reflected in the change from 16.48% employer contribution for defined benefit employees to 23.68% from September 2021.

13.10 Comparatives for the Statement of Financial Activities

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total funds £
INCOME FROM				
Grants and donations	13.2	105,475	-	105,475
Charitable activities	13.3	5,415,404	-	5,415,404
Sundry other income		21,518	-	21,518
Investment income		-	32,959	32,959
Total		5,542,397	32,959	5,575,356
EXPENDITURE ON				
Raising funds	13.4	23,963	-	23,963
Charitable activities				
School operating costs	13.5	5,625,396	-	5,625,396
Total		5,649,359	-	5,649,359
NET INCOME/(EXPENDITURE) BEFORE GAINS/(LOSSES) ON INVESTMENTS				
		(106,962)	32,959	(74,003)
Net gains/(losses) on investments	13.12	-	510,810	510,810
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS				
		(106,962)	543,769	436,807
Transfers between funds	13.17	-	-	-
NET INCOME/(EXPENDITURE)				
		(106,962)	543,769	436,807
RECONCILIATION OF FUNDS				
Total funds brought forward		6,047,953	1,610,091	7,658,044
TOTAL FUNDS CARRIED FORWARD				
		5,940,991	2,153,860	8,094,851

13.11 Tangible Fixed Assets

	Freehold & Buildings £	Fixtures & Equip £	Information Technology £	Totals £
COST				
At 1 August 2021	8,380,862	67,494	1,073,368	9,521,724
Additions	52,810	66,951	16,507	136,268
At 31 July 2022	8,433,672	134,445	1,089,875	9,657,992
DEPRECIATION				
At 1 August 2021	2,753,835	9,077	836,380	3,599,292
Charge for year	228,240	14,866	101,038	344,144
At 31 July 2022	2,982,075	23,943	937,418	3,943,436
NET BOOK VALUE				
At 31 July 2022	5,451,597	110,502	152,457	5,714,556
At 31 July 2021	5,627,027	58,417	236,988	5,922,432

13.12 Fixed Asset Investments

	2022 £	2021 £
MARKET VALUE		
Listed investments at 1 August 2021	1,622,267	1,421,284
Additions	218,150	272,515
Disposals	(288,873)	(582,342)
Net gains/(losses) on investments	39,336	510,810
Listed investments at 31 July 2022	1,590,880	1,622,267
Cash balances held at fund manager:	69,244	1,619
Total	1,660,124	1,623,886
Cost of listed portfolio	1,289,029	1,318,716

13.13 Debtors: Amounts Falling Due Within One Year

	2022 £	2021 £
Trade debtors	154,378	350,654
Other debtors	160,423	40,269
	314,801	390,923

13.14 Creditors: Amounts Falling Due Within One Year

	2022 £	2021 £
Trade creditors	155,076	152,547
Social security and other taxes	102,434	-
Other creditors	242,423	240,517
Deposits and fees received in advance	96,489	129,694
Accrued expenses & deferred income	69,394	145,077
	<u>665,815</u>	<u>667,835</u>

13.15 Creditors: Amounts Falling Due After More Than One Year

	2022 £	2021 £
Deposits	763,552	656,605
	<u>763,552</u>	<u>656,605</u>

13.16 Operating Lease Commitments

	2022 £	2021 £
Amounts falling due:		
Within one year	25,374	25,374
Between one and five years	47,282	51,122
	<u>72,656</u>	<u>76,496</u>

13.17 Movement in Funds – Current Year

	At 1/8/21 £	Net Movement in Funds £	Transfers Between Funds £	At 31/7/22 £
Unrestricted funds				
General fund	313,964	426,266	(52,810)	687,420
Building fund	5,627,027	(228,240)	52,810	5,451,597
	<u>5,940,991</u>	<u>198,026</u>	<u>-</u>	<u>6,139,017</u>
Restricted funds				
Sally Walker Bursary Fund	1,974,794	77,159	-	2,051,953
Special Needs Appeal Fund	179,066	3,845	-	182,911
	<u>2,153,860</u>	<u>81,004</u>	<u>-</u>	<u>2,234,864</u>
Total Funds	<u>8,094,851</u>	<u>279,030</u>	<u>-</u>	<u>8,373,881</u>

The building fund was created to hold the net book value of the School's freehold property 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	6,070,756	(5,644,490)	-	426,266
Building fund	-	(228,240)	-	(228,240)
	6,070,756	(5,872,730)		198,026
Restricted funds				
Sally Walker Bursary Fund	44,767	(2,747)	35,139	77,159
Special Needs Appeal Fund	-	(352)	4,197	3,845
	44,767	(3,099)	39,336	81,004
Total Funds	6,115,523	(5,875,829)	39,336	279,030

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 £44,767 (2021: £11,306) from various donors were received. Bursaries totalling £142,009 (2021: £103,080) were partly financed from the income received from this 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 1/8/20 £	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	5,705,816	(217,869)	139,080	5,627,027
	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	179,066	49,946	-	179,066
	1,610,091	543,769	-	2,153,860
Total Funds	7,658,044	436,807	-	8,094,851

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)
	5,542,397	(5,649,359)	-	(106,962)

Restricted funds				
Sally Walker Bursary Fund	29,371	-	464,452	493,823
Special Needs Appeal Fund	3,588	-	46,358	49,946
	<u>32,959</u>	-	<u>510,810</u>	<u>543,769</u>
Total Funds	<u>5,575,356</u>	-	<u>510,810</u>	<u>436,807</u>

13.19 Net Assets by Fund

	Unrestricted Funds £	Restricted Funds £	2022 Total funds £
Tangible fixed assets	5,714,556	-	5,714,556
Investments	-	1,590,880	1,590,880
Current assets	1,853,828	643,984	2,497,813
Current liabilities	(665,815)	-	(665,815)
Non-current liabilities	(763,552)	-	(763,552)
TOTAL FUNDS	<u>6,139,017</u>	<u>2,234,864</u>	<u>8,373,881</u>

	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	<u>5,940,991</u>	<u>2,153,860</u>	<u>8,094,851</u>

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 (2021: £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 2022 of £nil.

13.21 Related Third Party Disclosures

The Governors donated a cumulative amount of £6,000 (2021: £nil) in the year. There were no other related party transactions for the year ended 31 July 2022 (2021: 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 £37,259 (2021: £419,440) and at the year-end £nil (2021 - £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 2022 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 2021, 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 2021 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 Aptis (for teachers), Standard Life and Scottish Widows, 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 £365,250 (2021: £94,862). Contributions by the employer are 7.5% (Standard Life and Scottish Widows), and 18% (Aptis). All contributions due were paid in the year. All eligible staff are automatically enrolled into this scheme when joining the School.

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.