

CHARITY
COMMISSION
COPY

**REPORT OF THE GOVERNORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
FOR
HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE**

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

INDEX TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

	Page
Company Information	1
Report of the Governors (including Strategic Report)	2
Report of the Independent Auditors	6
Statement of Financial Activities	9
Balance Sheet	10
Cash Flow Statement	11
Notes to the Financial Statements	13

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

COMPANY INFORMATION
for the year ended 31 August 2021

GOVERNORS:	P J Humphries-Cuff - Chair M R J Piper (resigned 6 January 2022) C Bromfield R W Hook B H Miller Mrs J E A Stevens J E J Sidders (resigned 25 March 2022) R S Oliver - Treasurer
HEADTEACHER:	D Lee
BURSAR:	M R J Piper
REGISTERED OFFICE:	Haybrook House Marlborough Road Pewsey SN9 5NT
REGISTERED NUMBER:	2164880 (England and Wales)
REGISTERED CHARITY NUMBER:	298522
AUDITORS:	Fawcetts LLP Chartered Accountants and Statutory Auditors Windover House St Ann Street Salisbury SP1 2DR
SOLICITORS:	Thrings 6 Drakes Meadow Penny Lane Swindon SN3 3LL
BANKERS:	HSBC Bank plc 8 London Street Basingstoke RG21 7NU

**HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE GOVERNORS
for the year ended 31 August 2021**

The Governors present their annual report, together with their Strategic Report, and the audited financial statements of the company for the year ended 31 August 2021 and confirm they comply with the Charities Act 2011, the governing document and the Charities SORP 2015 (FRS 102).

PRINCIPAL ACTIVITY

The principal activity of the Company in the year under review was that of the provision of facilities for the education of boys and girls through St Francis School, Pewsey.

GOVERNING DOCUMENT

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

ORGANISATION

The Governors, who are also the Charity Trustees and the Directors of the Company, determine the general policy of the School. The management of the School is delegated to the Headmaster and Bursar.

POLICY

The School's policy is to encourage each pupil to reach their potential whilst allowing pupils to benefit from our wide extra curricular programme. This aims to develop other interests and prepare them for the senior school of their, and their parents', choice.

GOVERNORS

The Governors of the Company who served during the year ended 31 August 2021 are as shown on page 1. The Governors are the members of the Company.

The Board of Governors is a self appointed body.

GOVERNORS' INDUCTION AND TRAINING

New Governors are provided with the St Francis governors' induction pack which includes copies of the Memorandum and Articles of Association, latest annual report and financial statements, current annual budget, School development plan, minutes of the last three Governors' meetings, Guidance for Trustees and Governors published by the Charity Commission and the Independent Schools Council and copies of the School prospectus and publications. New Governors are given a conducted inspection of the School's facilities and meet individually with the Chairman of Governors. All Governors are encouraged to attend appropriate external training seminars and conferences.

REVIEW OF ACTIVITIES, DEVELOPMENTS AND ACHIEVEMENTS 2020-2021

The school, which educates children between the ages of 0 and 13 years, aspires to provide a happy, safe and stimulating environment in which each child can develop their own individual abilities to their fullest extent. There were 247 children (including 83 in the Nursery) on roll at the end of the academic year in July 2021.

As a matter of policy, the school provides financial assistance to broaden access to as wide a customer base as possible. During 2020-2021 a total of £119,034 was awarded in scholarships and community bursaries to 20 pupils or 12.2% of the main school population.

Continued on page 3

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

REPORT OF THE GOVERNORS
for the year ended 31 August 2021

Continued from page 2

REVIEW OF ACTIVITIES, DEVELOPMENTS AND ACHIEVEMENTS 2020 – 2021 continued

The academic year 2020-2021 saw the school continuing to respond to the implications and restrictions of the COVID-19 pandemic. Although on-site education was maintained for most of the academic year, the provision was very different to 'normal' because of the restrictions of necessary health protocols. During the lockdown between January 2021 and the start of March 2021, the school provided a full programme of remote learning to the majority of pupils, with a number of children of key workers receiving education on the school site. Whilst many of the usual activities were not possible during most of the academic year (such as sports fixtures, drama productions, music concerts, day and residential educational and recreational trips), the school rose to the challenge during the latter part of the year, when restrictions allowed, to provide opportunities for pupils to engage in inter-school sport, with matches resuming in the summer term, and to take part in outdoor drama productions and sports days, with parents in attendance.

During the lockdown from the start of January, remote learning was once again implemented for those at home, as well as supervision in school for those whose parents were identified as critical workers. Based on experience gained during the first lockdown in 2020, the staff team were able to roll out a programme offering a full timetable of lessons (the same timetable the pupils would have followed if they had been in school) which covered the breadth of the whole curriculum. The wellbeing of pupils was supported by teachers during lockdown, as well the academic provision.

Once again the School's team of teachers deserves credit for the way in which they adapted their practice, embraced technology, and provided ways to maintain their responsibility of educating and caring for the pupils. This was on top of responding to all the protocols which were required to ensure that the School and Nursery were safe and healthy places to be in the midst of a pandemic.

The popularity of Little Saints Nursery meant further expansion when the senior cohort of Nursery children moved into the larger accommodation offered by a suite of three rooms on the ground floor of Haybrook House. This allowed for the establishment of a 'Pre-School Room' for all of the children in the pre-Reception year group, as well as more 'rooms' for the younger children in the main Nursery building. The Nursery remained open throughout the lockdown.

As a school, we were very proud of our Year 6 and Year 8 pupils who performed impressively in their senior independent school competitive entry assessments. All our Year 8 pupils were accepted into a wide range of senior schools (Clayesmore, Godolphin, Marlborough College, Pangbourne College, St Mary's Calne, and Warminster) with nine pupils confirming their places at Marlborough College and three pupils confirming their places at St Mary's Calne. Year 8 pupils set their sights high and demonstrated their determination by entering for eleven scholarships across a broad range of disciplines: of these, two were awarded Music Scholarships (at Marlborough College and St Mary's Calne) and one a Sports Scholarship (Warminster).

During their academic year in Year 6, our pupils focus on one of two targets: assessments for senior school entry at 11+ (Year 7), or Pre-Tests for senior school entry at 13+ (Year 9). All pupils entered for 11+ assessments were offered places by their first-choice senior schools (Dauntsey's, St Mary's Calne, Warminster, Monkton Coombe and Godolphin), with four winning scholarships (a top academic award at St Mary's Calne; and three Sports Scholarships, two at Dauntsey's and one at Warminster). On the basis of their Pre-Test results, other Year 6 pupils were offered 13+ places at Eton College, Marlborough College, Monkton Coombe, St Edward's Oxford, and Winchester College.

The school continued to employ the Pre-Senior Baccalaureate as a key component of its Learning Ethos. As a PSB School, pupils in Years 7 & 8 were challenged with a new initiative this year to prepare extended projects in the Summer Term as part of their transfer to senior school. They demonstrated their determination and aspiration through the diverse and interesting topics which they chose to explore in detail in their Pre-Senior Project Qualification (PSPQ) assignments.

A new academic initiative saw all pupils in Years 3 to 8 learning Spanish during their Modern Foreign Languages lessons in the Summer Term to complement the French which is taught from age 2 in the Nursery through to Year 8. The success of this initiative means that, in future summer terms, the learning of Spanish will continue in Years 3 to 6. Another development of the timetable provided an additional weekly PE lesson for pupils in Years 3 to 8 to complement the Games sessions already provided.

Continued on page 4

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

REPORT OF THE GOVERNORS
for the year ended 31 August 2021

Continued from page 3

REVIEW OF ACTIVITIES, DEVELOPMENTS AND ACHIEVEMENTS 2020 – 2021 continued

As part of the school's Digital Strategy, work was undertaken to completely replace and upgrade the Wi-Fi infrastructure across the campus to prepare for the implementation of the initiative whereby pupils in Years 4 and above will each have their own Chromebooks for their everyday learning with effect from September 2021. This will ensure that pupils are preparing for their futures effectively through the use of technology, and guarantee that ICT is fully embedded across all curricular areas.

The limitations to the usual, broader life of the school brought about by the pandemic certainly made the School community aware of those usual enjoyable events which are taken for granted, especially those which involve the whole community of pupils, parents and staff. The easing of restrictions in the second half of the Summer Term allowed parents back onto the school site for our Sports Days (on which three school athletics records were broken) and also for two outdoor drama performances: a Year 6 musical 'The Pied Piper of Hamelin' and a Years 7 & 8 production of 'A Midsummer Night's Dream', both staged with the school's fortress adventure play area as the set. Day and residential trips included Year 6 pupils on a residential field trip in Dorset and Year 8 pupils taking part in an activity week.

With outdoor education being championed during COVID-19 times, our Forest School saw plenty of activity for a broad age range of pupils. Developments since the achievement of a Gold Award from the Woodland Trust have included further tree planting and the establishment of an outdoor kitchen.

As well as its usual on-going fundraising for a range of charities through pupil involvement (including the Trussell Trust Devises Food Bank; the Royal British Legion; World Wildlife Fund; Children in Need; and Save the Children), the school provided local and international support by sponsoring the Marlborough Literature Festival and St Michael's Girls' School in Busembati, Uganda by funding the Librarian and through a Pupils' Christmas Shop.

FUTURE PLANS

The School is continuing to work with the Friends of St Francis (the parents' association) to raise funds to establish a Multi-Sports Surface and all-weather outdoor cricket nets. The Multi-Sports Surface is planned for construction in July 2022, after which fundraising will continue for the cricket nets. The refurbishment and maintenance of the school's buildings and interiors will gather pace as we look forward to an uninterrupted period of normal operation.

THE FINANCIAL RESULTS

The financial statements for the year show net incoming resources of £250,867 compared with net incoming resources of £5,439 last year.

INVESTMENT POWERS

These are governed by the Memorandum and Articles which permit surplus funds to be invested in any lawful enterprise that is approved by the Charity Commissioners.

RESERVES POLICY

The school does not carry free funds. It is the policy of the governors to apply any operating surplus to the development and improvement of the fabric and facilities of the school.

Continued on page 5

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

REPORT OF THE GOVERNORS
for the year ended 31 August 2021

Continued from page 4

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also directors of the company for the purposes of company law and trustees of the charity for the purposes of charity law) are responsible for preparing the Report of the Governors (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Charities SORP 2015 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The Governors are responsible for keeping adequate 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Governors are aware, there is no relevant audit information (as defined by section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each Governor has taken all the steps that he or she ought to have taken as a Governor in order to make himself or herself aware of any relevant information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Fawcetts LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD OF GOVERNORS:

The governors (in their capacity as directors of the company and trustees of the charity) approve the Report of the Governors and the Strategic Report for the year ended 31 August 2021.

ON BEHALF OF THE GOVERNORS:


P. Humphries-Luff – Chair - Governor

Dated 25/05/2022

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HAYFRAN TRUST

Opinion

We have audited the financial statements of Hayfran Trust (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 August 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Report of the Governors, (including Strategic Report), other than the financial statements and our Report of the Auditors thereon. The Governors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Governors, which includes the Report of the Directors and the Strategic 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 Report of the Directors included within the Report of the Governors have been prepared in accordance with applicable legal requirements

Continued on page 7

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HAYFRAN TRUST

Continued from page 6

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors included within the Report of the Governors.

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

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

Responsibilities of Governors

As explained more fully in the Statement of Governors' Responsibilities set out on page six, the Governors (who are also directors of the charitable company for the purposes of company law and trustees of the charity for the purposes of charity 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 Governors 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 Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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.

Identifying and assessing potential risks related to irregularities

Irregularities, including fraud, are non-compliance with laws and regulations. We design procedures, in line with our responsibilities, as set out in the auditor's responsibilities for the audit of the financial statements section, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, are detailed below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations we consider the following:

- the nature of the charity sector, control environment and financial performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following area: revenue and resource recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

Continued on page 8

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HAYFRAN TRUST

Continued from page 7

We have also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation.

Audit response to risks identified

As a result of performing the above, we identified revenue and profit recognition a key audit matter related to the potential risk of fraud. Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.


We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Report of the Auditors.

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 a Report of the Auditors 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.


Simon Ellingham FCA DChA (Senior Statutory Auditor)
for and on behalf of Fawcetts LLP
Chartered Accountants
and Statutory Auditors
Windover House
St Ann Street
Salisbury SP1 2DR

Dated: 

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an income and expenditure account)

for the year ended 31 August 2021

		2021			2020
	Notes	Unrestricted fund School £	Other £	Restricted fund £	Total £
INCOME AND ENDOWMENTS FROM:					
Income from:					
Charitable activities					
Fees receivable	2	2,424,080	-	-	2,424,080
Other income	3	56,343	-	-	56,343
Donations and legacies		5,689	-	1,259	6,948
Trading activities		-	5,243	-	5,243
Total income		2,486,112	5,243	1,259	2,492,614
EXPENDITURE					
Expenditure on:					
Charitable activities					
School operating costs		2,231,272	-	3,445	2,234,717
Trading expenses		-	7,030	-	7,030
Total expenditure	5	2,231,272	7,030	3,445	2,241,747
NET (EXPENDITURE)/INCOME		254,840	(1,787)	(2,186)	250,867
Fund balances at 1 September 2020		<u>1,568,323</u>	<u>87,089</u>	<u>110,957</u>	<u>1,766,369</u>
TOTAL FUNDS CARRIED FORWARD AT 31 AUGUST 2021		<u>1,823,163</u>	<u>85,302</u>	<u>108,771</u>	<u>2,017,236</u>

CONTINUING OPERATIONS

None of the charitable company's activities were acquired or discontinued during the current and previous years.

The notes form part of these financial statements

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE
(A COMPANY LIMITED BY GUARANTEE – COMPANY NUMBER 2164880)

BALANCE SHEET
31 August 2021

		2021		2020	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	6		1,861,254		1,970,090
CURRENT ASSETS:					
Stocks	7	19,897		33,070	
Debtors	8	36,495		48,484	
Cash at bank and in hand		<u>1,001,156</u>		<u>657,587</u>	
		1,057,548		739,141	
CREDITORS: Amounts falling due within one year	9	<u>549,986</u>		<u>544,228</u>	
NET CURRENT ASSETS:			<u>507,562</u>		<u>194,913</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			2,368,816		2,165,003
CREDITORS: Amounts falling due after more than one year	10		<u>(351,580)</u>		<u>(398,634)</u>
			<u>2,017,236</u>		<u>1,766,369</u>
FUNDS:					
Unrestricted funds			1,908,465		1,655,412
Restricted fund	16		<u>108,771</u>		<u>110,957</u>
	17		<u>2,017,236</u>		<u>1,766,369</u>

These accounts were approved and authorised for issue by the Governors on 25.05.22 and were signed on their behalf by:


P. Humphries, Chair - Governor


R. S. Oliver, Treasurer - Governor

The notes form part of these financial statements

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

CASH FLOW STATEMENT
for the Year Ended 31 August 2021

	Notes	2021 £	2020 £
Net cash provided by operating activities	1	423,289	289,484
Cash flows from investing activities:			
Purchase of tangible assets		(36,505)	(20,567)
Net cash (used in) investing activities		(36,505)	(20,567)
Cash flows from financing activities:			
Loan repayments		(43,215)	(40,683)
New loan in year		-	50,000
Net cash (used in)/provided by financing activities		(43,215)	9,317
Change in cash and cash equivalents in the year		343,569	278,234
Cash and cash equivalents at 1 September 2020		657,587	379,353
Cash and cash equivalents at 31 August 2021	2	1,001,156	657,587

The notes form part of these financial statements

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 August 2021

1. RECONCILIATION OF NET INCOME/EXPENDITURE TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net incoming/(outgoing) resources	250,867	5,439
Depreciation charges	145,341	155,272
Loss on disposal of assets	-	397
Decrease in stock	13,173	3,028
Decrease in debtors	11,989	26,806
Increase in creditors	<u>1,919</u>	<u>98,542</u>
Net cash provided by operating activities	<u>423,289</u>	<u>289,484</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash at bank and in hand	<u>1,001,156</u>	<u>657,587</u>
	<u>1,001,156</u>	<u>657,587</u>

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

General information and basis of preparation

Hayfran Trust is a company limited by guarantee incorporated and registered in England and Wales. The school constitutes a Public Benefit Entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP 2015 (FRS 102)), the Charities Act 2011 and the Companies Act 2006.

The Governors have considered the financial position of the School and expected future pupil numbers, together with the consequences of the Coronavirus (COVID-19) outbreak, and confirm that the School remains a going concern. The financial statements, therefore, continue to be prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in Sterling (£) which is the functional currency of the charitable company.

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

Funds

The School's funds consist of unrestricted and restricted amounts. The School may use unrestricted amounts at its discretion. Designated funds comprise unrestricted funds that have been set aside for particular purposes. Restricted funds can only be used for a particular purpose as specified by the donor.

Incoming resources

The income and net incoming resources are attributable to the one principal activity of the charitable company.

Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions allowed by the school.

Donations, legacies and fund accounting

Donations and legacies received for the general purposes of the school are included as unrestricted funds. Donations and legacies for activities restricted by the wishes of the donor are taken to "restricted funds" where these wishes are legally binding on the Governors.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the SOFA. The irrecoverable element of VAT is included with the item of expense to which it relates.

Tangible fixed assets

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Repair, renovation and replacement expenditure is written off as expenditure in the statement of financial activities. The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated to write off the cost of tangible fixed assets, less their estimated residual values, over the expected useful lives of the assets concerned. The principal annual rates used for this purpose are:

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

1. ACCOUNTING POLICIES continued

Tangible fixed assets continued

Freehold property	- 2% on cost
Property improvements	- at varying rates between 2.5 and 14.33% on cost
Plant and equipment	- at varying rates between 10% and 33.33% on cost
Motor vehicles	- 25% on cost
Nursery unit	- at varying rates between 4% and 33.33% on cost

Pension costs

The School's teaching staff have the option to be members of a pension scheme which is operated by the Teachers' Pensions Scheme. This is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the scheme on a consistent and reliable basis and therefore, as required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. Contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable. For non-teaching staff, the School contributes to a defined contribution group personal pension plan.

Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Debtors

Debtors are measured at their recoverable amount.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Taxation

The company is a registered charity and, as such, is not liable to corporation tax.

Financial instruments

The School only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Government grants and Covid-19

The charity has received support from the UK Government as part of a package of measures introduced to support businesses during the coronavirus pandemic. Government grants are recognised in the financial statements in the period in which they become receivable.

2. FEES

	2021 £	2020 £
Fees receivable consist of:		
Gross fees	2,713,662	2,710,515
Less: Total bursaries, grants and allowances	<u>(289,582)</u>	<u>(391,230)</u>
	<u>2,424,080</u>	<u>2,319,285</u>

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

3. SUNDRY AND OTHER INCOME

	2021	2020
	£	£
Sundry income	53,238	28,877
Coronavirus Job Retention Scheme	<u>3,105</u>	<u>163,438</u>
	<u>56,343</u>	<u>192,315</u>

4. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	1,416,765	1,643,399
Social security costs	110,271	131,212
Other pension costs	<u>181,997</u>	<u>218,794</u>
	<u>1,709,033</u>	<u>1,993,405</u>

The average monthly number of employees during the year, calculated on a full time equivalent basis, was as follows:

	2021	2020
Teaching	37	44
Non teaching	<u>17</u>	<u>17</u>
	<u>54</u>	<u>61</u>

During the year there were termination payments made which amounted to £8,288 (2020 - £69,096).

The key personnel of the school comprise the Governors, the Head and the Bursar. The total remuneration of the key management personnel was £159,236 (2020 - £159,130). None of the Governors nor persons connected with them received any remuneration, expenses or other material benefits from the School or any connected organisation (2020 - £Nil).

	2021	2020
	No.	No.
The number of employees whose emoluments exceeded £60,000 was:		
£80,001 - £90,000	<u>1</u>	<u>1</u>

The number of higher paid staff to whom retirement benefits were accruing was as follows:

	2021	2020
	No.	No.
Defined benefit schemes	<u>1</u>	<u>1</u>

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £	Support costs £	Depreciation £	2021 Total £	2020 Total £
Charitable activities:					
School operating costs:					
Teaching costs	1,362,720	42,091	17,986	1,422,797	1,736,280
Welfare	72,440	73,838	-	146,278	149,639
Premises	85,291	148,641	118,362	352,294	349,796
Management and administration	<u>188,582</u>	<u>98,937</u>	<u>8,993</u>	<u>296,512</u>	<u>308,781</u>
	1,709,033	363,507	145,341	2,217,881	2,544,496
Governance costs	-	9,200	-	9,200	10,080
Costs of generating funds:					
Finance and other costs	<u>-</u>	<u>7,636</u>	<u>-</u>	<u>7,636</u>	<u>9,807</u>
	1,709,033	380,343	145,341	2,234,717	2,564,383
Trading costs	<u>-</u>	<u>7,030</u>	<u>-</u>	<u>7,030</u>	<u>12,996</u>
Total resources expended	<u>1,709,033</u>	<u>387,373</u>	<u>145,341</u>	<u>2,241,747</u>	<u>2,577,379</u>

6. TANGIBLE FIXED ASSETS

	Freehold property	Property improvements	Plant and equipment	Nursery unit	Motor vehicles	Totals
	£	£	£	£	£	£
COST:						
At 1 September 2020	489,602	2,110,895	460,171	598,324	15,158	3,674,150
Additions	-	7,517	18,251	10,737	-	36,505
Disposals	<u>-</u>	<u>-</u>	<u>(3,971)</u>	<u>-</u>	<u>-</u>	<u>(3,971)</u>
At 31 August 2021	<u>489,602</u>	<u>2,118,412</u>	<u>474,451</u>	<u>609,061</u>	<u>15,158</u>	<u>3,706,684</u>
DEPRECIATION:						
At 1 September 2020	275,675	934,188	394,906	84,133	15,158	1,704,060
Charge for year	9,792	79,313	26,979	29,257	-	145,341
Eliminated on disposals	<u>-</u>	<u>-</u>	<u>(3,971)</u>	<u>-</u>	<u>-</u>	<u>(3,971)</u>
At 31 August 2021	<u>285,467</u>	<u>1,013,501</u>	<u>417,914</u>	<u>113,390</u>	<u>15,158</u>	<u>1,845,430</u>
NET BOOK VALUE:						
At 31 August 2021	<u>204,135</u>	<u>1,104,911</u>	<u>56,537</u>	<u>495,671</u>	<u>-</u>	<u>1,861,254</u>
At 31 August 2020	<u>213,927</u>	<u>1,176,707</u>	<u>65,265</u>	<u>514,191</u>	<u>-</u>	<u>1,970,090</u>

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

7. STOCKS		
	2021	2020
	£	£
School uniform	<u>19,897</u>	<u>33,070</u>
8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2021	2020
	£	£
Trade debtors	8,824	7,206
Other debtors	-	20,022
Prepayments and accrued income	<u>27,671</u>	<u>21,256</u>
	<u>36,495</u>	<u>48,484</u>
9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2021	2020
	£	£
Bank loans and overdrafts (see note 14)	51,372	40,683
Trade creditors	39,518	31,136
Social security and other taxes	27,145	48,455
Other creditors	23,745	34,163
Deferred income	374,442	327,505
Accrued expenses	<u>33,764</u>	<u>62,286</u>
	<u>549,986</u>	<u>544,228</u>
10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	2021	2020
	£	£
Bank loans (see note 14)	263,030	316,934
Fee deposits	<u>88,550</u>	<u>81,700</u>
	<u>351,580</u>	<u>398,634</u>
11. NET OUTGOING RESOURCES		
Net outgoing resources are stated after charging:		
	2021	2020
	£	£
Depreciation - owned assets	145,341	155,272
Operating lease rentals	20,135	15,300
Auditors' remuneration - audit	8,250	8,250
- previous year audit under provided fee	-	880
- other services	<u>750</u>	<u>750</u>
12. OPERATING LEASE COMMITMENT		
The total future minimum payments due on leases expiring:	2021	2020
	£	£
Equipment and motor vehicles		
Expiring:		
Between one and five years	<u>86,701</u>	<u>15,434</u>

**HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE**

**INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2021**

13. PENSION COMMITMENTS

The teaching staff have the option to be members of a defined benefit pension scheme operated by Teachers' Pensions. The School also operates a defined contribution group personal pension scheme for all other non teaching staff.

The total pension cost for the School was £181,997 (2020 - £218,794) of which £23,076 (2020 - £26,386) relates to the defined contribution and stakeholder pension schemes. There were outstanding contributions at the balance sheet date of £20,410 (2020 - £22,449) in respect of contributions due for the month of August paid over to the pension schemes' administrators in September.

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £158,921 (2020 - £192,408).

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 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.

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 a remedy to the discrimination conclusion has been determined by the Employment Tribunal 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.

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2021

14. LOANS AND OVERDRAFTS

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year:		
Bank loan	<u>51,372</u>	<u>40,683</u>
Amounts falling due between one and two years:		
Bank loan – 1-2 years	<u>51,372</u>	<u>51,327</u>
Amounts falling due between two and five years:		
Bank loan – 2-5 years	<u>154,116</u>	<u>153,981</u>
Amounts falling due over five years:		
Bank loan – over 5 years	<u>57,542</u>	<u>111,626</u>

One bank loan is repayable by instalments over 10 years at an interest rate of 2.5% above base rate.

The School also has a loan facility under the UK Government's Coronavirus Business Interruption Loan Scheme. Interest is payable on the loan at a fixed rate of 2.5%.

15. SECURED DEBTS

The bank loans and overdraft facility, if required, are secured by a first charge over the freehold property of the School.

16. RESTRICTED FUND

Analysis of movement in restricted funds:

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Balance at 31 August 2021 £
Fixed asset fund	78,527	1,259	(3,305)	76,481
Prism Foundation grant	<u>32,430</u>	<u>-</u>	<u>(140)</u>	<u>32,290</u>
	<u>110,957</u>	<u>1,259</u>	<u>(3,445)</u>	<u>108,771</u>

Fixed asset fund

Income in the Restricted Fund represents donations received for the purchase of specific fixed assets. Expenditure charged against the fund represents depreciation on the corresponding value of fixed assets that have been funded.

Prism Foundation grant

To run swimming lessons and first aid courses for our younger pupils.

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2021

17. ALLOCATION OF THE CHARITY NET ASSETS

The net assets are held for the various funds as follows:

	Fixed assets £	Net current assets £	Creditors due after more than one year £	Total £
Unrestricted funds	1,784,773	475,272	(351,580)	1,908,465
Restricted fund	<u>76,481</u>	<u>32,290</u>	<u>-</u>	<u>108,771</u>
	<u>1,861,254</u>	<u>507,562</u>	<u>(351,580)</u>	<u>2,017,236</u>

Current assets allocated to unrestricted funds include designated amounts totalling £6,500 (see note 18).

18. DESIGNATED FUND

During the year the Governors have decided to setup a designated fund to build a reserve to cover future health and safety costs. There was a transfer made of £6,500 during the year. There was no expenditure from the fund during the year.

19. COMPANY STATUS

The Company is limited by guarantee and does not have a share capital. The liability of the Members in the event of a winding up is limited by guarantee to an amount not exceeding £10 per member. At the balance sheet date there were 8 members (2020 - 8).

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2021

19. PRIOR YEAR COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted fund School £	Other £	Restricted fund £	Total £
INCOME AND ENDOWMENTS FROM:					
Charitable activities					
Fees receivable		2,319,285	-	-	2,319,285
Other income		192,315	-	-	192,315
Donations and legacies		26,370	-	32,430	58,800
Trading activities		-	12,418	-	12,418
Total income		<u>2,537,970</u>	<u>12,418</u>	<u>32,430</u>	<u>2,582,818</u>
EXPENDITURE ON					
Charitable activities					
School operating costs		2,561,078	-	3,305	2,564,383
Trading expenses		-	12,996	-	12,996
Total expenditure		<u>2,561,078</u>	<u>12,996</u>	<u>3,305</u>	<u>2,577,379</u>
NET (EXPENDITURE)/INCOME		(23,108)	(578)	29,125	5,439
Fund balances at 1 September 2019		<u>1,591,431</u>	<u>87,667</u>	<u>81,832</u>	<u>1,760,930</u>
TOTAL FUNDS CARRIED FORWARD AT 31 AUGUST 2020		<u>1,568,323</u>	<u>87,089</u>	<u>110,957</u>	<u>1,766,369</u>