

ORLEY FARM SCHOOL TRUST

England & Wales · Charity number 312637

Details

Other names ORLEY FARM SCHOOL TRUST LIMITED, ORLEY FARM SCHOOL

Status Registered

Legal form Charitable company

Company number [00628541](#)

Registered 1963-09-11

Register [View on the Charity Commission register](#)

Contact

Address Orley Farm School
South Hill Avenue
Harrow
HA1 3NU

Phone 02088697603

Email dfo@orleyfarm.harrow.sch.uk

Website orleyfarm.harrow.sch.uk

Activities

Objects: TO ADVANCE THE EDUCATION OF BOYS AND/OR GIRLS BY THE PROVISION OF A SCHOOL KNOWN AS ORLEY FARM SCHOOL TRUST IN HARROW ON THE HILL, AND ANY OTHER BOARDING SCHOOL OR DAY SCHOOL FOR THE EDUCATION OF BOYS AND/OR GIRLS AND BY ANCILLARY OR INCIDENTAL EDUCATIONAL ACTIVITIES AND OTHER ASSOCIATED ACTIVITIES FOR THE BENEFIT OF THE COMMUNITY.

Activities: To advance the education of boys and/or girls by the provision of a school known as Orley Farm School Trust in Harrow on the Hill, and any other boarding school or day school for the education of boys and/or girls and by ancillary or incidental educational activities and other associated activities for the benefit of the community

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Other Charitable Activities
- **What:** Education/training
- **Who:** Children/young People, The General Public/mankind

Geography

- Harrow

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£9,575,164	£8,254,509	£19,393,285	100
2024-08-31	£9,564,347	£8,285,316	£18,072,630	101
2023-08-31	£8,876,567	£7,833,460	£16,793,599	101
2022-08-31	£8,308,129	£7,231,524	£15,750,492	100
2021-08-31	£7,928,199	£6,751,064	£14,673,887	97
2020-08-31	£7,521,044	£6,617,988	£13,496,752	100

Trustees

Name	Role	Appointed
Dr Mary Elizabeth Short	Chair	2015-01-01
Anil Sofat		2016-10-01
COLIN JOHN HAYFIELD		
Carol Cliffe		2019-09-02
Chetan Shah		2023-11-29
Leena Malde		2017-09-01
Michael John Andrews		2013-04-04
Shivani Kothari		2018-06-18
Tulsi Lashkari		2021-10-01
William Martin Alastair Land		2019-09-02

ORLEY FARM SCHOOL TRUST

England & Wales - Charity number 312637

Accounts

ORLEY FARM SCHOOL TRUST

(A Registered Charity and a Company Limited by Guarantee)

Registered Company No: 628541

Registered Charity No: 312637

ANNUAL REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2025

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Governors

The Governors are members of the Governing Body, are the Charity Trustees and are the Directors of the Company for Companies Act purposes. The Governors who have served during the year and since the year end are indicated below. Alongside each Governor are details of the subcommittees on which they serve.

Dr M Short	Chair, (FBC),(E), (F),(Est), (R), (S)
Mr M Andrews	(FB),(F),(EstC), (S)
Mrs C Cliffe	FB),(EC
Mrs K Gater (Resigned 30 th June 2025)	(FB),(E)
Mr C J Hayfield	(FB),(F),(Est), (R)
Mrs S Kothari	(FB),(FC),(Est), (R), (S)
Mr A Land	(FB),(E)
Mrs T Lashkari	(FB),(F),(Est)
Mrs L Malde	(FB),(F),(Est)
Mr C Shah	(FB),(MC)
Mr A Sofat	(FB),(F),(Est)

- (FBC) Chair of Full Board
- (FB) Member of Full Board
- (EC) Chair of Education Committee
- (E) Member of Education Committee
- (FC) Chair of Finance Committee
- (F) Member of Finance Committee
- (EstC) Chair of Estates Committee
- (Est) Member of Estates Committee
- (R) Member of Remuneration Committee
- (S) Member of Strategy Sub Committee
- (MC) Chair of Marketing Committee

Officers

Headmaster	Mr T G Calvey
Director of Finance	Mr D Prince
Director of Operations and Clerk	Mr J Shakespeare

**Principal Address
and Registered Office**

South Hill Avenue
Harrow-on-the-Hill
Middlesex
HA1 3NU

Advisors

Bankers

NatWest
1-9 St Ann's Road
Harrow
Middlesex HA1 1EB

Solicitors

Harrison Clark Rickerbys Limited
Ellenborough House
Wellington Street
Cheltenham GL50 1YD

Auditor

Crowe UK LLP
R+ Building
2 Blagrove Street
Reading
RG1 1AZ

Insurance Brokers

Marsh Education Practice
Capital House
1-5 Perrymount Road
Haywards Heath
West Sussex RH16 3SY

The Governors present their Annual Report, including their strategic report, for the year ended 31 August 2025 together with the audited Financial Statements for the year, and confirm that these comply with the requirements of the Companies Act 2006, the Governing Instruments of the Charity and the Statement of Recommended Practice, Accounting and Reporting by Charities ("FRS 102 SORP").

Reference and Administrative Information

Orley Farm School Trust (the Trust) is a company limited by guarantee registered as company number 628541. The Trust is also registered with the Charity Commission under charity number 312637. The Governors, executive officers and principal address of the Charity are listed, along with particulars of its professional advisors, on pages 2 and 3.

Structure, Governance and Management

Governing Instruments

The Charity is governed by its Memorandum and Articles of Association, which date from 1959 and were substantially revised in 2004. In June 2007 the Charity Commission permitted an extension to the objects. In the furtherance of these objects the Directors, as the Trustees of the Charity, have complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the interpretation of the Public Benefit requirement under that Act.

Governing Body

The Board, detailed on page 2, is a self-appointing body with one exception being the Headmaster of Harrow School who is a member by virtue of this position. Service on the Board is for a term of three years which may be renewed no more than twice on retirement. The Chair is elected to serve for five years which may be renewed once only. The current Chair as elected by the Board commenced their tenure from 1st September 2023.

Trustee Recruitment and Training

The Charity's elected Governors are appointed at Board meetings on the basis of nominations received from members of the Board and others, based on specifications concerning sympathy with the Charity's objects, eligibility, personal competencies, specialist skills and local availability. New Governors receive induction in respect of Board Policies and Procedures, in addition to familiarisation with current Strategic and Financial Planning. Following their appointment Governors are made aware of specialist training opportunities by the Clerk as appropriate and they are encouraged to attend relevant training courses especially those organised by AGBIS and ISBA of which the School are members. Governors receive ongoing training, such as safeguarding and many undertake their own continuous professional development in their specialist areas.

Organisational Management

Orley Farm School Trust Governors, as the Trustees of the Charity, are legally responsible for the overall governance and control of the School. To discharge this duty they meet as a full Board at least three times each year. The work of implementing most of their policies is carried out by three committees which have agreed, and annually revised, Terms of Reference to assist their functionality. These committees are as follows: Education Committee, Estates Committee and Finance Committee. Further subcommittees may be constituted as required.

The operational management of the School is delegated to the Headmaster, who together with the Director of Finance and Director of Operations is supported by a Senior Leadership Team and a Senior Management Team. The Headmaster attends meetings of all of the above committees. The Director of Finance attends the Finance Committee, Remuneration Committee and the Board Meetings. The Director of Operations attends the Estates Committee, Health & Safety Committee and the Board Meetings. The Deputy Heads attend Education Committee and Board Meetings.

Organisational Management (continued)

The School, through its officers, is represented in a number of organisations including the Association of Governing Bodies of Independent Schools, the Independent Association of Preparatory Schools (IAPS), AGBIS and the Independent Schools Bursars' Association (ISBA).

Group Structure and Relationships

The Charity has two wholly-owned non-charitable subsidiary companies, whose activities are explained below.

South Hill Estates Harrow Limited (Registered in England as Company Number 109974)

South Hill Estates Harrow Ltd was incorporated in 1910 and is limited by shares. The Trust is the beneficial owner of the whole of the share capital of the Company which owns roads on the South Hill Estate, and the benefit of certain covenants relating to privately-owned residential and other properties on this Estate. The Directors include two members of the Trust's Full Board committee, the Director of Operations and up to two residents of South Hill Estates. The Company's assets and transactions in the year are not considered material, therefore the Governors consider it is not appropriate to prepare consolidated accounts of the Trust and its subsidiary. Copies of the subsidiary's accounts are made available to the Governors of the Trust.

Orley Farm School Enterprises Limited (Registered in England as Company Number 5345071)

The Company was made dormant on 1st September 2007 and will remain dormant until such a time as the level of trading activity within the Trust necessitates its management by a subsidiary company or when the Trustees elect that this be so.

Risk Management

The Board of Governors is responsible for identifying the key risks faced by the School and for ensuring these risks are managed. Each year the Senior Leadership Team and the Finance and Estates Committees identify and assess risks and implement controls to mitigate against these. In addition, each year a formal review of the risk management process is undertaken. The major risks have been identified as those of the impact on the School roll of the imposition of VAT on independent school fees, the removal of Business Rate Relief and lift in National Insurance costs.

The key controls implemented by the School are as follows:

- Formal agendas for all Board and Committee activities;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and understood lines of reporting;
- Formal written policies;
- Clear, authoritative and agreed approval levels; and
- The appointment of suitably qualified professional advisers

Through the established systems for managing risk, the Governors are satisfied that for the major risks identified steps have been taken to manage these risks. It is, of course, recognised by the Governors that systems can provide reasonable but not absolute assurance that major risks have been adequately managed.

Objects, Aims, Objectives and Activities

Charitable Objects

To advance the education of boys and girls by the provision of a school known as Orley Farm School Trust in Harrow-on-the-Hill, and any other boarding school or day school for the education of boys and girls and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

Aims and Intended Impact

Within these objects, the School aims to be a leading co-educational preparatory school for children aged between 4 and 13 years old, by building on the strategies as stated in the 'Whole School Aims' which are summarised below, the full text being published in the School's prospectus and other media.

Whole School Aims

The School aims to provide a challenging environment to stimulate, maintain and develop a lively and enquiring mind: to encourage all pupils to reach their true potential and eventually become independent learners who value learning with and from others, as a life-long process.

We aim to appoint, develop and retain a staff of the highest quality and to develop a school community of responsible citizens, which affords equal value to all of its members, is seen to be just and encourages mutual respect, truthfulness and concern for others.

While carrying out our charitable purpose – the provision of education – we aim to deliver substantial benefit to all stakeholders, including our local communities, through the provision of an excellent and broad education and through access to our services, facilities and expertise.

Impact and Responsiveness

In accordance with our Governing Instruments, we continue to provide education for children aged 4 to 13 years – such provision relieving the state of relevant costs. In addition, the School continues to provide bursary support for current and new pupils. The School continues to build on the links with a wide section of the local community.

Key Elements of the School's Strategy

The School faces new and evolving educational, legislative, economic, environmental, demographic and social challenges. To respond to them positively and to enable Orley Farm School to head towards its 200th anniversary with confidence there must be equally careful planning. These Strategic Priorities and the School Development Plan are designed to set the destination and the broad outline of the journey. The Board of Governors and Senior Leadership Team intend that Orley Farm School:

- Continues to be one of the leading co-educational day schools in London;
- Will provide quality education and pastoral care for boys and girls in the 4-13 years age range;
- Will remain a preparatory school with a strong record of success in preparing pupils for entry to their senior independent schools;
- Continue to be blessed with a magnificent site and maintain an excellent range of facilities; and
- Build on its long and distinguished history.

Key Elements of the School's Strategy (continued)

The Board of Governors continues to oversee the pursuit of the School's strategic priorities and the maintenance of its profile and reputation as the leading Prep school in NW London. These are reviewed regularly through the work of the Board and its Committees. The Governors intend that the School will:

- Remain a preparatory school providing quality education and pastoral care for boys and girls;
- Continue to recruit on the basis of academic potential alone and the School will continue to develop its bursary funds to give true effect to this aim;
- Continue to prepare boys and girls for entry to independent senior schools – with the aim that boys, and increasingly girls, will transfer at 13+; currently most girls transfer at 11+;
- Continue to plan with the aid of professional advisors, the further development of the estate in order to provide excellent buildings and facilities that support an outstanding educational provision;
- Develop and enact an ICT Strategy, a Communications Strategy and an Outdoor Education Strategy; and
- Continue to develop a Leadership and Development Programme for staff.
- Continue to develop the Orley X programme.

The Governors measure the success of this strategy through a comprehensive review of the annual strategic school development and management action plans, and through the termly reporting of key performance measures produced by senior management for the Board to discuss. Ad hoc subcommittees are established to focus cross-governance/management effort on areas of interest, opportunity and concern.

Strategic Report: Review of Objectives for the year, Achievements and Performance**Objective 1: Maintain the excellence of the educational provision throughout the School.**

The educational excellence at Orley Farm School was rewarded with the granting of 31 scholarships to senior schools, of which a total of 16 were taken up by our pupils. Highlights include 15 Academic Scholarships and 16 awards across a breadth of Sport Scholarships, Drama, Music and Art including 2 STEAM scholarships.

Objective 2: Continue building relationships with local schools.

Orley Farm School continues to develop positive partnerships with a number of local schools in Harrow with various initiatives including lending out the School minibuses, inviting Grange Primary School pupils to watch our Christmas and Summer matinee productions, hosting Science and Maths afternoons for Welldon Park School pupils, and running Art workshops with Alexandra School.

In addition, during the year, the School hosted 'Our World Sports Afternoons' with Grange Primary School and the 'DC Beagle Maths Challenge' event with over 20 local schools participating. The school visited our partner schools to see the impact of the projects from the previous year, and these formed a series of assemblies to Orley pupils.

Objective 3: Continue the review of our policies and procedures to ensure total regulatory compliance.

School policies and procedures continue to be regularly reviewed to ensure regulatory compliance with frequently changing regulations and educational requirements. These policies are reviewed by staff and presented at the relevant committee meetings for Governors approval.

Objective 4: Continue to develop the School Orlumni.

With the support of a former parent and School Governor, the principal objective of the Orlumni is to bring together former Orleyans and parents to enrich our current community through events hosted at the School. During the year, the School successfully hosted multiple Orlumni events and released quarterly digital Orlumni magazines.

Objective 5: Ensure the provision of IT continues to meet the academic and business needs of the school.

The School continues to develop and invest in its IT infrastructure to support both pupils and staff. The School holds the Cyber Essentials Certification which comprises a detailed self-assessment questionnaire along with vulnerability scans to verify the School's external security status, as well as the integrity of its network, PCs and mobile devices.

The School has invested in virtual reality headsets and successfully integrated their use within ICT lessons. IT platforms are regularly reviewed to ensure they remain up-to-date and deliver an intuitive and easy user experience, whilst the School's remote learning platform continues to be integrated across its educational provision.

Teachers have devices that connect to classroom whiteboards and senior pupils in Years 7 & 8 also have devices that allow collaborations using teacher-pupil platforms.

Objective 6: Continue to positively manage the relationships with the School's neighbours, tenants and the wider community to best effect.

The School continues to develop the working partnership with South Hill Estates, Harrow Ltd and the residents of the estate via the South Hill Estates Board.

The School has provided free use of its facilities through its partnership with the Young Harrow Foundation for social events, Trustee meetings and training events. The School further supported Journey of a Lifetime, a small volunteer charity which aims to enrich the lives of young people with significant disadvantages by organising expeditions all over the world, by hosting their training workshops over the course of two weekends.

Objective 7: Continue to manage the School's education provision, estate and responsibility to pupils, staff and the wider school community to best effect.

The School's aims are based on the three pillars of 'Academic Life', 'Pastoral Life' and 'Life Beyond'.

Academic Life - To provide a creative, balanced, stimulating and unique curriculum which encourages skills and pushes mastery of knowledge, allowing everyone to explore their learning in a safe environment that values progress and growth through both success and failure.

Pastoral Life - To provide opportunities to develop socially, emotionally, locally and globally and to be reflective, responsible and self-aware, embracing the school's values in order to lead healthy, happy and fulfilling lives.

Life Beyond - To create broad opportunities, both in and out of the classroom, that develop a range of individual and collaborative interests, including sport, music, drama and the arts that will fuel enthusiasm for learning and offer life choices well beyond our time at Orley Farm.

The School continues to develop its after-school programme, OrleyX, following a successful year. The aim of this programme to address the growing demand for after-school activities allowing pupils to learn new skills and participate in physical activity whilst remaining on school premises.

Objective 8: Enact the Estates Strategy to improve the School's infrastructure, particularly focusing on key and essential projects including continuing refurbishing and updating the outdoor play spaces.

During the year a number of infrastructure projects were undertaken to enhance the school site. These projects included enhanced security surrounding the Oakmead Building and access to the staff car park and playing fields, drainage works in the meadow area, installation of new cricket netting and conversion of storage room into a multi-use room for meetings, breakout area and match teas. The School has been able to teach sport, beyond the school day in winter months, due to the use of new temporary floodlights.

Objective 9: Continue to develop the School's Master Plan with a Governor led strategy committee.

The School is developing a 'Masterplan' to scope and service the future needs of the School for the coming decade. The principal aim is to combine the School's short, medium and long-term objectives into a cohesive plan to ensure that future developments reflect and enhance the educational philosophy of the School in line with the three pillars of school life.

Before the pandemic, the school identified untapped opportunities to further develop the physical growth of all ages through sport, recreation and outdoor education; post pandemic this has gained an added relevance through developing social and collaborative opportunities, both during and after the school day. Facilities are being reviewed to best support this agenda.

The School is also keen to ensure that we consider the wider community in any development of facilities, creating partnerships with local primary schools so that we maximise the impact both in and beyond Orley Farm.

During the year an Estates Condition Survey was completed to inform and develop parts of the School's wider Masterplan.

Objective 10: To conduct due diligence on the creation and phased implementation of an outdoor curriculum offering at the School.

Following the successful completion and evaluation of a pilot outdoor curriculum offering, the School has created a Meadow School that is now being implemented as part of the curriculum for all Pre-Prep pupils. Due to the positive impact on mental health, physical growth and concentration, the School has extended this programme into Middle School.

Objective 11: To develop a Marketing Strategy.

The School has assigned a Governor to lead on the development of a marketing strategy with the aim of reviewing all aspects of its marketing, exploring new marketing opportunities and promoting its educational reputation amongst current and prospective families.

A new Marketing Committee, which the lead Governor will chair, has also been set up with termly meetings commencing in the 2024/25 academic year.

Pupil destinations and Scholarship Awards in 2025

Pupils often apply for, and are awarded, scholarships for more than one school. On these occasions, only the scholarship for their future school is accepted.

Boys:

Destination School	Number of Pupils	Scholarships Awarded
ACS	1	
Aldenham	1	1
Berkhamsted Boys	1	
Haberdashers' Boys	2	1
Harrow School	10	7
John Lyon School	4	7
Merchant Taylors' School	3	1
Mill Hill School	1	
St Alban's School	2	2
State School	1	
St Margaret's Bushey	1	1
St Paul's School	7	
Watford Grammar School	1	
TOTAL	35	20

Girls:

Destination School	Number of Pupils	Scholarships Awarded
Aldenham	1	1
Dubai College	1	
Godolphin & Latymer	1	
Haberdashers' Girls	2	1
North London Collegiate	2	
Notting Hill & Ealing	2	1
Northwood College	6	6
Royal masonic School		1
State School	1	
St Clement Danes		1
St Helen's School	8	5
St Margaret's School, Bushey		5
South Hampstead High School	1	
TOTAL	25	21

Financial Review and Results for the Year

Orley Farm started and maintained a strong pupil roll during the year.

The year has however been presented with a host of challenges and uncertainty for the Orley Farm Community particularly in the face of significant inflationary pressures across all operational expenditure and the cost of living crisis. The Governing Body were well aware of the ongoing uncertainty facing many of our parents as the impact of the pandemic and economic landscapes unfolds and continued to offer the Hardship Support Scheme.

The focus for the School is to prioritise key and essential infrastructure projects around the school site. Throughout the year the School has undertaken a number of projects to enhance the school site, this includes undertaking a comprehensive stock condition survey to inform the Governors and management in finalising the School's masterplan, drainage works across our meadow area, an additional security gate at the Oakmead entrance and installing portable lighting in the vicinity of the School Astro.

The School generated net fee income of £8,926,401 (2024 - £8,912,948), which was the primary source of revenue. Whilst the School generates additional income in the form of lettings income and rents, the overriding primary source of income is derived from pupil fees. The operating costs for the year were £8,254,509 (2024 - £8,285,316). This expenditure has been closely monitored and the School continues to adopt a cautionary approach to spending as a result of the inflationary pressures namely in relation to wages and electricity and gas and this in turn has allowed the School to generate surpluses that can be reinvested into the School's key and essential infrastructure projects, whilst meeting its financial obligations. The surplus of £1,320,655 (2024: Surplus of £1,279,031) generated within the year will place the School in a strong position to embark on the delayed key and essential infrastructure projects which are now seen as a priority for the School which include the development of the play areas in and around the school site, refurbishment of the School's Astro field, and refurbishment of the school's properties and its outdoor provisions that will form part of the School's Masterplan.

The School has moved away from the Government Teacher's Pension Scheme and entered into a Defined Contribution Scheme from March 2024 for our teachers.

The Board of Governors are confident that the School's financial situation is in a sound position which will enable the School to manage any potential impact on pupil numbers from the proposal to impose VAT on independent school fees from January 2025 and the removal of Business Rate Relief. The landscape for all independent schools is changing rapidly and the Board of Governors is committed to maintaining the excellent education for all of its pupils by careful management of resources and by working closely with the leadership team to respond quickly and thoughtfully to all challenges and by balancing the interests of all stakeholders.

There has been no outsourced fundraising via professional fundraisers or other third parties. The charity is not registered with the fundraising regulator and received no fundraising complaints in the year.

Freehold Properties

The School owns 4 residential properties which continue to generate income for the school. Income generated from property, including school lettings, this year was £204,552 (2024 - £196,957).

Extra-Curricular Activities

Our extra-curricular programme continues to be built around our weekly programme of lunchtime and after school clubs, subject to government guidelines and this has been extended following the creation of the OrleyX programme. The annual Expeditions Week continues to thrive.

Public benefit

As required by the Charities Act 2011, the Governors have referred to the general guidance on public benefit and have due regard to the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)'.

As part of our public benefit, we co-operate with a range of local charities in our ongoing endeavours to widen public access to the schooling we provide; to optimise the *educational* use of our cultural and sporting facilities and to awaken in our pupils an awareness of the wider social context of the education they receive at the School. We are proud of the community links we have developed and continue to develop as listed below and we always look to strengthen these in line with the Charity Commission's guide to public benefit.

- **Grange School.** We maintain a strong partnership with Grange Primary School. Their pupils have attended drama productions and sports afternoons throughout the year. Our drama department ran a workshop to support their summer performance, for which props and costumes were also loaned. Donations were made to support their Christmas Campaign, and funds raised from the School Swimathon contributed towards the cost of providing swimming lessons for Grange pupils. Resources have also been donated, including four interactive whiteboards, assorted stationery and, as part of the Our World project, funding to enable Grange to purchase and stock a mobile library.
- **Alexander School.** Our pupils continue to visit Alexandra School for a weekly music club, and we are delighted to welcome a class each half-term for an art workshop to support the delivery of their curriculum topics. At Christmas, small gift bags and picture books were donated as part of their initiative to provide a present for every pupil. Their Our World project funding was used to improve outdoor facilities for the Reception class, including a sandpit, gardening equipment and seeds.
- **Shared Use** We continue to allow selected parties to use our premises at little or no cost. This includes St Dominic's College using our sports facilities, Journey of a Lifetime hosting training workshops, The young Harrow Foundation using event spaces and a local hockey club using our Astroturf facilities when needed.
- **Work Experience.** The School continues to offer work experience placements to students from various colleges enabling them gain sports coaching experience.
- **Harrow Cricket Club.** By continuing to subsidise the overheads of Harrow Cricket Club, over 200 youth cricketers and several adult teams from the wider community have access to the sport. The junior colt's teams also use of the sports hall during winter months to support their expanding junior cricket programme.
- **Charitable Donations.** The school continues to support the Changemakers Fund with a £10,000 contribution. We contributed to the HAF Winter Wonderland using money raised from our Big Christmas Wrap. Additional funds raised included the Royal British legion, Harrow Food Bank and Harrow Young Carers.
- **Volunteering.** In our 175th year, we are encouraging the entire community to give time alongside raising money. This exciting initiative has seen several staff offer their expertise by delivering free workshops and CPD to local schools. Notable commitments include weekly work with a class at Grange, culminating in an assembly, targeted CPD provided to Priestmead School on wellbeing and hosting a day course, Thrive in Schools: Practical Strategies to Nourish Staff Wellbeing, for local schools. Staff also serve as governors in a wide variety of schools.
- **Fee Support.** This year we supported a total of 9 pupils at a cost of £94,191 (2024: 6 pupils £83,053) through our own Fee Support Scheme and our Hardship Support Scheme.

Plans for Future Periods

These plans remain:

1. To continue to enhance the School's Estates Strategy so as to enhance the education and opportunities for all pupils;
2. To enact our financial plans in support of the Estates Strategy; and
3. To enact the School's other development plans upon completion of the School's Masterplan.

Objectives for 2025/2026

1. Maintain the excellence of the educational provision throughout the School;
2. Continue building relationships with local schools;
3. Continue the review of our policies and procedures to ensure total regulatory compliance;
4. Continue to develop the School Orlumni;
5. Ensure the provision of IT continues to meet the academic and business needs of the school;
6. Continue to positively manage the relationships with the School's neighbours, tenants and the wider community to best effect;
7. Continue to manage the School's education provision, estate and responsibility to pupils, staff and the wider school community to best effect;
8. Enact the Estates Strategy to improve the School's infrastructure, particularly focusing on key and essential projects including continuing refurbishing and updating the outdoor play spaces;
9. Governors will focus on managing the impact of any financial implications which may arise from political and economic factors outside the School's control to ensure that it will continue to thrive in the future; and
10. To develop a Marketing Strategy.

Reserves Policy

The total reserves for the School were £19,393,285 of which £2,000,000 related to designated funds, leaving £17,393,285 of free reserves. The Reserves Policy of the School takes into account a number of parameters such as:-

- Risks included in the School's risk register
- The School's objectives; and
- The current and future obligations of the School, including any commitments that it has already entered into.

Based on their assessment, the Governors consider that the minimum targeted level of reserves desired is working capital at the level of six month's expenditure. The Governors will keep the current reserves policy under review during the next academic year, whilst also continuing to strive to generate funds in line with minimum targeted levels

The Governors will review the reserves policy on an annual basis.

Remuneration Policy

The Remuneration Committee are tasked with reviewing remuneration, including Key Management Personnel, on an annual basis. Consideration is given to the current market conditions, performance and objectives set at the beginning of each academic year.

Going Concern

The Governors are aware that cash is the most important driving factor when setting future budgets. The School's cash position has been stress-tested by the Governors using various scenarios including conservative estimate of pupil numbers and rising costs. Following these tests, the Board is content that the School will remain a going concern and can meet its ongoing obligations for a period of 12 months from when these accounts are signed.

Responsibilities of the Governors

The Governors (who are also directors of Orley Farm School Trust for the purposes of company 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 these 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Governors are aware:

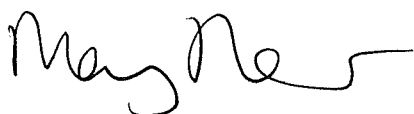
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Crowe UK LLP has signified its willingness to continue in office as auditors.

A resolution proposing their re-appointment will be submitted at the Annual General Meeting.

Approved by the Board of Governors of Orley Farm School Trust on ~~1st~~ 1st December 2025 and signed on its behalf by:



Dr M E Short
Chair

Independent Auditor's Report to the Members of Orley Farm School Trust**Opinion**

We have audited the financial statements of Orley Farm School Trust ('the charitable company') for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 2025 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

In auditing the financial statements, we have concluded that the trustee's 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report 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 directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (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 trustees 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.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context were The Education (Independent School Standards) Regulations 2014.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

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.

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.



Janette Joyce
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

R+ Building
2 Blagrove Street
Reading
RG1 1AZ

Date: 8 December 2025

		2025	2024
		£	£
Income from:			
Charitable Activities			
School fees receivable	1	8,926,401	8,912,948
Registration fees		13,329	16,071
Ancillary income	2a	173,603	232,173
Other income	3	245,784	221,614
Investments		216,047	181,541
Total Income		<u>9,575,164</u>	<u>9,564,347</u>
Expenditure on:			
Raising funds			
Financing costs		-	13,864
Charitable Activities			
Ancillary costs	2b	102,829	133,385
Primary educational costs	4	8,151,680	8,138,067
Total Expenditure		<u>8,254,509</u>	<u>8,285,316</u>
Net Income and Movements in Funds for the Year	13	1,320,655	1,279,031
Balance at beginning of year		18,072,630	16,793,599
Balance at End of Year		<u>19,393,285</u>	<u>18,072,630</u>

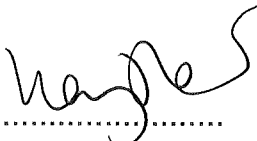
All of the activities of the School are continuing. The School has no recognised gains or losses other than as stated above.

All income and expenditure was unrestricted in both years.

The Accounting Policies and Notes on pages 21 to 30 form part of these Financial Statements.


Fixed Assets	Note	2025 £	2024 £
Tangible fixed assets	7	12,090,147	12,435,995
Investments	8	20,950	20,950
		<hr/>	<hr/>
		12,111,097	12,456,945
		<hr/>	<hr/>
Current Assets			
Stock		6,431	-
Debtors	9	903,156	223,883
Cash at bank and in hand		7,856,127	6,257,757
		<hr/>	<hr/>
		8,765,714	6,481,640
Creditors: due within one year	10	(1,483,526)	(865,955)
		<hr/>	<hr/>
Net Current Assets		7,282,188	5,615,685
		<hr/>	<hr/>
Net Assets		19,393,285	18,072,630
		<hr/>	<hr/>
Unrestricted Funds	13		
General fund		17,393,285	16,072,630
Designated Funds:			
Building Refurbishment fund		2,000,000	2,000,000
		<hr/>	<hr/>
		19,393,285	18,072,630
		<hr/>	<hr/>

Approved and authorised for issues by the Board of Governors on 1/12/25 2025 and signed on its behalf by:


.....

Dr M E Short

Chair


.....

Mrs S Kothari

Chair of Finance Committee

The Accounting Policies and Notes on pages 21 to 30 form part of these Financial Statements.

ORLEY FARM SCHOOL TRUST

STATEMENT OF CASH FLOWS
Year ended 31 August 2025

		2025 £	2024 £
	Note		
Net Cash Inflow from Operating Activities	14	1,517,118	1,431,164
Cash flows from Investing Activities			
Payments to acquire tangible fixed assets		(134,795)	(31,201)
Sales proceeds of tangible fixed assets		-	1,900
Interest received		216,047	181,541
		<hr/>	<hr/>
Net Cash Inflow from Investing Activities		1,598,370	1583,404
Cash flow from Financing Activities			
Loan Repayment		-	(386,179)
		<hr/>	<hr/>
Increase in cash in the year	14	<u>1,598,370</u>	<u>1,197,225</u>
Reconciliation of Net Cashflow to Movement in Net Funds			
Increase/Decrease in cash in the year		1,598,370	1,197,225
Net decrease in bank loan		<u>-</u>	<u>386,179</u>
Change in funds resulting from cash flows and Movement in net funds in the year	14	1,598,370	1,583,404
Net funds at beginning of the year		<u>6,257,757</u>	<u>4,674,353</u>
Net Funds at End of the Year	14	<u>7,856,127</u>	<u>6,257,757</u>

The Accounting Policies and Notes on pages 21 to 30 form part of these Financial Statements.

Basis of Accounting

Orley Farm School Trust is a charitable company in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities is the operation of Orley Farm School.

The charity 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 UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are 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 charity.

The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the School to continue as a going concern. The Governors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Governors have considered the School's forecasts and projections and have taken account of pressures on fee income, particularly in light of the impact of the current economic uncertainty including the inflationary cost pressures and the exposure to significant increases in utility costs, before these financial statements were approved and is explained in more detail in the Risk Management section of the Governors Report in these financial statements. After making enquiries the Governors have concluded that there is a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future.

As such the School can expect to be able to meet its liabilities as they fall due in the period of at least 12 months from the date of approval of these accounts. However, there can be no certainty in relation to these matters. On this basis the Governors have concluded that the School is a going concern. The financial statements do not include any adjustments that would result from the School not being able to meet its liabilities as they fall due.

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.

The Trust is the beneficial owner of the whole of the share capital of South Hill Estates Ltd. The Company's assets and transactions in the year are not considered material, therefore the Governors consider it is not appropriate to prepare consolidated accounts of the Trust and its subsidiary.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand.

Judgements and key sources of estimation and uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The judgements (apart from those involving estimates) that have had the most significant effect on amounts recognised in the financial statements related to the useful economic lives of tangible fixed assets.

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the School is legally entitled to the income, after any performance conditions have been met, when the amount can be measured reliably and when it is probable that the income will be received.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees received prior to the end of the year in respect of the following terms are shown on the balance sheet as deferred income.

Investment income is earned through holding assets for investment purposes such as property. It includes interest and rent; Interest income is recognised when receivable and rent is recognised when the charity's right to receive payment is established.

Expenditure

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Charitable activities costs include all expenditure directly relating to the objects of the School.

Governance costs comprise the costs of running the charity including strategic planning for future development, auditors' remuneration, certain legal costs, Governors' expenses and the costs of complying with constitutional and statutory requirements. These costs are contained within 'Support and Management Costs-other' (see note 4).

All costs, including support costs, are allocated between expenditure categories and departments on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

Unrestricted Funds

Unrestricted funds consist of general reserves which are available for the Governors to apply to the general purposes of the School.

Designated funds consist of certain unrestricted funds which the Governors have earmarked for particular purposes.

Tangible Fixed Assets

Expenditure on land and buildings which, in the opinion of the Governors, has not enhanced their long-term value is charged to the SOFA. Expenditure on improvements to land and buildings which, in the opinion of the Governors, has enhanced their long-term value is capitalised. Expenditure on plant, equipment (including IT equipment) and furniture which is in excess of £1,000 per item, or group of items, is capitalised.

Assets in the course of construction are capitalised and depreciated when brought into use.

Depreciation is provided on all other tangible fixed assets, including freehold property, to write off their cost less residual value over their estimated useful lives when brought into use, at the following rates:

Freehold buildings	2% on cost
Buildings of non-permanent construction	4% on cost
All weather pitch	10% on cost
Furniture, fixtures and equipment	15% reducing value
Computers	25% on reducing value
Motor vehicles	25% on reducing value
Telephone System	20% on reducing value

The residual value for all classes of assets, including recent additions to the school buildings, is deemed to be zero. The exception to this rule being the original freehold buildings, for which the residual value is deemed to be 50% of the original cost to reflect land values.

Investments

Listed investments are stated at market value. Realised gains and losses arising on sales of investments and unrealised gains and losses arising on the revaluation of the investments at the year-end are taken to unrestricted funds on the SOFA.

Investments in subsidiary undertakings are recorded at cost less any provision for impairment.

Operating Leases

Rentals paid under operating leases are charged to the SOFA.

Taxation

The School, as a registered charity, is generally exempt from Corporation Tax but not from Value Added Tax (VAT). Irrecoverable VAT is included in the cost of those items to which it relates. The School's subsidiary trading companies are liable for Corporation Tax on taxable profits not paid to the School as qualifying donations under the Taxes Acts.

Pension Schemes

The School contributes to the APTIS Pension Scheme for teaching staff, which is a defined contribution scheme. The School also contributes to individual personal pension schemes for non-teaching staff.

1. School Fees Receivable	2025	2024
	£	£
Fees receivable consist of:		
Gross fees	9,098,804	9,119,052
Less: total bursaries, grants and allowances	(172,403)	(206,104)
	<hr/>	<hr/>
	8,926,401	8,912,948
	<hr/>	<hr/>

2a. Ancillary Income	2025	2024
	£	£
Coaches	2,785	5,445
After School Clubs	127,394	176,857
Disbursements	16,407	25,614
Pupil Insurance	27,017	24,257
	<hr/>	<hr/>
	173,603	232,173
	<hr/>	<hr/>

2b. Ancillary Costs	2025	2024
	£	£
Coaches	-	1,496
After School Clubs	63,978	90,026
Disbursements	13,215	19,506
Pupil Insurance	25,636	22,357
	<hr/>	<hr/>
	102,829	133,385
	<hr/>	<hr/>

Costs of After School Clubs include only directly attributable costs. They do not include any apportionment of attributable overheads.

3. Other Income	2025	2024
	£	£
Property	204,552	196,957
Holiday Club	29,826	29,569
Miscellaneous	11,406	(4,911)
	<hr/>	<hr/>
	245,784	221,614
	<hr/>	<hr/>

4. Analysis of Charitable Expenditure	Salaries £	Other £	Depreciation /Profit on Disposal £	Total £	2024 £
Teaching	4,416,301	498,946	-	4,915,247	4,829,971
Welfare	278,534	263,997	-	542,531	513,080
Premises	462,278	799,610	480,643	1,742,531	1,868,558
Support and management costs	655,226	296,145	-	951,371	926,458
	<u>5,812,339</u>	<u>1,858,698</u>	<u>480,643</u>	<u>8,151,680</u>	<u>8,138,067</u>

5. Employees and Key Management	2025 £	2024 £
Staff costs		
Salaries and wages	4,606,015	4,352,149
Social security costs	481,467	424,287
Pension costs	724,857	706,532
	<u>5,812,339</u>	<u>5,482,968</u>

Neither the Governors nor persons connected to them received any remuneration or benefits or reimbursements of expenses from the School with the exception of the items reported in note 15 of the statutory accounts.

The number of higher paid employees whose remuneration for the year fell within the following bands was:

	2025	2024
£60,001 - £70,000	2	3
£70,001 - £80,000	2	1
£80,001 - £90,000	3	2
£170,001 - £180,000	0	1
£180,001 - £190,000	1	0

Pension contributions of £120,441 (2024 - £109,512) were made on behalf of these employees. Of these employee's pension contributions in respect of the School defined contribution scheme for support staff were £5,859 (2024 - £5,688).

Staff Numbers	No.	No.
The average number of full time equivalent staff employed by the school within each category was:		
Teaching staff	51	50
Other staff	49	51
	<u>100</u>	<u>101</u>

The key management personnel of the school includes the Governors, the Headmaster, the Director of Finance and the Director of Operations. The aggregate employee benefits of key management personnel of the School were £385,842 (2024 - £380,350).

The Headmaster's wife, Mrs R Calvey, is employed at the School under a standard contract of employment. The recruitment, terms of employment and salary are not influenced by the Headmaster. All recruitment is overseen by the School's HR department and approved by the Governors.

ORLEY FARM SCHOOL TRUST NOTES TO FINANCIAL STATEMENTS

Year ended 31 August 2025

6. Net Movement in Funds	2025 £	2024 £
This is stated after charging/(crediting):		
Auditors' remuneration - current year audit (Group)	20,320	20,650
Depreciation	477,483	482,589
(Profit)/Loss on disposal of Fixed Assets	3,160	(1,840)
	<u>500,963</u>	<u>501,399</u>

7. Tangible Fixed Assets	Freehold land and buildings £	Furniture, equipment and vehicles £	Assets in the course of construction £	Total £
Cost				
At 1 September 2024	16,298,189	2,422,205	33,426	18,753,820
Additions	-	102,771	32,024	134,795
Disposals	-	(69,738)	-	(69,738)
	<u>16,298,189</u>	<u>2,455,238</u>	<u>65,450</u>	<u>18,818,877</u>
Depreciation				
At 1 September 2024	4,304,955	2,012,870	-	6,317,825
Charge for the year	390,420	87,063	-	477,483
Disposals	-	(66,578)	-	(66,578)
	<u>4,695,375</u>	<u>2,033,355</u>	<u>-</u>	<u>6,728,730</u>
Net Book Value				
At 31 August 2025	<u>11,602,814</u>	<u>421,883</u>	<u>65,450</u>	<u>12,090,147</u>
At 31 August 2024	<u>11,993,234</u>	<u>409,335</u>	<u>33,426</u>	<u>12,435,995</u>

8. Fixed Assets Investments	2025 £	2024 £
i) Investment in subsidiaries - shares at cost		
South Hill Estates, Harrow Limited	20,950	20,950
Orley Farm School Enterprises Limited	-	-
	<u>20,950</u>	<u>20,950</u>

The Trust owns 100% of the share capital in the following two subsidiary companies; South Hill Estates (Harrow) Limited, which owns and manages land and roads in the Harrow area, and Orley Farm School Enterprises Limited. Both companies are registered in England and Wales.

The results of the subsidiary companies as extracted from their audited Financial Statements are as follows:

	South Hill Estates		Orley Farm School Enterprises	
	2025	2024	2025	2024
	£	£	£	£
Capital and reserves	5,092	9,873	-	-
Profit/(Loss) for the year	(4,781)	848	-	-

A decision was made in June 2007 to subsume the activities of Orley Farm School Enterprises within the School. The Company became dormant with effect from 1 September 2007.

9. Debtors	2025	2024
	£	£
Fees and extras in arrears	587,790	34,862
Amount due from subsidiary company	71,853	62,003
Other debtors	19,577	10,176
Prepayments	223,936	116,842
	<u>903,156</u>	<u>223,883</u>
10. Creditors due within one year	2025	2024
	£	£
Deposits	295,833	310,250
Tax and social security	672,086	204
Accruals and deferred income	293,612	384,708
Other creditors	221,995	170,793
	<u>1,483,526</u>	<u>865,955</u>

Deferred income consists of fees received in advance totalling £207,195 (2024 - £256,956)

11. Operating Lease	2025	2024
	£	£
Amounts repayable in one year	20,103	-
Amounts repayable between 2-5 years	60,311	-
	<u>80,414</u>	<u>-</u>

12. Pension Scheme

The School came out of the Teachers' Pension Scheme ("the TPS") for its teaching staff at the end of February 2024 and entered into APTIS scheme from March 2024. The pension charge for the year was £600,962 (2024 - £591,741). At the year-end £0 (2024 - £0) was accrued in respect of contributions to this scheme.

The School also contributes to a defined contribution scheme on behalf of its support staff. Employer contributions payable to this scheme was £123,895 (2024: £114,791) and at year end £15,099 (2024: £0) was accrual in respect of contributions to this scheme.

13. Unrestricted Funds

	General fund £	Refurb- ishment fund £	Total funds £
At 1 September 2024	16,072,630	2,000,000	18,072,630
Net income	1,320,655	-	1,320,655
Expenditure/Transfers (to)/from designated funds	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 August 2025	17,393,285	2,000,000	19,393,285
	<hr/>	<hr/>	<hr/>
	General fund £	Refurb- ishment fund £	Total funds £
At 1 September 2023	15,398,550	1,395,049	16,793,599
Net income	1,279,031	-	1,279,031
Expenditure/Transfers (to)/from designated funds	(604,951)	604,951	-
	<hr/>	<hr/>	<hr/>
At 31 August 2024	16,072,630	2,000,000	18,072,630
	<hr/>	<hr/>	<hr/>

Designated Funds

The Governors have reconsidered the Designated Funds and have agreed in line with the Charity Commission guidance to establish the Refurbishment Fund to enable the School Refurbishment Plan which is due to begin within the next twelve months.

14. Cash Flow Statement	2025	2024
	£	£
Net Cash Inflow from Operating Activities		
Net income	1,320,655	1,279,031
Depreciation	477,483	482,589
(Profit)/Loss on disposal of fixed assets	3,160	(1,840)
(Increase)/ decrease in Stock	(6,431)	-
(Increase) / decrease in debtors	(679,273)	(23,623)
Increase in creditors	617,571	(123,452)
Interest received	(216,047)	(181,541)
	<u>1,517,118</u>	<u>1,431,164</u>

Analysis of Net Funds	As at 1 September 2024 £	Cash flow £	Other Non-cash changes £	As at 31 August 2025 £
Net cash balances	6,257,757	1,598,370	-	7,856,127
Other loans	-	-	-	-
	<u>6,257,757</u>	<u>1,598,370</u>	<u>-</u>	<u>7,856,127</u>
Total	<u>6,257,757</u>	<u>1,598,370</u>	<u>-</u>	<u>7,856,127</u>

Analysis of Net Funds	As at 1 September 2023 £	Cash flow £	Other Non-cash changes £	As at 31 August 2024 £
Net cash balances	5,060,532	1,197,225	-	6,257,757
Other loans	(386,179)	386,179	-	-
	<u>4,674,353</u>	<u>1,583,404</u>	<u>-</u>	<u>6,257,757</u>
Total	<u>4,674,353</u>	<u>1,583,404</u>	<u>-</u>	<u>6,257,757</u>

15. Related Party Transactions

- i. During the year amounts totalling £25,877 (2024 - £21,260) were payable to the subsidiary company, South Hill Estates, Harrow Limited relating to road levy charges. At the year-end £71,853 (2023 - £62,004) was due from the subsidiary company.
- ii. A Governor, Mr A Land, receives a fee discount of 20% under the Harrow Masters Fund. This fund is no longer open to new entrants.
- iii. The school receives consultancy services in relation to staff pensions by supplier Moore Kingston Smith at a cost of £7,800 (2024: £6,900). Mrs Kothari, a Governor at the school, is a partner at MKS.
- iv. The school hired facilities from Harrow School Enterprises Ltd for various school events at a cost of was £2,083 (2024: £3,000). Mr A Land, a Governor at the school, is a director of Harrow School Enterprises Ltd.

Note 15 continued

- v. Mrs R Gascoigne, a teacher at the school, is an owner of G&T School of Performing Arts, an organisation that hires parts of the school premises to provide drama activities during the weekend. The hire charge for the year was £10,688 (2024: £10,581).

There were no other related party transactions in either years.

16. Capital Commitments

At 31 August 2025 capital works authorised by the Board of Governors but not contracted for amounted to £nil (2024- £0). However, the Estate Plan is expected to commence within the next twelve months.

ORLEY FARM SCHOOL TRUST

England & Wales - Charity number 312637

Accounts

ORLEY FARM SCHOOL TRUST

(A Registered Charity and a Company Limited by Guarantee)

Registered Company No: 00628541

Registered Charity No: 312637

ANNUAL REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2024

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Governors

The Governors are members of the Governing Body, are the Charity Trustees and are the Directors of the Company for Companies Act purposes. The Governors who have served during the year and since the year end are indicated below. Alongside each Governor are details of the subcommittees on which they serve.

Dr M Short	Chair, (FBC),(E), (F),(Est), (R), (S)
Mr M Andrews	(FB),(F),(EstC), (S)
Mrs C Cliffe	FB),(EC
Mrs K Gater	(FB),(E)
Mr C J Hayfield	(FB),(F),(Est), (R)
Mrs S Kothari	(FB),(FC),(Est), (R), (S)
Mr A Land	(FB),(E)
Mrs T Lashkari	(FB),(F),(Est)
Mrs L Malde	(FB),(F),(Est)
Mr C Shah	(FB),(MC)
Mr A Sofat	(FB),(F),(Est)

(FBC) Chair of Full Board
 (FB) Member of Full Board
 (EC) Chair of Education Committee
 (E) Member of Education Committee
 (FC) Chair of Finance Committee
 (F) Member of Finance Committee
 (EstC) Chair of Estates Committee
 (Est) Member of Estates Committee
 (R) Member of Remuneration Committee
 (S) Member of Strategy Sub Committee
 (MC) Chair of Marketing Committee

ORLEY FARM SCHOOL TRUST

CHARITY INFORMATION

Officers

Headmaster	Mr T G Calvey
Director of Finance	Mr D Prince
Director of Operations and Clerk	Mr J Shakespeare

Principal Address and Registered Office

South Hill Avenue
Harrow-on-the-Hill
Middlesex
HA1 3NU

Advisors

Bankers

NatWest
1-9 St Ann's Road
Harrow
Middlesex HA1 1EB

Solicitors

Harrison Clark Rickerbys Limited
Ellenborough House
Wellington Street
Cheltenham GL50 1YD

Auditor

Crowe UK LLP
R+ Building
2 Blagrove Street
Reading
RG1 1AZ

Insurance Brokers

Marsh Education Practice
Capital House
1-5 Perrymount Road
Haywards Heath
West Sussex RH16 3SY

The Governors present their Annual Report, including their strategic report, for the year ended 31 August 2024 together with the audited Financial Statements for the year, and confirm that these comply with the requirements of the Companies Act 2006, the Governing Instruments of the Charity and the Statement of Recommended Practice, Accounting and Reporting by Charities ("FRS 102 SORP").

Reference and Administrative Information

Orley Farm School Trust (the Trust) is a company limited by guarantee registered as company number 00628541. The Trust is also registered with the Charity Commission under charity number 312637. The Governors, executive officers and principal address of the Charity are listed, along with particulars of its professional advisors, on pages 2 and 3.

Structure, Governance and Management

Governing Instruments

The Charity is governed by its Memorandum and Articles of Association, which date from 1959 and were substantially revised in 2004. In June 2007 the Charity Commission permitted an extension to the objects. In the furtherance of these objects the Directors, as the Trustees of the Charity, have complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the interpretation of the Public Benefit requirement under that Act.

Governing Body

The Board, detailed on page 2, is a self-appointing body with one exception being the Headmaster of Harrow School who is a member by virtue of this position. Service on the Board is for a term of three years which may be renewed no more than twice on retirement. The Chair is elected to serve for five years which may be renewed once only. The current Chair as elected by the Board commenced their tenure from 1st September 2023.

Trustee Recruitment and Training

The Charity's elected Governors are appointed at Board meetings on the basis of nominations received from members of the Board and others, based on specifications concerning sympathy with the Charity's objects, eligibility, personal competencies, specialist skills and local availability. New Governors receive induction in respect of Board Policies and Procedures, in addition to familiarisation with current Strategic and Financial Planning. Following their appointment Governors are made aware of specialist training opportunities by the Clerk as appropriate and they are encouraged to attend relevant training courses especially those organised by AGBIS and ISBA of which the School are members. Governors receive ongoing training, such as safeguarding and many undertake their own continuous professional development in their specialist areas.

Organisational Management

Orley Farm School Trust Governors, as the Trustees of the Charity, are legally responsible for the overall governance and control of the School. To discharge this duty they meet as a full Board at least three times each year. The work of implementing most of their policies is carried out by three committees which have agreed, and annually revised, Terms of Reference to assist their functionality. These committees are as follows: Education Committee, Estates Committee and Finance Committee. Further subcommittees may be constituted as required.

The operational management of the School is delegated to the Headmaster, who together with the Director of Finance and Director of Operations is supported by a Senior Leadership Team and a Senior Management Team. The Headmaster attends meetings of all of the above committees. The Director of Finance attends the Finance Committee, Remuneration Committee and the Board Meetings. The Director of Operations attends the Estates Committee, Health & Safety Committee and the Board Meetings. The Deputy Heads attend Education Committee and Board Meetings.

Organisational Management (continued)

The School, through its officers, is represented in a number of organisations including the Association of Governing Bodies of Independent Schools, the Independent Association of Preparatory Schools (IAPS), AGBIS and the Independent Schools Bursars' Association (ISBA).

Group Structure and Relationships

The Charity has two wholly-owned non-charitable subsidiary companies, whose activities are explained below.

South Hill Estates Harrow Limited (Registered in England as Company Number 109974)

South Hill Estates Harrow Ltd was incorporated in 1910 and is limited by shares. The Trust is the beneficial owner of the whole of the share capital of the Company which owns roads on the South Hill Estate, and the benefit of certain covenants relating to privately-owned residential and other properties on this Estate. The Directors include two members of the Trust's Full Board committee, the Director of Operations and up to two residents of South Hill Estates. The Company's assets and transactions in the year are not considered material, therefore the Governors consider it is not appropriate to prepare consolidated accounts of the Trust and its subsidiary. Copies of the subsidiary's accounts are made available to the Governors of the Trust.

Orley Farm School Enterprises Limited (Registered in England as Company Number 5345071)

The Company was made dormant on 1st September 2007 and will remain dormant until such a time as the level of trading activity within the Trust necessitates its management by a subsidiary company or when the Trustees elect that this be so.

Risk Management

The Board of Governors is responsible for identifying the key risks faced by the School and for ensuring these risks are managed. Each year the Senior Leadership Team and the Finance and Estates Committees identify and assess risks and implement controls to mitigate against these. In addition, each year a formal review of the risk management process is undertaken. The major risks have been identified as those of the impact on the School roll of the imposition of VAT on independent school fees and the removal of Business Rate Relief.

The key controls implemented by the School are as follows:

- Formal agendas for all Board and Committee activities;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and understood lines of reporting;
- Formal written policies;
- Clear, authoritative and agreed approval levels; and
- The appointment of suitably qualified professional advisers-

Through the established systems for managing risk, the Governors are satisfied that for the major risks identified steps have been taken to manage these risks. It is, of course, recognised by the Governors that systems can provide reasonable but not absolute assurance that major risks have been adequately managed.

Objects, Aims, Objectives and Activities**Charitable Objects**

To advance the education of boys and girls by the provision of a school known as Orley Farm School Trust in Harrow-on-the-Hill, and any other boarding school or day school for the education of boys and girls and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

Aims and Intended Impact

Within these objects, the School aims to be a leading co-educational preparatory school for children aged between 4 and 13 years old, by building on the strategies as stated in the 'Whole School Aims' which are summarised below, the full text being published in the School's prospectus and other media.

Whole School Aims

The School aims to provide a challenging environment to stimulate, maintain and develop a lively and enquiring mind: to encourage all pupils to reach their true potential and eventually become independent learners who value learning with and from others, as a life-long process.

We aim to appoint, develop and retain a staff of the highest quality and to develop a school community of responsible citizens, which affords equal value to all of its members, is seen to be just and encourages mutual respect, truthfulness and concern for others.

While carrying out our charitable purpose – the provision of education – we aim to deliver substantial benefit to all stakeholders, including our local communities, through the provision of an excellent and broad education and through access to our services, facilities and expertise.

Impact and Responsiveness

In accordance with our Governing Instruments, we continue to provide education for children aged 4 to 13 years – such provision relieving the state of relevant costs. In addition, the School continues to provide bursary support for current and new pupils. The School continues to build on the links with a wide section of the local community.

Key Elements of the School's Strategy

The School faces new and evolving educational, legislative, economic, environmental, demographic and social challenges. To respond to them positively and to enable Orley Farm School to head towards its 200th anniversary with confidence there must be equally careful planning. These Strategic Priorities and the School Development Plan are designed to set the destination and the broad outline of the journey. The Board of Governors and Senior Leadership Team intend that Orley Farm School:

- Continues to be one of the leading co-educational day schools in London;
- Will provide quality education and pastoral care for boys and girls in the 4-13 years age range;
- Will remain a preparatory school with a strong record of success in preparing pupils for entry to their senior independent schools;
- Continue to be blessed with a magnificent site and maintain an excellent range of facilities; and
- Build on its long and distinguished history.

Key Elements of the School's Strategy (continued)

The Board of Governors continues to oversee the pursuit of the School's strategic priorities and the maintenance of its profile and reputation as the leading Prep school in NW London. These are reviewed regularly through the work of the Board and its Committees. The Governors intend that the School will:

- Remain a preparatory school providing quality education and pastoral care for boys and girls;
- Continue to recruit on the basis of academic potential alone and the School will continue to develop its bursary funds to give true effect to this aim;
- Continue to prepare boys and girls for entry to independent senior schools – with the aim that boys, and increasingly girls, will transfer at 13+; currently most girls transfer at 11+;
- Continue to plan with the aid of professional advisors, the further development of the estate in order to provide excellent buildings and facilities that support an outstanding educational provision;
- Develop and enact an ICT Strategy, a Communications Strategy and an Outdoor Education Strategy; and
- Continue to develop a Leadership and Development Programme for staff.
- Continue to develop the Orley X programme.

The Governors measure the success of this strategy through a comprehensive review of the annual strategic school development and management action plans, and through the termly reporting of key performance measures produced by senior management for the Board to discuss. Ad hoc subcommittees are established to focus cross-governance/management effort on areas of interest, opportunity and concern.

Strategic Report: Review of Objectives for the year, Achievements and Performance**Objective 1: Maintain the excellence of the educational provision throughout the School.**

The educational excellence at Orley Farm School was rewarded with the granting of 31 scholarships to senior schools, of which a total of 16 were taken up by our pupils. Highlights include 15 Academic Scholarships and 16 awards across a breadth of Sport Scholarships, Drama, Music and Art including 2 STEAM scholarships.

Objective 2: Continue building relationships with local schools.

Orley Farm School continues to develop positive partnerships with a number of local schools in Harrow with various initiatives including lending out the School minibuses, inviting Grange Primary School pupils to watch our Christmas and Summer matinee productions, hosting Science and Maths afternoons for Welldon Park School pupils, and running Art workshops with Alexandra School.

In addition, during the year, the School hosted 'Our World Sports Afternoons' with Grange Primary School and the 'DC Beagle Maths Challenge' event with over 20 local schools participating. The school visited our partner schools to see the impact of the projects from the previous year, and these formed a series of assemblies to Orley pupils.

Objective 3: Continue the review of our policies and procedures to ensure total regulatory compliance.

School policies and procedures continue to be regularly reviewed to ensure regulatory compliance with frequently changing regulations and educational requirements. These policies are reviewed by staff and presented at the relevant committee meetings for Governors approval.

Objective 4: Continue to develop the School Orlumni.

With the support of a former parent and School Governor, the principal objective of the Orlumni is to bring together former Orleyans and parents to enrich our current community through events hosted at the School. During the year, the School successfully hosted multiple Orlumni events and released quarterly digital Orlumni magazines.

Objective 5: Ensure the provision of IT continues to meet the academic and business needs of the school.

The School continues to develop and invest in its IT infrastructure to support both pupils and staff. The School holds the Cyber Essentials Certification which comprises a detailed self-assessment questionnaire along with vulnerability scans to verify the School's external security status, as well as the integrity of its network, PCs and mobile devices.

The School has invested in virtual reality headsets and successfully integrated their use within ICT lessons. IT platforms are regularly reviewed to ensure they remain up-to-date and deliver an intuitive and easy user experience, whilst the School's remote learning platform continues to be integrated across its educational provision.

Teachers have devices that connect to classroom whiteboards and senior pupils in Years 7 & 8 also have devices that allow collaborations using teacher-pupil platforms.

Objective 6: Continue to positively manage the relationships with the School's neighbours, tenants and the wider community to best effect.

The School continues to develop the working partnership with South Hill Estates, Harrow Ltd and the residents of the estate via the South Hill Estates Board.

The School has provided free use of its facilities through its partnership with the Young Harrow Foundation for social events, Trustee meetings and training events. The School further supported Journey of a Lifetime, a small volunteer charity which aims to enrich the lives of young people with significant disadvantages by organising expeditions all over the world, by hosting their training workshops over the course of two weekends.

Objective 7: Continue to manage the School's education provision, estate and responsibility to pupils, staff and the wider school community to best effect.

The School's aims are based on the three pillars of 'Academic Life', 'Pastoral Life' and 'Life Beyond'.

Academic Life - To provide a creative, balanced, stimulating and unique curriculum which encourages skills and pushes mastery of knowledge, allowing everyone to explore their learning in a safe environment that values progress and growth through both success and failure.

Pastoral Life - To provide opportunities to develop socially, emotionally, locally and globally and to be reflective, responsible and self-aware, embracing the school's values in order to lead healthy, happy and fulfilling lives.

Life Beyond - To create broad opportunities, both in and out of the classroom, that develop a range of individual and collaborative interests, including sport, music, drama and the arts that will fuel enthusiasm for learning and offer life choices well beyond our time at Orley Farm.

The School continues to develop its after-school programme, OrleyX, following a successful pilot. The aim of this programme to address the growing demand for after-school activities allowing pupils to learn new skills and participate in physical activity whilst remaining on school premises.

Objective 8: Enact the Estates Strategy to improve the School's infrastructure, particularly focusing on key and essential projects including continuing refurbishing and updating the outdoor play spaces.

During the year a number of infrastructure projects were undertaken to enhance the school site. These projects included enhanced security surrounding the Oakmead Building and access to the staff car park and playing fields, drainage works in the meadow area, installation of new cricket netting and conversion of storage room into a multi-use room for meetings, breakout area and match teas. The School has been able to teach sport, beyond the school day in winter months, due to the use of new temporary floodlights.

Objective 9: Continue to develop the School's Master Plan with a Governor led strategy committee.

The School is developing a 'Masterplan' to scope and service the future needs of the School for the coming decade. The principal aim is to combine the School's short, medium and long-term objectives into a cohesive plan to ensure that future developments reflect and enhance the educational philosophy of the School in line with the three pillars of school life.

Before the pandemic, the school identified untapped opportunities to further develop the physical growth of all ages through sport, recreation and outdoor education; post pandemic this has gained an added relevance through developing social and collaborative opportunities, both during and after the school day. Facilities are being reviewed to best support this agenda.

The School is also keen to ensure that we consider the wider community in any development of facilities, creating partnerships with local primary schools so that we maximise the impact both in and beyond Orley Farm.

During the year an Estates Condition Survey was completed to inform and develop parts of the School's wider Masterplan.

Objective 10: To conduct due diligence on the creation and phased implementation of an outdoor curriculum offering at the School.

Following the successful completion and evaluation of a pilot outdoor curriculum offering, the School has created a Meadow School that is now being implemented as part of the curriculum for all Pre-Prep pupils. Due to the positive impact on mental health, physical growth and concentration, the School has extended this programme into Middle School.

Objective 11: To develop a Marketing Strategy.

The School has assigned a Governor to lead on the development of a marketing strategy with the aim of reviewing all aspects of its marketing, exploring new marketing opportunities and promoting its educational reputation amongst current and prospective families.

A new Marketing Committee, which the lead Governor will chair, has also been set up with termly meetings commencing in the 2024/25 academic year.

Pupil destinations and Scholarship Awards in 2024

Pupils often apply for, and are awarded, scholarships for more than one school. On these occasions, only the scholarship for their future school is accepted.

Boys:

Destination School	Number of Pupils	Scholarships Awarded
Berkhamsted Boys School	1	-
Haberdashers' Boys	2	-
Harrow School	2	2
John Lyon School	7	3
Merchant Taylors' School	7	5
St Alban's School	7	-
St Benedict's Ealing	1	-
St Margaret's Bushey	2	-
Westminster	1	-
TOTAL	30	10

Girls:

Destination School	Number of Pupils	Scholarships Awarded
John Lyon School	2	2
Haberdashers' Girls	-	1
North London Collegiate	3	-
Notting Hill & Ealing	2	-
Northwood College	7	6
Nower Hill High School	1	-
Pinner High School	1	-
Royal Masonic School	-	1
St Helen's School	5	9
St Margaret's School, Bushey	-	1
South Hampstead High School	2	1
Whitmore High School	1	-
TOTAL	24	21

Financial Review and Results for the Year

Orley Farm started and maintained a strong pupil roll during the year.

The year has however been presented with a host of challenges and uncertainty for the Orley Farm Community particularly in the face of significant inflationary pressures across all operational expenditure and the cost of living crisis. The Governing Body were well aware of the ongoing uncertainty facing many of our parents as the impact of the pandemic and economic landscapes unfolds and continued to offer the Hardship Support Scheme.

The focus for the School is to prioritise key and essential infrastructure projects around the school site. Throughout the year the School has undertaken a number of projects to enhance the school site, this includes undertaking a comprehensive stock condition survey to inform the Governors and management in finalising the School's masterplan, drainage works across our meadow area, an additional security gate at the Oakmead entrance and installing portable lighting in the vicinity of the School Astro.

The School generated net fee income of £8,912,948 (2023 - £8,463,511), which was the primary source of revenue. Whilst the School generates additional income in the form of lettings income and rents, the overriding primary source of income is derived from pupil fees. The operating costs for the year were £8,285,316 (2023 - £7,833,460). This expenditure has been closely monitored and the School continues to adopt a cautionary approach to spending as a result of the inflationary pressures namely in relation to wages and electricity and gas and this in turn has allowed School to generate surpluses that can be reinvested into the School's key and essential infrastructure projects, whilst meeting its financial obligations. The surplus of £1,279,031 (2023: Surplus of £1,043,107) generated within the year will place the School in a strong position to embark on the delayed key and essential infrastructure projects which are now seen as a priority for the School which include the development of the play areas in and around the school site, refurbishment of the School's Astro field, and refurbishment of the school's properties and its outdoor provisions that will form part of the School's Masterplan.

The School has moved away from the Government Teacher's Pension Scheme and entered into a Defined Contribution Scheme from March 2024 for our teachers.

The Board of Governors are confident that the School's financial situation is in a sound position which will enable the School to manage any potential impact on pupil numbers from the proposal to impose VAT on independent school fees from January 2025 and the removal of Business Rate Relief. The landscape for all independent schools is changing rapidly and the Board of Governors is committed to maintaining the excellent education for all of its pupils by careful management of resources and by working closely with the leadership team to respond quickly and thoughtfully to all challenges and by balancing the interests of all stakeholders.

There has been no outsourced fundraising via professional fundraisers or other third parties. The charity is not registered with the fundraising regulator and received no fundraising complaints in the year.

Freehold Properties

The School owns 4 residential properties which continue to generate income for the school. Income generated from property, including school lettings, this year was £196,957 (2023 - £191,885).

Extra-Curricular Activities

Our extra-curricular programme continues to be built around our weekly programme of lunchtime and after school clubs, subject to government guidelines and this has been extended following the creation of the OrleyX programme. The annual Expeditions Week continues to thrive.

Public benefit

As required by the Charities Act 2011, the Governors have referred to the general guidance on public benefit and have due regard to the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)'.

As part of our public benefit, we co-operate with a range of local charities in our ongoing endeavours to widen public access to the schooling we provide; to optimise the *educational* use of our cultural and sporting facilities and to awaken in our pupils an awareness of the wider social context of the education they receive at the School. We are proud of the community links we have developed and continue to develop as listed below and we always look to strengthen these in line with the Charity Commission's guide to public benefit.

- **Partnership with Grange Primary School.** The School continues to support Grange School. This support has included providing transport and invitations to drama productions, providing access to the School minibuses, donating to their school at Christmas, and, as part of the School's 'Our World' project, donating books and book review guides produced by our pupils.
- **Partnership with Welldon Park.** The School hosts a number of Science and Maths workshops for pupils of Welldon Park across the academic year.
- **Partnership with Alexander School.** The School runs a music club at the Alexander School each Friday lunch through our Edge Programme, and hosts Art lessons at our School for some of their pupils. In addition, the School paid for the costs of a basketball club coach and donated litter picking equipment.
- **Use of School Facilities.** St Dominic's College make use of our sports fields which include cricket pitches, astro turf and soccer pitches. The School also supported Journey of a Lifetime, a small volunteer charity which aims to enrich the lives of young people with significant disadvantages by organising expeditions all over the world, by hosting their training workshops over the course of two weekends free of charge. In addition, the School provided the Young Harrow Foundation charity with free use of its facilities for some of their meetings and training events.
- **Work Experience.** The School continues to offer work experience placements to students from various colleges whereby some students gain sports coaching experience.
- **Harrow Cricket Club.** By continuing to subsidise the overheads of Harrow Cricket Club, over two hundred youth cricketers and a number of adult teams from the wider community have access to the sport. The junior colts teams also make use of the sports hall during winter months in support of their expanding junior cricket programme.
- **Charitable Giving.** The school has raised £20,162 for the Imperial Health Charity. In addition, the school donated books to 4 local schools, food items to Harrow Food Bank, IT equipment to two churches, and supported 'Firm Foundation', a local homeless charity, and 'This Girl Can', a nationwide campaign to encourage women and girls to get involved in physical activity, regardless of shape, size and ability, by donating welfare packs.
- **Young Harrow Foundation.** The school made a donation of £10,000 to the Young Harrow Foundation Changemakers Fund. This Foundation is a membership charity supporting voluntary organisations in Harrow to increase partnerships and other opportunities in the community.
- **Fee Support.** This year we supported a total of 6 pupils at a cost of £83,053 (2023: 5 pupils £39,426) through our own Fee Support Scheme and our Hardship Support Scheme.

Plans for Future Periods

These plans remain:

1. To continue to enhance the School's Estates Strategy so as to enhance the education and opportunities for all pupils;
2. To enact our financial plans in support of the Estates Strategy; and
3. To enact the School's other development plans upon completion of the School's Masterplan.

Objectives for 2024/2025

1. Maintain the excellence of the educational provision throughout the School;
2. Continue building relationships with local schools;
3. Continue the review of our policies and procedures to ensure total regulatory compliance;
4. Continue to develop the School Orumni;
5. Ensure the provision of IT continues to meet the academic and business needs of the school;
6. Continue to positively manage the relationships with the School's neighbours, tenants and the wider community to best effect;
7. Continue to manage the School's education provision, estate and responsibility to pupils, staff and the wider school community to best effect;
8. Enact the Estates Strategy to improve the School's infrastructure, particularly focusing on key and essential projects including continuing refurbishing and updating the outdoor play spaces;
9. Governors will focus on managing the impact of any financial implications which may arise from political and economic factors outside the School's control to ensure that it will continue to thrive in the future; and
10. To develop a Marketing Strategy.

Reserves Policy

The total reserves for the School were £18,072,630 of which £2,000,000 related to designated funds, leaving £16,072,630 of free reserves. The Reserves Policy of the School takes into account a number of parameters such as:-

- Risks included in the School's risk register
- The School's objectives; and
- The current and future obligations of the School, including any commitments that it has already entered into.

Based on their assessment, the Governors consider that the minimum targeted level of reserves desired is working capital at the level of six month's expenditure. The Governors will keep the current reserves policy under review during the next academic year, whilst also continuing to strive to generate funds in line with minimum targeted levels

The Governors will review the reserves policy on an annual basis.

Remuneration Policy

The Remuneration Committee are tasked with reviewing remuneration, including Key Management Personnel, on an annual basis. Consideration is given to the current market conditions, performance and objectives set at the beginning of each academic year.

Going Concern

The Governors are aware that cash is the most important driving factor when setting future budgets. The School's cash position has been stress-tested by the Governors using various scenarios including conservative estimate of pupil numbers and rising costs. Following these test, the Board is content that the School will remain a going concern and can meet its ongoing obligations for a period of 12 months from when these accounts are signed.

Responsibilities of the Governors

The Governors (who are also directors of Orley Farm School Trust for the purposes of company 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 these 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

Auditors

Crowe UK LLP has signified its willingness to continue in office as auditors.

A resolution proposing their re-appointment will be submitted at the Annual General Meeting.

Approved by the Board of Governors of Orley Farm School Trust on 02/12 2024 and signed on its behalf by:



Dr M E Short
Chair

Independent Auditor's Report to the Members of Orley Farm School Trust**Opinion**

We have audited the financial statements of Orley Farm School Trust ('the charitable company') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 2024 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

In auditing the financial statements, we have concluded that the trustee's 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report 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 directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (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 trustees 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.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

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.

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.



Janette Joyce
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

R+ Building
2 Blgrave Street
Reading
RG1 1AZ

Date: 3 December 2024

ORLEY FARM SCHOOL TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)
Year ended 31 August 2024

		2024	2023
		£	£
	Note		
Income from:			
Charitable Activities			
School fees receivable	1	8,912,948	8,463,511
Registration fees		16,071	18,200
Ancillary income	2a	232,173	97,815
Other income	3	221,614	235,198
Investments		181,541	61,843
		<hr/>	<hr/>
Total Income		9,564,347	8,876,567
		<hr/>	<hr/>
Expenditure on:			
Raising funds			
Financing costs		13,864	93,168
Charitable Activities			
Ancillary costs	2b	133,385	67,881
Primary educational costs	4	8,138,067	7,672,411
		<hr/>	<hr/>
Total Expenditure		8,285,316	7,833,460
		<hr/>	<hr/>
Net Income and Movements in Funds for the Year	13	1,279,031	1,043,107
Balance at beginning of year		16,793,599	15,750,492
		<hr/>	<hr/>
Balance at End of Year		18,072,630	16,793,599
		<hr/>	<hr/>

All of the activities of the School are continuing. The School has no recognised gains or losses other than as stated above.

All income and expenditure was unrestricted in both years.

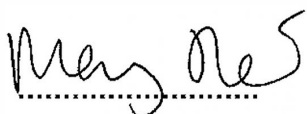
The Accounting Policies and Notes on pages 21 to 30 form part of these Financial Statements.

ORLEY FARM SCHOOL TRUST
Company Number: 00628541

BALANCE SHEET
At 31 August 2024

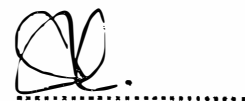
Fixed Assets	Note	2024 £	2023 £
Tangible fixed assets	7	12,435,995	12,887,443
Investments	8	20,950	20,950
		<hr/>	<hr/>
		12,456,945	12,908,393
		<hr/>	<hr/>
Current Assets			
Debtors	9	223,883	200,260
Cash at bank and in hand		6,257,757	5,060,532
		<hr/>	<hr/>
		6,481,640	5,260,792
Creditors: due within one year	10	(865,955)	(1,177,130)
		<hr/>	<hr/>
Net Current Assets		5,615,685	4,083,662
Creditors: due in more than one year	11	-	(198,456)
		<hr/>	<hr/>
Net Assets		18,072,630	16,793,599
		<hr/>	<hr/>
Unrestricted Funds	13		
General fund		16,072,630	15,398,550
Designated Funds:			
Building Refurbishment fund		2,000,000	1,395,049
		<hr/>	<hr/>
		18,072,630	16,793,599
		<hr/>	<hr/>

Approved and authorised for issues by the Board of Governors on 02/12 2024 and signed on its behalf by:



Dr M E Short

Chair



Mrs S Kothari

Chair of Finance Committee

The Accounting Policies and Notes on pages 21 to 30 form part of these Financial Statements.

ORLEY FARM SCHOOL TRUST

STATEMENT OF CASH FLOWS
Year ended 31 August 2024

		2024	2023
		£	£
	Note		
Net Cash Inflow from Operating Activities	14	1,431,164	1,612,213
Cash flows from Investing Activities			
Payments to acquire tangible fixed assets		(31,201)	(190,711)
Sales proceeds of tangible fixed assets		1,900	3,000
Interest received		181,541	61,843
Interest paid		<u>(93,168)</u>	<u>(93,168)</u>
Net Cash Inflow/(Outflow) from Investing Activities		152,240	(219,036)
Cash flow from Financing Activities			
Loan Repayment		(386,179)	(1,962,602)
Increase/(Decrease) in cash in the year	14	<u>1,197,225</u>	<u>(569,425)</u>
Reconciliation of Net Cashflow to Movement in Net Funds			
Increase/Decrease in cash in the year		1,197,225	(569,425)
Net decrease in bank loan		<u>386,179</u>	<u>1,962,602</u>
Change in funds resulting from cash flows and Movement in net funds in the year	14	1,583,404	1,393,177
Net funds at beginning of the year		<u>4,674,353</u>	<u>3,281,176</u>
Net Funds at End of the Year	14	<u>6,257,757</u>	<u>4,674,353</u>

The Accounting Policies and Notes on pages 21 to 30 form part of these Financial Statements.

Basis of Accounting

Orley Farm School Trust is a charitable company in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities is the operation of Orley Farm School.

The charity 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 UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are 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 charity.

The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the School to continue as a going concern. The Governors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Governors have considered the School's forecasts and projections and have taken account of pressures on fee income, particularly in light of the impact of the current economic uncertainty including the inflationary cost pressures and the exposure to significant increases in utility costs, before these financial statements were approved and is explained in more detail in the Risk Management section of the Governors Report in these financial statements. After making enquiries the Governors have concluded that there is a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future.

As such the School can expect to be able to meet its liabilities as they fall due in the period of at least 12 months from the date of approval of these accounts. However, there can be no certainty in relation to these matters. On this basis the Governors have concluded that the School is a going concern. The financial statements do not include any adjustments that would result from the School not being able to meet its liabilities as they fall due.

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.

The Trust is the beneficial owner of the whole of the share capital of South Hill Estates Ltd. The Company's assets and transactions in the year are not considered material, therefore the Governors consider it is not appropriate to prepare consolidated accounts of the Trust and its subsidiary.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand.

Judgements and key sources of estimation and uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The judgements (apart from those involving estimates) that have had the most significant effect on amounts recognised in the financial statements related to the useful economic lives of tangible fixed assets.

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the School is legally entitled to the income, after any performance conditions have been met, when the amount can be measured reliably and when it is probable that the income will be received.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees received prior to the end of the year in respect of the following terms are shown on the balance sheet as deferred income.

Investment income is earned through holding assets for investment purposes such as property. It includes interest and rent; Interest income is recognised when receivable and rent is recognised when the charity's right to receive payment is established.

Expenditure

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Charitable activities costs include all expenditure directly relating to the objects of the School.

Governance costs comprise the costs of running the charity including strategic planning for future development, auditors' remuneration, certain legal costs, Governors' expenses and the costs of complying with constitutional and statutory requirements. These costs are contained within 'Support and Management Costs-other' (see note 5).

All costs, including support costs, are allocated between expenditure categories and departments on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

Unrestricted Funds

Unrestricted funds consist of general reserves which are available for the Governors to apply to the general purposes of the School.

Designated funds consist of certain unrestricted funds which the Governors have earmarked for particular purposes.

Tangible Fixed Assets

Expenditure on land and buildings which, in the opinion of the Governors, has not enhanced their long-term value is charged to the SOFA. Expenditure on improvements to land and buildings which, in the opinion of the Governors, has enhanced their long-term value is capitalised. Expenditure on plant, equipment (including IT equipment) and furniture which is in excess of £1,000 per item, or group of items, is capitalised.

Assets in the course of construction are capitalised and depreciated when brought into use.

Depreciation is provided on all other tangible fixed assets, including freehold property, to write off their cost less residual value over their estimated useful lives when brought into use, at the following rates:

Freehold buildings	2% on cost
Buildings of non-permanent construction	4% on cost
All weather pitch	10% on cost
Furniture, fixtures and equipment	15% reducing value
Computers	25% on reducing value
Motor vehicles	25% on reducing value
Telephone System	20% on reducing value

The residual value for all classes of assets, including recent additions to the school buildings, is deemed to be zero. The exception to this rule being the original freehold buildings, for which the residual value is deemed to be 50% of the original cost to reflect land values.

Investments

Listed investments are stated at market value. Realised gains and losses arising on sales of investments and unrealised gains and losses arising on the revaluation of the investments at the year-end are taken to unrestricted funds on the SOFA.

Investments in subsidiary undertakings are recorded at cost less any provision for impairment.

Operating Leases

Rentals paid under operating leases are charged to the SOFA.

Taxation

The School, as a registered charity, is generally exempt from Corporation Tax but not from Value Added Tax (VAT). Irrecoverable VAT is included in the cost of those items to which it relates. The School's subsidiary trading companies are liable for Corporation Tax on taxable profits not paid to the School as qualifying donations under the Taxes Acts.

Pension Schemes

The School contributes to the APTIS Pension Scheme, which is a defined contribution scheme. The School also contributes to individual personal pension schemes for non-teaching staff.

1. School Fees Receivable	2024	2023
	£	£
Fees receivable consist of:		
Gross fees	9,119,052	8,615,376
Less: total bursaries, grants and allowances	(206,104)	(151,865)
	<u>8,912,948</u>	<u>8,463,511</u>
2a. Ancillary Income	2024	2023
	£	£
Coaches	5,445	1,967
After School Clubs	176,857	29,149
Disbursements	25,614	43,711
Pupil Insurance	24,257	22,988
	<u>232,173</u>	<u>97,815</u>
2b. Ancillary Costs	2024	2023
	£	£
Coaches	1,496	140
After School Clubs	90,026	5,233
Disbursements	19,506	41,365
Pupil Insurance	22,357	21,143
	<u>133,385</u>	<u>67,881</u>
Costs of After School Clubs include only directly attributable costs. They do not include any apportionment of attributable overheads.		
3. Other Income	2024	2023
	£	£
Property	196,957	191,885
Holiday Club	29,569	28,332
Miscellaneous	(4,911)	14,981
	<u>221,614</u>	<u>235,198</u>

4. Analysis of Charitable Expenditure

	Salaries	Other	Depreciation	Total	2023
	£	£	/Profit on Disposal £	£	£
Teaching	4,208,054	621,917	-	4,829,971	4,645,807
Welfare	242,506	270,574	-	513,080	461,162
Premises	418,616	969,193	480,749	1,868,558	1,595,346
Support and management costs	613,792	312,666	-	926,458	970,096
	<u>5,482,968</u>	<u>2,174,350</u>	<u>480,749</u>	<u>8,138,067</u>	<u>7,672,411</u>

5. Employees and Key Management

	2024	2023
	£	£
Staff costs		
Salaries and wages	4,352,149	4,230,708
Social security costs	424,287	426,724
Pension costs	706,532	711,676
	<u>5,482,968</u>	<u>5,369,108</u>

Neither the Governors nor persons connected to them received any remuneration or benefits or reimbursements of expenses from the School with the exception of the items reported in note 16 of the statutory accounts.

The number of higher paid employees whose remuneration for the year fell within the following bands was:

	2024	2023
£60,001 - £70,000	2	1
£70,001 - £80,000	1	0
£80,001 - £90,000	2	2
£160,001 - £170,000	1	1

Pension contributions of £109,512 (2023 - £79,452) were made on behalf of these employees. Of these employee's pension contributions in respect of the School defined contribution scheme for support staff were £5,688 (2023 - £5,417).

Staff Numbers

	No.	No.
The average number of full time equivalent staff employed by the school within each category was:		
Teaching staff	50	51
Other staff	51	50
	<u>101</u>	<u>101</u>

The key management personnel of the school includes the Governors, the Headmaster, the Director of Finance and the Director of Operations. The aggregate employee benefits of key management personnel of the School were £380,350 (2023 - £358,445).

The Headmaster's wife, Mrs R Calvey, is employed at the School under a standard contract of employment. The recruitment, terms of employment and salary are not influenced by the Headmaster. All recruitment is overseen by the School's HR department and approved by the Governors.

ORLEY FARM SCHOOL TRUST
NOTES TO FINANCIAL STATEMENTS
Year ended 31 August 2024

6. Net Movement in Funds	2024	2023
	£	£
This is stated after charging/(crediting):		
Auditors' remuneration - current year audit (Group)	20,650	17,550
Depreciation	482,589	475,360
(Profit)/Loss on disposal of Fixed Assets	(1,840)	(3,000)
	<hr/>	<hr/>
	501,399	489,910
	<hr/>	<hr/>

7. Tangible Fixed Assets				
Cost	Freehold land and buildings	Furniture, equipment and vehicles	Assets in the course of construction	Total
	£	£	£	£
At 1 September 2023	16,298,189	2,405,504	33,426	18,737,119
Additions	-	31,201	-	31,201
Disposals	-	(14,500)	-	(14,500)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2024	16,298,189	2,442,205	33,426	18,753,820
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 September 2024	3,914,534	1,935,142	-	5,849,676
Charge for the year	390,421	92,168	-	482,589
Disposals	-	(14,440)	-	(14,440)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2024	4,304,955	2,012,870	-	6,317,825
	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Value				
At 31 August 2024	11,993,234	409,335	33,426	12,435,995
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2023	12,383,655	470,362	33,426	12,887,443
	<hr/>	<hr/>	<hr/>	<hr/>

8. Fixed Assets Investments	2024	2023
	£	£
i) Investment in subsidiaries - shares at cost		
South Hill Estates, Harrow Limited	20,950	20,950
Orley Farm School Enterprises Limited	-	-
	<hr/>	<hr/>
	20,950	20,950
	<hr/>	<hr/>

The Trust owns 100% of the share capital in the following two subsidiary companies; South Hill Estates (Harrow) Limited, which owns and manages land and roads in the Harrow area, and Orley Farm School Enterprises Limited. Both companies are registered in England and Wales.

The results of the subsidiary companies as extracted from their audited Financial Statements are as follows:

	South Hill Estates		Orley Farm School Enterprises	
	2024 £	2023 £	2024 £	2024 £
Capital and reserves	9,873	9,023	-	-
Profit/(Loss) for the year	848	5,883	-	-

A decision was made in June 2007 to subsume the activities of Orley Farm School Enterprises within the School. The Company became dormant with effect from 1 September 2007.

9. Debtors	2024 £	2023 £
Fees and extras in arrears	34,862	29,174
Amount due from subsidiary company	62,003	57,577
Other debtors	10,176	-
Prepayments	116,842	113,509
	223,883	200,260

10. Creditors due within one year	2024 £	2024 £
Deposits	310,250	309,500
Tax and social security	204	166,764
Accruals and deferred income	384,708	407,557
Other creditors	170,793	105,586
Bank loan repayable within one year	-	187,723
	865,955	1,177,130

Deferred income consists of fees received in advance totalling £256,956 (2023 - £226,075)

11. Creditors due in more than one year	2024 £	2023 £
Amounts repayable between two and five years	-	198,456
	-	198,456

12. Pension Scheme

The School came out of the Teachers' Pension Scheme ("the TPS") for its teaching staff at the end of February 2024 and entered into APTIS scheme from March 2024. The pension charge for the year was £591,741 (2023 - £599,281), of which TPS charge being £306,543 and APTIS charge being £283,432. At the year-end £0 (2023 - £51,043) 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 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2023. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

The School also contributes to a defined contribution scheme on behalf of its support staff. Employer contributions payable to this scheme was £114,791 (2023: £112,395) and at year end £0 (2023: £9,232) was accrued in respect of contributions to this scheme.

13. Unrestricted Funds

	General fund £	Refurb- ishment fund £	Total funds £
At 1 September 2023	15,398,550	1,395,049	16,793,599
Net income	1,279,031	-	1,279,031
Expenditure/Transfers (to)/from designated funds	(604,951)	604,951	-
	<hr/>	<hr/>	<hr/>
At 31 August 2024	16,072,630	2,000,000	18,072,630
	<hr/>	<hr/>	<hr/>
	General fund £	Refurb- ishment fund £	Total funds £
At 1 September 2022	14,197,761	1,552,731	15,750,492
Net income	1,043,107	-	1,043,107
Expenditure/Transfers (to)/from designated funds	157,682	(157,682)	-
	<hr/>	<hr/>	<hr/>
At 31 August 2023	15,398,550	1,395,049	16,793,599
	<hr/>	<hr/>	<hr/>

Designated Funds

The Governors have reconsidered the Designated Funds and have agreed in line with the Charity Commission guidance to establish the Refurbishment Fund to enable the School Refurbishment Plan which is due to begin within the next twelve to eighteen months.

14. Cash Flow Statement

	2024 £	2023 £
Net Cash Inflow from Operating Activities		
Net income	1,279,031	1,043,107
Depreciation	482,589	475,360
(Profit)/Loss on disposal of fixed assets	(1,840)	(3,000)
(Increase) / decrease in debtors	(23,623)	41,947
Increase in creditors	(123,452)	23,474
Interest paid	-	93,168
Interest received	(181,541)	(61,843)
	<hr/>	<hr/>
	1,431,164	1,612,213
	<hr/>	<hr/>

Note 14 continued.

Analysis of Net Funds	As at 1 September 2023 £	Cash flow £	Other Non-cash changes £	As at 31 August 2024 £
Net cash balances	5,060,532	1,197,225	-	6,257,757
Other loans	(386,179)	386,179	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total	4,674,353	1,583,404	-	6,257,757
	<hr/>	<hr/>	<hr/>	<hr/>
	As at 1 September 2022 £	Cash flow £	Other Non-cash changes £	As at 31 August 2023 £
Net cash balances	5,629,957	(569,425)	-	5,060,532
Other loans	(2,348,781)	1,962,602	-	(386,179)
	<hr/>	<hr/>	<hr/>	<hr/>
Total	3,281,176	1,393,177	-	4,674,353
	<hr/>	<hr/>	<hr/>	<hr/>

15. Related Party Transactions

- i. During the year amounts totalling £21,260 (2023 - £25,310) were payable to the subsidiary company, South Hill Estates, Harrow Limited relating to road levy charges. At the year-end £62,004 (2023 - £57,577) was due from the subsidiary company.
- ii. A Governor, Mr A Land, receives a fee discount of 20% under the Harrow Masters Fund. This fund is no longer open to new entrants.
- iii. During the year one of our supplier Pilot Financial Services was acquired by Moore Kingston Smith who provided consultancy services in relation to Teachers' pensions at a cost of £6,900 (2023: 3,600). Mrs Kothari, a Governor at the school, is a partner at MKS.
- iv. The School hired facilities from Harrow School Enterprises Ltd for various school events at a cost of was £3,000 (2023: £1,825). Mr A Land, a Governor at the school, is a director of Harrow School Enterprise.
- v. Mrs R Gascoigne, a teacher at the school, is an owner of G&T School of Performing Arts, an organisation that hires parts of the school premises to provide drama activities during week. The hire charge for the year was £10,581 (2023: £9,303).

There were no other related party transactions in either years.

16. Capital Commitments

At 31 August 2024 capital works authorised by the Board of Governors but not contracted for amounted to £nil (2023- £400,000). However, the Estate Plan is expected to commence within the next twelve to eighteen months.

ORLEY FARM SCHOOL TRUST

England & Wales - Charity number 312637

Accounts

ORLEY FARM SCHOOL TRUST

(A Registered Charity and a Company Limited by Guarantee)

Registered Company No: 628541

Registered Charity No: 312637

ANNUAL REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2023

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Governors

The Governors are members of the Governing Body, are the Charity Trustees and are the Directors of the Company for Companies Act purposes. The Governors who have served during the year and since the year end are indicated below. Alongside each Governor are details of the subcommittees on which they serve.

Dr M Short	Chair, (FBC),(EC), (F),(Est), (R), (S)
Mr C J Hayfield	(FB),(F),(Est), (R)
Mr M Andrews	(FB),(F),(EstC), (S)
Mrs C Cliffe	(FB),(E)
Mrs S Kothari	(FB),(FC),(Est), (R), (S)
Ms S Labrum Resigned 31 st August 2023	(FB),(E)
Mr A Land	(FB),(E)
Mrs T Lashkari	(FB),(F),(Est)
Mrs L Malde	(FB),(F),(Est)
Mr R Raithatha Resigned 31 st August 2023	(FB)
Mr A Smith Resigned 31 st August 2023	(FB)
Mr A Sofat	(FB),(F),(Est)

(FBC) Chair of Full Board

(FB) Member of Full Board

(EC) Chair of Education Committee

(E) Member of Education Committee

(FC) Chair of Finance Committee

(F) Member of Finance Committee

(EstC) Chair of Estates Committee

(Est) Member of Estates Committee

(R) Member of Remuneration Committee

(S) Member of Strategy Sub Committee

Officers

Headmaster	Mr T G Calvey
Secretary	Mrs T K Vaid
Director of Finance	Mrs T K Vaid
Director of Operations and Clerk	Mr J Shakespeare

**Principal Address
and Registered Office**

South Hill Avenue
Harrow-on-the-Hill
Middlesex
HA1 3NU

Advisors

Bankers

NatWest
1-9 St Ann's Road
Harrow
Middlesex HA1 1EB

Solicitors

Harrison Clark Rickerbys Limited
Ellenborough House
Wellington Street
Cheltenham GL50 1YD

Auditor

Crowe UK LLP
Statutory Auditors
Aquis House
49-51 Blagrove Street
Reading
RG1 1PL

Insurance Brokers

Marsh Education Practice
Capital House
1-5 Perrymount Road
Haywards Heath
West Sussex RH16 3SY

The Governors present their Annual Report, including their strategic report, for the year ended 31 August 2023 together with the audited Financial Statements for the year, and confirm that these comply with the requirements of the Companies Act 2006, the Governing Instruments of the Charity and the Statement of Recommended Practice, Accounting and Reporting by Charities (“FRS 102 SORP”).

Reference and Administrative Information

Orley Farm School Trust (the Trust) is a company limited by guarantee registered as company number 628541. The Trust is also registered with the Charity Commission under charity number 312637. The Governors, executive officers and principal address of the Charity are listed, along with particulars of its professional advisors, on pages 2 and 3.

Structure, Governance and Management

Governing Instruments

The Charity is governed by its Memorandum and Articles of Association, which date from 1959 and were substantially revised in 2004. In June 2007 the Charity Commission permitted an extension to the objects. In the furtherance of these objects the Directors, as the Trustees of the Charity, have complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission’s published general and relevant sub-sector guidance concerning the interpretation of the Public Benefit requirement under that Act.

Governing Body

The Board, detailed on page 2, is a self-appointing body with one exception being the Headmaster of Harrow School who is a member by virtue of this position. Service on the Board is for a term of three years which may be renewed no more than twice on retirement. The Chair is elected to serve for five years which may be renewed once only. The new Chair as elected by the board commenced their tenure from 1st September 2022.

Trustee Recruitment and Training

The Charity’s elected Governors are appointed at Board meetings on the basis of nominations received from members of the Board and others, based on specifications concerning sympathy with the Charity’s objects, eligibility, personal competencies, specialist skills and local availability. New Governors receive induction in respect of Board Policies and Procedures, in addition to familiarisation with current Strategic and Financial Planning. Following their appointment Governors are made aware of specialist training opportunities by the Clerk as appropriate and they are encouraged to attend relevant training courses especially those organised by AGBIS and ISBA for which the School are members. Governors receive ongoing training, such as safeguarding and many undertake their own continuous professional development in their specialist areas.

Organisational Management

Orley Farm School Trust Governors, as the Trustees of the Charity, are legally responsible for the overall governance and control of the School. To discharge this duty they meet as a full Board at least three times each year. The work of implementing most of their policies is carried out by three committees which have agreed, and annually revised, Terms of Reference to assist their functionality. These committees are as follows: Education Committee, Estates Committee and Finance Committee. Further subcommittees may be constituted as required.

The operational management of the School is delegated to the Headmaster, who together with the Director of Finance and Director of Operations is supported by a Senior Leadership Team and a Senior Management Team. The Headmaster attends meetings of all of the above committees. The Director of Finance attends the Finance Committee, Remuneration Committee and the Board Meetings. The Director of Operations attends the Estates Committee, Health & Safety Committee and the Board Meetings. The Deputy Heads attend Education Committee and Board Meetings.

Organisational Management (continued)

The School, through its officers, is represented in a number of organisations including the Association of Governing Bodies of Independent Schools, the Independent Association of Preparatory Schools (IAPS), AGBIS and the Independent Schools Bursars' Association (ISBA).

Group Structure and Relationships

The Charity has two wholly-owned non-charitable subsidiary companies, whose activities are explained below.

South Hill Estates, Harrow Limited (Registered in England as Company Number 109974)

South Hill Estates Harrow Ltd was incorporated in 1910 and is limited by shares. The Trust is the beneficial owner of the whole of the share capital of the Company which owns roads on the South Hill Estate, and the benefit of certain covenants relating to privately-owned residential and other properties on this Estate. The Directors include two members of the Trust's Full Board committee, the Director of Operations and two residents of South Hill Estates. The Company's assets and transactions in the year are not considered material, therefore the Governors consider it is not appropriate to prepare consolidated accounts of the Trust and its subsidiary. Copies of the subsidiary's accounts are made available to the Governors of the Trust.

Orley Farm School Enterprises Limited (Registered in England as Company Number 5345071)

The Company was made dormant on 1st September 2007 and will remain dormant until such a time as the level of trading activity within the Trust necessitates its management by a subsidiary company or when the Trustees elect that this be so.

Risk Management

The Board of Governors is responsible for identifying the key risks faced by the School and for ensuring these risks are managed. Each year the Senior Leadership Team and the Finance and Estates Committees identify and assess risks and implement controls to mitigate against these. In addition, each year a formal review of the risk management process is undertaken. The major risks have been identified as that of the continuing impact of the current international and national crisis on securing energy for UK consumers along with the soaring inflation on day to day business expenditure, the, the continuing impact of Brexit on pricing and availability of goods and services required to maintain the School's provision, monitoring the financial impact of any future increase to employer contributions from the participation in the Teachers' Pension Scheme, a decline in the demand for places resulting from a general economic downturn, which has been exacerbated by increased inflationary pressures and rising interest rates on household incomes, the risk that senior schools will increasingly take boys at age 11 rather than 13 years old, and that the costs of the School's development plan escalate out of control.

The key controls implemented by the School are as follows:

- Formal agendas for all Board and Committee activities;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and understood lines of reporting;
- Formal written policies;
- Clear, authoritative and agreed approval levels; and
- The appointment of suitably qualified professional advisers-

Through the established systems for managing risk, the Governors are satisfied that for the major risks identified steps have been taken to manage these risks. It is, of course, recognised by the Governors that systems can provide reasonable but not absolute assurance that major risks have been adequately managed.

Objects, Aims, Objectives and Activities

Charitable Objects

To advance the education of boys and girls by the provision of a school known as Orley Farm School Trust in Harrow-on-the-Hill, and any other boarding school or day school for the education of boys and girls and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

Aims and Intended Impact

Within these objects, the School aims to be a leading co-educational preparatory school for children aged between 4 and 13 years old, by building on the strategies as stated in the 'Whole School Aims' which are summarised below, the full text being published in the School's prospectus and other media.

Whole School Aims

The School aims to provide a challenging environment to stimulate, maintain and develop a lively and enquiring mind: to encourage all pupils to reach their true potential and eventually become independent learners who value learning with and from others, as a life-long process.

We aim to appoint, develop and retain a staff of the highest quality and to develop a school community of responsible citizens, which affords equal value to all of its members, is seen to be just and encourages mutual respect, truthfulness and concern for others.

While carrying out our charitable purpose – the provision of education – we aim to deliver substantial benefit to all stakeholders, including our local communities, through the provision of an excellent and broad education and through access to our services, facilities and expertise.

Impact and Responsiveness

In accordance with our Governing Instruments, we continue to provide education for children aged 4 to 13 years – such provision relieving the state of relevant costs. In addition, the School continues to provide bursary support for current and new pupils. The School continues to build on the links with a wide section of the local community.

Key Elements of the School's Strategy

The School faces new and evolving educational, legislative, economic, environmental, demographic and social challenges. To respond to them positively and to enable Orley Farm School to head towards its 200th anniversary with confidence there must be equally careful planning. These Strategic Priorities and the School Development Plan are designed to set the destination and the broad outline of the journey. The Board of Governors and Senior Leadership Team intend that Orley Farm School:

- Continues to be one of the leading co-educational day schools in London;
- Will provide quality education and pastoral care for boys and girls in the 4-13 years age range;
- Will remain a preparatory school with a strong record of success in preparing pupils for entry to their senior independent schools;
- Continue to be blessed with a magnificent site and maintain an excellent range of facilities; and
- Build on its long and distinguished history.

Key Elements of the School's Strategy (continued)

The Board of Governors continues to oversee the pursuit of the School's strategic priorities and the maintenance of its agreed profile. These are reviewed regularly through the work of the Board and its Committees. The Governors intend that the School will:

- Remain a preparatory school providing quality education and pastoral care for boys and girls;
- Continue to recruit on the basis of academic potential alone and the School will continue to develop its bursary funds to give true effect to this aim;
- Continue to prepare boys and girls for entry to independent senior schools – with the aim that boys, and increasingly girls, will transfer at 13+; currently most girls transfer at 11+;
- Continue to plan with the aid of professional advisors, the further development of the estate in order to provide excellent buildings and facilities that support an outstanding educational provision;
- Develop and enact an ICT Strategy, a Communications Strategy and an Outdoor Education Strategy; and
- Continue to develop a Leadership and Development Programme for staff.

The Governors measure the success of this strategy through a comprehensive review of the annual strategic school development and management action plans, and through the termly reporting of key performance measures produced by senior management for the Board to discuss. Ad hoc subcommittees are established to focus cross-governance/management effort on areas of interest, opportunity and concern.

Strategic Report: Review of Objectives for the year, Achievements and Performance**Objective 1: Maintain the excellence of the educational provision throughout the School.**

The excellence of the education at the School was rewarded by the granting of a total of 51 scholarships to senior schools, of which a total of 27 were taken up by our pupils. Highlights include 9 Academic Scholarships and 18 awards across a breadth of Sport Scholarships, Drama, Music, and Design and Engineering awards including 2 Clay Prizes for Harrow School.

Objective 2: Carry on relations with the Grange School in Harrow and other Schools.

Partnerships with the Grange School and Alexander School in Harrow continue to evolve and develop. The School has supported both the Grange School and Alexander School in the following ways: making donation towards Christmas gifts for pupils at the Grange School; lending the School minibuses; running a termly lunch time sports club, inviting both Grange School and Alexander School pupils to watch our Christmas and Summer matinee productions and providing a music club at the Alexander School.

During the year the School hosted an exciting One World Day where pupils from Orley Farm School, the Grange School and Alexander School presented proposals for community projects that would make a difference in their world with a series of funding. The winning proposals included a radio station for the Grange School and a sensory garden and hedgehog homes for Alexander School.

Objective 3: Continue the review of our procedures and policies to ensure total regulatory compliance.

School Policies continue to be reviewed to ensure regulatory compliance with the frequently changing regulations. These policies are reviewed by staff and presented at the relevant committee meetings for Governors to review and approved.

Objective 4: Continue to develop the Orlumni.

With the support of a former parent, the objective of the Orlumni is to bring together former Orleyans and parents to enrich our current community through school hosted events. During the year the School successfully hosted multiple Orlumni events and released quarterly digital Orlumni magazines.

Objective 5: Ensure the provision of IT within the School continues to meet the academic and business needs of the school.

The IT network continues to be upgraded to ensure IT support throughout the School for both pupils and administrative staff is up to date and is moving in line with current trends. The School holds the Cyber Essentials Certification. The process to obtain this certification included a self-assessment questionnaire and an external vulnerability scan that verifies the School's security status as well as an internal vulnerability scan of the School's network, PCs and mobile devices.

The School has invested in virtual reality headsets and has successfully integrated the use of this throughout the school within ICT lessons. The School continues to review IT platforms to ensure they remain up to date and deliver an intuitive and easy user experience. The School continues to integrate the use of its remote learning platform of its educational provision more widely across the School.

Objective 6: Continue to manage the relationships with the School's neighbours, tenants and the wider community to best effect.

The School continues to develop the working partnership with South Hill Estates (Harrow) Ltd and the residents of the estate via the South Hill Estates Board which includes two School trustees, two residents and the Director of Operations.

Objective 7: Continue to manage the School's education provision, estate management, and responsibility to pupils, staff and the wider school community to best effect.

The School formalised the three pillars of the school forming the School Aims, this being 'Academic Life', 'Pastoral Life' and 'Life Beyond'.

Academic Life - To provide a creative, balanced, stimulating and unique curriculum which encourages skills and pushes mastery of knowledge, allowing everyone to explore their learning in a safe environment that values progress and growth through both success and failure.

Pastoral Life - To provide opportunities to develop socially, emotionally, locally and globally and to be reflective, responsible and self-aware, embracing the school's values in order to lead healthy, happy and fulfilling lives.

Life Beyond - To create broad opportunities, both in and out of the classroom, that develop a range of individual and collaborative interests, including sport, music, drama and the arts that will fuel enthusiasm for learning and offer life choices well beyond our time at Orley Farm.

The School piloted an afterschool programme, OrleyX, during the Summer Term in consultation to Pre Prep and Middle School pupils. The aim of this programme to address the growing demand for afterschool activities allowing pupils to learn new skills and participate in physical activity whilst remaining on school premises.

Objective 8: Enact the Estates Strategy to improve the School's infrastructure, particularly focusing on key and essential infrastructure projects including continuing refurbishing and updating the outdoor play spaces.

During the year a number of infrastructure projects were undertaken to enhance the school site. These projects included enhanced security surrounding the Oakmead Building and access to the staff car park and playing fields, drainage works in the meadow area, installation of new cricket netting and conversion of storage room into a multi-use room for meetings, breakout area and match teas.

Objective 9: Continue to develop the School's Master Plan with a Governor led strategy committee.

The School is building a 'Masterplan' to scope and service the future needs of the School for the coming decade. The aim is to join up the short, mid and long term aims with a cohesive overview to ensure that all future developments are embedded in the educational philosophy and aims of the School. During the year the School undertook a Stock Condition Survey to inform and develop parts of the Schools wider Master Plan.

Objective 10: To conduct due diligence on the creation and phased implementation of an outdoor curriculum offering at the School.

Following the success of the pilot outdoor curriculum offering, the School has created a Meadow School that is being implemented as part of the curriculum for all Pre Prep pupils.

Objective 11: Governors will focus on managing the impact of any financial implications which may arise from political and economic factors outside the School's control to ensure that the School will continue to thrive in the future.

During the year the School the school set up a sub-committee to report back to the Full Board to explore the impact of potential political and economic factors outside the School's control. The membership of this committee is the Chair of Governors, Chair of Finance Committee, Chair of Estates Committee, Headmaster, Director of Finance and Director of Operations.

Pupil destinations and Scholarship Awards in 2023

Pupils often apply for, and are awarded, scholarships for more than one school. On these occasions, only the scholarship for their future school is accepted.

Boys:

Destination School	Number of Pupils	Scholarships Awarded
Aldenham	-	2
Haberdashers'	3	1
Harrow	3	4
John Lyon	15	18
Radley College	1	-
Marlborough	2	-
Merchant Taylors	10	4
St Alban's	1	-
St Margaret's Bushey	-	1
St Paul's	4	-
Westminster	1	-
TOTAL	40	30

Girls:

Destination School	Number of Pupils	Scholarships Awarded
Aldenham	-	1
Avanti House	1	-
Downe House	1	-
Francis Holland	-	2
Haberdashers' Aske's	2	1
Harrow International School Appi, Japan	1	2
John Lyon	-	1
Marylebone	1	
North London Collegiate	2	-
Notting Hill & Ealing	3	-
Northwood College	1	5
Royal Masonic	1	-
St Helen's	7	6
St Margaret's Bushey	4	4
Watford Grammar	1	-
TOTAL	25	22

Financial Review and Results for the Year

Orley Farm started and maintained a strong pupil role during the year. The focus on both pupil and staff wellbeing continues to be a priority for the School and our Genesis Week at the start of each academic year has now been fully embedded within each academic year in support of pupil and staff wellbeing. This is an exciting week of making connections and pupil and staff team building events across the first week of school and the programme continues to thrive.

During the Summer Term, the School piloted an Afterschool Programme, OrleyX. The aim of this programme to address the growing demand for afterschool activities allowing pupils to learn new skills and participate in physical activity whilst remaining on school premises. After a successful pilot programme, Orley X has been rolled out across the whole school during the 2023/24 academic year.

The year has however been presented with a host of challenges and uncertainty for the Orley Farm Community particularly in the face of significant inflationary pressures across all operational expenditure and the cost of living crisis. The Governing Body were well aware of the ongoing uncertainty facing many of our parents as the impact of the pandemic and economic landscapes unfolds and continued to offer the Hardship Support Scheme.

The focus for the School is to prioritise key and essential infrastructure projects around the school site. Throughout the year the School has undertaken a number of projects to enhance the school site, this includes undertaking a comprehensive stock condition survey to inform the Governors and management in finalising the School's masterplan, drainage works across our meadow area, an additional security gate at Oakmead entrance and installing portable lighting in the vicinity of the School Astro.

The operating costs for the year were £7,833,068 (2022 - £7,231,524). This expenditure has been closely monitored and balanced against the School's existing banking facilities. The School continues to adopt a cautionary approach to spending as a result of the inflationary cost pressures and increasing interest rates and this in turn has allowed School to generate surpluses that can be reinvested into the School's key and essential infrastructure projects, whilst meeting its financial obligations. The School generated net fee income of £8,463,511 (2022 - £7,966,750), which was the primary source of revenue. Whilst the School does generate additional income in the form of lettings income and rents, the overriding primary source of income is derived from pupil fees. The surplus of £1,043,499 (2022: Surplus of £1,076,605) generated within the year will place the School in a strong position to embark on the delayed key and essential infrastructure projects which are now seen as a priority for the School which include the development of the play areas in and around the school site, refurbishment of the School's Astro field, and refurbishment of the school's properties and its outdoor provisions that will form part of the School's Masterplan.

The School currently contributes into the Government Teacher's Pension Scheme for all teachers. In October 2023, the Government announced a 5% increase to employer pension contributions with effect from April 2024, and following the conclusion of a teachers consultation in the 2021/22 academic year the School will be withdrawing from the Teachers' Pension Scheme into a Defined Contribution Scheme during the 2023/24 academic year.

The Board of Governors are confident that the School's financial situation is in a sound position which will enable the School to manage the current economic uncertainty, including the lasting impact of the Pandemic and Brexit, the possible changes to the political landscape and the continuing - inflationary pressures on all operating costs, whilst balancing the interests of all key stakeholders.

There has been no outsourced fundraising via professional fundraisers or other third parties. The charity is not registered with the fundraising regulator and received no fundraising complaints in the year.

Freehold Properties

In addition to the School buildings, the School owns four residential properties at New Julians (Headmaster's House), Oakmead House and Orley Farm Cottage (for staff occupation only), and Westbourne House (nine flats, part staff and part non-staff occupancy). Income generated from property, including school lettings, this year was £191,885 (2022 - £177,229).

Extra-Curricular Activities

Our extra-curricular programme continues to be built around our weekly programme of lunchtime and after school clubs, subject to government guidelines and this has been extended following the creation of the OrleyX programme. The annual Expeditions Week continues to thrive.

Public benefit

As required by the Charities Act 2011, the Governors have referred to the general guidance on public benefit and have due regard to the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)'.

As part of our public benefit, we co-operate with a range of local charities in our ongoing endeavours to widen public access to the schooling we provide; to optimise the *educational* use of our cultural and sporting facilities and to awaken in our pupils an awareness of the wider social context of the education they receive at the School. We are proud of the community links we have developed and continue to develop as listed below and we always look to strengthen these in line with the Charity Commission's guide to public benefit.

- **Partnership with Grange School.** The School continues to support the Grange School, Harrow. This support has included providing transport and invitations to sporting tournaments and drama productions; in addition, provided access to the use of our School minibuses, and donating to their Christmas Box Project appeal, providing a Christmas present to all pupils at Grange school
- **Partnership with Weldon Park.** The School hosts a number of science workshops for pupil of Weldon Park across the academic year.
- **Partnership with Alexander School.** The School runs a music club at the Alexander School each Friday lunch through our Edge Programme.
- **Use of Sporting facilities.** St Dominic's College, make use of our sports fields which include cricket pitches, Astroturf and soccer pitches.
- **Work Experience.** The School continues to offer work experience placements to students from various colleges whereby some students gain sports coaching experience.
- **Harrow Cricket Club.** By continuing to subsidise the overheads of Harrow Cricket Club, over two hundred youth cricketers and a number of adult teams from the wider community have access to the sport. The junior colt's teams also make use of the sports hall during winter months in support of their expanding junior cricket programme.
- **Charitable Giving.** The school has raised £19,390 for Evelina London Children's Charity and £1,319 for Henry van Straubenzee Memorial Fund.
- **Young Harrow Foundation.** The school made a donation of £15,000 the Young Harrow Foundation. This Foundation is a membership charity supporting voluntary organisations in Harrow to increase partnerships and other opportunities in the community.
- **Fee Support.** This year we supported a total of 5 pupils at a cost of £39,426 (2022: 11 Pupils £155,521) through our own Fee Support Scheme and our Hardship Support Scheme.

Plans for Future Periods

These plans remain:

1. To enact the School's Estates Strategy;
2. To enact our financial plans in support of this Estates Strategy; and
3. To enact the School's other development plans upon completion of the School's Masterplan.

Objectives for 2023/2024

1. Maintain the excellence of the educational provision throughout the School;
2. Carry on relations with the Grange School in Harrow and other Schools;
3. Continue the review of our procedures and policies to ensure total regulatory compliance;
4. Continue to develop the OrLumni;
5. Ensure the provision of IT within the School continues to meet the academic and business needs of the school;
6. Continue to manage the relationships with the School's neighbours, tenants and the wider community to best effect;
7. Continue to manage the School's education provision, estate management, and responsibility to pupils, staff and the wider school community to best effect.
8. Enact the Estates Strategy to improve the School's infrastructure, particularly focusing on key and essential infrastructure projects;
9. Continue to develop the School's Master Plan with a Governor led strategy committee; and
10. Governors will continue to focus on managing the impact of any financial implications which may arise from political and economic factors outside the School's control to ensure that the School will continue to thrive in the future.

Reserves Policy

The total reserves for the School were £16,793,599 of which £1,395,049 related to designated funds and a further £12,887,443 represented by fixed assets, leaving £2,897,286 of free reserves. The Reserves Policy of the School takes into account of a number of parameters such as:-

- Risks included in the School's risk register
- The School's objectives; and
- The current and future obligations of the School, including any commitments that it has already entered into.

Based on their assessment, the Governors consider that the minimum targeted level of reserves desired is working capital at the level of three month's expenditure.. The Governors will keep the current reserves policy under review during the next academic year, whilst also continuing to strive to generate funds in line with minimum targeted levels

The Governors will review the reserves policy on an annual basis.

Remuneration Policy

The Remuneration Committee are tasked with reviewing remuneration, including Key Management Personnel, on an annual basis. Consideration is given to the current market conditions, performance and objectives set at the beginning of each academic year.

Going Concern

The Governors are aware that cash is the most important driving factor when setting future budgets. The School's cash position has been stress-tested by the Governors using various scenarios including conservative estimate of pupil numbers and rising costs. Following these test, the Board is content that the School will remain a going concern and can meet its ongoing obligations for a period of 12 months from when these accounts are signed.

Responsibilities of the Governors

The Governors (who are also directors of Orley Farm School Trust for the purposes of company 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 these 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

Auditors

Crowe UK LLP has signified its willingness to continue in office as auditors.

A resolution proposing their re-appointment will be submitted at the Annual General Meeting.

Approved by the Board of Governors of Orley Farm School Trust on 27 November 2023 and signed on its behalf by:



Dr M E Short
Chair

Independent Auditor's Report to the Members of Orley Farm School Trust

Opinion

We have audited the financial statements of Orley Farm School Trust ('the charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 2023 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

In auditing the financial statements, we have concluded that the trustee's 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report 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 directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (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 trustees 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.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

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.

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.



Janette Joyce
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

Aquis House
49-51 Blagrove Street
Reading
RG1 1PL

Date: 5 December 2023

		2023	2022
		£	£
	Note		
Income from:			
Charitable Activities			
School fees receivable	1	8,463,511	7,966,750
Registration fees		18,200	19,550
Ancillary income	2a	97,815	68,078
Other income	3	235,198	245,633
Grant income	4	-	5,069
Investments		61,843	3,049
Total Income		<u>8,876,567</u>	<u>8,308,129</u>
Expenditure on:			
Raising funds			
Financing costs		93,168	79,512
Charitable Activities			
Ancillary costs	2b	67,881	35,345
Primary educational costs	5	7,672,411	7,116,667
Total Expenditure		<u>7,833,460</u>	<u>7,231,524</u>
Net Income and Movements in Funds for the Year	7	1,043,107	1,076,605
Balance at beginning of year		<u>15,750,492</u>	<u>14,673,887</u>
Balance at End of Year		<u><u>16,793,599</u></u>	<u><u>15,750,492</u></u>

All of the activities of the School are continuing. The School has no recognised gains or losses other than as stated above.

All income and expenditure was unrestricted in both years.

The Accounting Policies and Notes on pages 21 to 30 form part of these Financial Statements.

Fixed Assets	Note	2023 £	2022 £
Tangible fixed assets	8	12,887,443	13,172,092
Investments	9	20,950	20,950
		<hr/>	<hr/>
		12,908,393	13,193,042
		<hr/>	<hr/>
Current Assets			
Debtors	10	200,260	242,207
Cash at bank and in hand		5,060,532	5,629,957
		<hr/>	<hr/>
		5,260,792	5,872,164
Creditors: due within one year	11	(1,177,130)	(1,265,207)
		<hr/>	<hr/>
Net Current Assets		4,083,662	4,606,957
Creditors: due in more than one year	12	(198,456)	(2,049,507)
		<hr/>	<hr/>
Net Assets		16,793,599	15,750,492
		<hr/>	<hr/>
Unrestricted Funds	14		
General fund		15,398,550	14,197,761
Designated Funds:			
Building Refurbishment fund		1,395,049	1,552,731
		<hr/>	<hr/>
		16,793,599	15,750,492
		<hr/>	<hr/>

Approved and authorised for issues by the Board of Governors on 27 November 2023 and signed on its behalf by:



.....
Dr M E Short

Chair



.....
Mrs S Kothari

Chair of Finance Committee

ORLEY FARM SCHOOL TRUST
STATEMENT OF CASH FLOWS
Year ended 31 August 2023

		2023	2022
		£	£
	Note		
Net Cash Inflow from Operating Activities	15	1,612,213	1,591,248
Cash flows from Investing Activities			
Payments to acquire tangible fixed assets		(190,711)	(450,982)
Sales proceeds of tangible fixed assets		3,000	
Interest received		61,843	3,049
Interest paid		<u>(93,168)</u>	<u>(79,512)</u>
Net Cash Outflow from Investing Activities		(219,036)	(527,445)
Cash flow from Financing Activities			
Loan Repayment		(1,962,602)	(314,931)
		<hr/>	<hr/>
Increase in cash in the year	15	<u>569,425</u>	<u>748,872</u>
		<hr/> <hr/>	<hr/> <hr/>
Reconciliation of Net Cashflow to Movement in Net Funds			
Increase in cash in the year		(569,425)	748,872
Net decrease in bank loan		<u>1,962,602</u>	<u>314,931</u>
Change in funds resulting from cash flows and Movement in net funds in the year	15	1,393,177	1,063,803
Net funds at beginning of the year		<u>3,281,176</u>	<u>2,217,373</u>
Net Funds at End of the Year	15	<u>4,674,353</u>	<u>3,281,176</u>

The Accounting Policies and Notes on pages 21 to 30 form part of these Financial Statements.

Basis of Accounting

Orley Farm School Trust is a charitable company in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities is the operation of Orley Farm School.

The charity 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 UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are 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 charity.

The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the School to continue as a going concern. The Governors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Governors have considered the School's forecasts and projections and have taken account of pressures on fee income, particularly in light of the impact of the current economic uncertainty including the inflationary cost pressures and the exposure to significant increases in utility costs, before these financial statements were approved and is explained in more detail in the Risk Management section of the Governors Report in these financial statements. After making enquiries the Governors have concluded that there is a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future.

As such the School can expect to be able to meet its liabilities as they fall due in the period of at least 12 months from the date of approval of these accounts. However, there can be no certainty in relation to these matters. On this basis the Governors have concluded that the School is a going concern. The financial statements do not include any adjustments that would result from the School not being able to meet its liabilities as they fall due.

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.

The Trust is the beneficial owner of the whole of the share capital of South Hill Estates Ltd. The Company's assets and transactions in the year are not considered material, therefore the Governors consider it is not appropriate to prepare consolidated accounts of the Trust and its subsidiary.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand.

Judgements and key sources of estimation and uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The judgements (apart from those involving estimates) that have had the most significant effect on amounts recognised in the financial statements related to the useful economic lives of tangible fixed assets.

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the School is legally entitled to the income, after any performance conditions have been met, when the amount can be measured reliably and when it is probable that the income will be received.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees received prior to the end of the year in respect of the following terms are shown on the balance sheet as deferred income.

Investment income is earned through holding assets for investment purposes such as property. It includes interest and rent; Interest income is recognised when receivable and rent is recognised when the charity's right to receive payment is established.

Expenditure

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Charitable activities costs include all expenditure directly relating to the objects of the School.

Governance costs comprise the costs of running the charity including strategic planning for future development, auditors' remuneration, certain legal costs, Governors' expenses and the costs of complying with constitutional and statutory requirements. These costs are contained within 'Support and Management Costs-other' (see note 5).

All costs, including support costs, are allocated between expenditure categories and departments on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

Unrestricted Funds

Unrestricted funds consist of general reserves which are available for the Governors to apply to the general purposes of the School.

Designated funds consist of certain unrestricted funds which the Governors have earmarked for particular purposes.

Tangible Fixed Assets

Expenditure on land and buildings which, in the opinion of the Governors, has not enhanced their long-term value is charged to the SOFA. Expenditure on improvements to land and buildings which, in the opinion of the Governors, has enhanced their long-term value is capitalised. Expenditure on plant, equipment (including IT equipment) and furniture which is in excess of £1,000 per item, or group of items, is capitalised.

Assets in the course of construction are capitalised and depreciated when brought into use.

Depreciation is provided on all other tangible fixed assets, including freehold property, to write off their cost less residual value over their estimated useful lives when brought into use, at the following rates:

Freehold buildings	2% on cost
Buildings of non-permanent construction	4% on cost
All weather pitch	10% on cost
Furniture, fixtures and equipment	15% reducing value
Computers	25% on reducing value
Motor vehicles	25% on reducing value
Telephone System	20% on reducing value

The residual value for all classes of assets, including recent additions to the school buildings, is deemed to be zero. The exception to this rule being the original freehold buildings, for which the residual value is deemed to be 50% of the original cost to reflect land values.

Investments

Listed investments are stated at market value. Realised gains and losses arising on sales of investments and unrealised gains and losses arising on the revaluation of the investments at the year-end are taken to unrestricted funds on the SOFA.

Investments in subsidiary undertakings are recorded at cost less any provision for impairment.

Operating Leases

Rentals paid under operating leases are charged to the SOFA.

Taxation

The School, as a registered charity, is generally exempt from Corporation Tax but not from Value Added Tax (VAT). Irrecoverable VAT is included in the cost of those items to which it relates. The School's subsidiary trading companies are liable for Corporation Tax on taxable profits not paid to the School as qualifying donations under the Taxes Acts.

Pension Schemes

The School contributes to the Teachers' Pension Scheme, which is a defined benefit scheme, at rates set by the Government Actuary and advised to the Governors. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with Financial Reporting Standard (FRS 102) – Retirement Benefits, the Scheme is therefore accounted for as a defined contribution scheme. Contributions to the Scheme are charged to the SOFA as they become payable in accordance with the rules of the Scheme.

The School also contributes to individual personal pension schemes for non-teaching staff.

1. School Fees Receivable	2023	2022
	£	£
Fees receivable consist of:		
Gross fees	8,615,376	8,203,940
Less: total bursaries, grants and allowances	(151,865)	(237,190)
	<u>8,463,511</u>	<u>7,966,750</u>
	<u><u>8,463,511</u></u>	<u><u>7,966,750</u></u>
2a. Ancillary Income	2023	2022
	£	£
Coaches	1,967	2,065
After School Clubs	29,149	9,420
Disbursements	43,711	29,116
Pupil Insurance	22,988	27,477
	<u>97,815</u>	<u>68,078</u>
	<u><u>97,815</u></u>	<u><u>68,078</u></u>
2b. Ancillary Costs	2023	2022
	£	£
Coaches	140	224
After School Clubs	5,233	27
Disbursements	41,365	10,341
Pupil Insurance	21,143	24,753
	<u>67,881</u>	<u>35,345</u>
	<u><u>67,881</u></u>	<u><u>35,345</u></u>
3. Other Income	2023	2022
	£	£
Property	191,885	177,229
Holiday Club	28,332	27,221
Miscellaneous	14,981	41,183
	<u>235,198</u>	<u>245,633</u>
	<u><u>235,198</u></u>	<u><u>245,633</u></u>
4. Grant income		

The school did not receive any Grant income in 2022-23. In 2021-22 the school received Grant income of £5,069.

5. Analysis of Charitable Expenditure	Salaries	Other	Depreciation /Profit on Disposal	Total	2022
	£	£	£	£	£
Teaching	4,081,049	564,758	-	4,645,807	4,481,789
Welfare	237,776	223,386	-	461,162	425,226
Premises	410,667	712,319	472,360	1,595,346	1,388,607
Support and management costs	639,616	330,480	-	970,096	821,045
	<u>5,369,108</u>	<u>1,830,943</u>	<u>472,360</u>	<u>7,672,411</u>	<u>7,116,667</u>

6. Employees and Key Management	2023	2022
	£	£
Staff costs		
Salaries and wages	4,230,708	4,063,719
Social security costs	426,724	424,597
Pension costs	711,676	692,091
	<u>5,369,108</u>	<u>5,180,407</u>

Neither the Governors nor persons connected to them received any remuneration or benefits or reimbursements of expenses from the School with the exception of the items reported in note 16 of the statutory accounts.

The number of higher paid employees whose remuneration for the year fell within the following bands was:

	2023	2022
£60,001 - £70,000	1	1
£80,001 - £90,000	2	2
£160,001 - £170,000	1	1

Pension contributions of £79,452 (2022 - £77,683) were made on behalf of these employees. Of these employee's pension contributions in respect of the School defined contribution scheme were £5,417 (2022 - £5,311).

Staff Numbers	No.	No.
The average number of full time equivalent staff employed by the school within each category was:		
Teaching staff	51	50
Other staff	50	50
	<u>101</u>	<u>100</u>

The key management personnel of the school includes the Governors, the Headmaster, the Director of Finance and the Director of Operations. The aggregate employee benefits of key management personnel of the School were £358,445 (2022 - £362,167).

The Headmaster's wife, Mrs R Calvey, is employed at the School under a standard contract of employment. The recruitment, terms of employment and salary are not influenced by the Headmaster. All recruitment is overseen by the School's HR department and approved by the Governors.

7. Net Movement in Funds	2023 £	2022 £
This is stated after charging/(crediting):		
Auditors' remuneration - current year audit (Group)	17,550	13,050
Depreciation	475,360	440,093
(Profit)/Loss on disposal of Fixed Assets	(3,000)	-
	<u>489,910</u>	<u>428,584</u>

8. Tangible Fixed Assets	Freehold land and buildings £	Furniture, equipment and vehicles £	Assets in the course of construction £	Total £
Cost				
At 1 September 2022	16,250,144	2,301,821	33,426	18,585,391
Additions	48,045	142,666	-	190,711
Disposals	-	(38,983)	-	(38,983)
	<u>16,298,189</u>	<u>2,405,504</u>	<u>33,426</u>	<u>18,737,119</u>
Depreciation				
At 1 September 2023	3,526,985	1,886,314	-	5,413,299
Charge for the year	387,549	87,811	-	475,360
Disposals	-	(38,983)	-	(38,983)
	<u>3,914,534</u>	<u>1,935,142</u>	<u>-</u>	<u>5,849,676</u>
Net Book Value				
At 31 August 2023	<u>12,383,655</u>	<u>470,362</u>	<u>33,426</u>	<u>12,887,443</u>
At 31 August 2022	<u>12,723,158</u>	<u>415,507</u>	<u>33,426</u>	<u>13,172,092</u>

9. Fixed Assets Investments	2023 £	2022 £
i) Investment in subsidiaries - shares at cost		
South Hill Estates, Harrow Limited	20,950	20,950
Orley Farm School Enterprises Limited	-	-
	<u>20,950</u>	<u>20,950</u>

The Trust owns 100% of the share capital in the following two subsidiary companies; South Hill Estates (Harrow) Limited, which owns and manages land and roads in the Harrow area, and Orley Farm School Enterprises Limited. Both companies are registered in England and Wales.

The results of the subsidiary companies as extracted from their audited Financial Statements are as follows:

	South Hill Estates		Orley Farm School Enterprises	
	2023 £	2022 £	2023 £	2023 £
Capital and reserves	9,023	3,142	-	-
Profit/(Loss) for the year	5,883	(25,284)	-	-

A decision was made in June 2007 to subsume the activities of Orley Farm School Enterprises within the School. The Company became dormant with effect from 1 September 2007.

10. Debtors	2023 £	2022 £
Fees and extras in arrears	29,174	57,870
Amount due from subsidiary company	57,577	54,913
Other debtors	-	10,719
Prepayments	113,509	118,705
	200,260	242,207

11. Creditors due within one year	2023 £	2023 £
Deposits	309,500	314,250
Tax and social security	166,764	182,887
Accruals and deferred income	407,557	261,286
Other creditors	105,586	207,510
Bank loan repayable within one year	187,723	299,274
	1,177,130	1,265,207

Deferred income consists of fees received in advance totalling £226,075 (2022 - £222,967)

12. Creditors due in more than one year	2023 £	2022 £
Amounts repayable between two and five years	198,456	2,049,507
	198,456	2,049,507

The loans are unsecured and repayable over 120 months from 31 March 2015. The interest rates applicable to the loans are:

LIBOR loan	2.50% per annum over LIBOR plus mandatory cost
Business loan	2.95% per annum over base rate

13. Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £599,281 (2022 - £583,429) and at the year-end 2023 £51,043 (2022 - £47,064) 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 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

The School also contributes to a defined contribution scheme on behalf of its support staff. Employer contributions payable to this scheme was £112,395 (2022: £108,662) and there at year end £9,232 (2022: £9,232) was accrued in respect of contributions to this scheme.

14. Unrestricted Funds

	General fund £	Refurb- ishment fund £	Total funds £
At 1 September 2022	14,197,761	1,552,731	15,750,492
Net income	1,043,107	-	1,043,107
Expenditure/Transfers (to)/from designated funds	157,682	(157,682)	-
	<hr/>	<hr/>	<hr/>
At 31 August 2023	15,398,550	1,395,049	16,793,599
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	General fund £	Refurb- ishment fund £	Total funds £
At 1 September 2021	12,673,887	2,000,000	14,673,887
Net income	1,076,605	-	1,076,605
Expenditure/Transfers (to)/from designated funds	447,269	(447,269)	-
	<hr/>	<hr/>	<hr/>
At 31 August 2022	14,197,761	1,552,731	15,750,492
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Designated Funds

The Governors have reconsidered the Designated Funds and have agreed in line with the Charity Commission guidance to establish the Refurbishment Fund to enable the School Refurbishment Plan which is due to be implemented with the next twelve to eighteen months.

15. Cash Flow Statement

	2023 £	2022 £
Net Cash Inflow from Operating Activities		
Net income	1,043,107	1,076,605
Depreciation	475,360	440,093
(Profit)/Loss on disposal of fixed assets	(3,000)	-
(Increase) / decrease in debtors	41,947	(69,835)
Increase in creditors	23,474	67,922
Interest paid	93,168	79,512
Interest received	(61,843)	(3,049)
	<hr/>	<hr/>
	1,612,213	1,591,248
	<hr/> <hr/>	<hr/> <hr/>

Note 15 continued.

Analysis of Net Funds	As at 1 September 2022 £	Cash flow £	Other Non-cash changes £	As at 31 August 2023 £
Net cash balances	5,629,957	(569,425)	-	5,060,532
Other loans	(2,348,781)	1,962,602	-	(386,179)
	<hr/>	<hr/>	<hr/>	<hr/>
Total	3,281,176	1,393,177	-	4,674,353
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	As at 1 September 2021 £	Cash flow £	Other Non-cash changes £	As at 31 August 2022 £
Net cash balances	4,881,085	748,872	-	5,629,957
Other loans	(2,663,712)	314,931	-	(2,348,781)
	<hr/>	<hr/>	<hr/>	<hr/>
Total	2,217,373	1,063,803	-	3,281,176
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

16. Related Party Transactions

- i. During the year amounts totalling £25,310 (2022 - £13,473) were payable to the subsidiary company, South Hill Estates, Harrow Limited relating to road levy charges. At the year-end £57,577 (2022 - £54,913) was due from the subsidiary company.
- ii. Mrs Z Kemal, a teacher of the School, provided baking services at a cost of nil (2022: £262).
- iii. A Governor, Mr A Land, receives a fee discount of 20% under the Harrow Masters Fund. This fund is no longer open to new entrants.
- iv. The School hired facilities from Harrow School Enterprises Ltd for various school events at a cost of was £1,825 (2022: £3,040). Mr A Land, a Governor at the school, is a director of Harrow School Enterprise.
- vi. During the year 3D Motors Limited provided vehicle maintenance services to the school at a cost of £384 (2022: £2,264). Mr R Raithatha, a Governor at the school, is a director of this company.
- vii. Mrs R Gascoigne, a teacher at the school, is an owner of G&T School of Performing Arts, an organisation that hires parts of the school premises to provide drama activities during week. The hire charge for the year was £9,303 (2022: £8,452).

There were no other related party transactions in either years.

17. Capital Commitments

At 31 August 2023 capital works authorised by the Board of Governors but not contracted for amounted to £400,000 (2022- £1,593,324).

ORLEY FARM SCHOOL TRUST

England & Wales - Charity number 312637

Accounts

ORLEY FARM SCHOOL TRUST

(A Registered Charity and a Company Limited by Guarantee)

Registered Company No: 628541

Registered Charity No: 312637

ANNUAL REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2022

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Governors

The Governors are members of the Governing Body, are the Charity Trustees and are the Directors of the Company for Companies Act purposes. The Governors who have served during the year and since the year end are indicated below. Alongside each Governor are details of the subcommittees on which they serve.

Dr M Short	Chair, (FBC),(EC), (F),(Est), (R)
Mr C J Hayfield	(FB),(F),(Est), (R)
Mr M Andrews	(FB),(F),(EstC)
Mrs C Cliffe	(FB),(E)
Mrs S Kothari	(FB),(FC),(Est), (R)
Ms S Labrum Appointed 11 th May 2022	(FB),(E)
Mr A Land	(FB),(E)
Mrs T Lashkari	(FB),(F),(Est)
Mrs L Malde	(FB),(F),(Est)
Mr R Raithatha	(FB)
Mr A Smith	(FB)
Mr A Sofat	(FB),(F),(Est)

(FBC) Chair of Full Board

(FB) Member of Full Board

(EC) Chair of Education Committee

(E) Member of Education Committee

(FC) Chair of Finance Committee

(F) Member of Finance Committee

(EstC) Chair of Estates Committee

(Est) Member of Estates Committee

(R) Member of Remuneration Committee

ORLEY FARM SCHOOL TRUST**CHARITY INFORMATION****Officers**

Headmaster	Mr T G Calvey
Secretary	Mrs T K Vaid
Director of Finance	Mrs T K Vaid
Director of Operations and Clerk	Mr J Shakespeare

**Principal Address
and Registered Office**

South Hill Avenue
Harrow-on-the-Hill
Middlesex
HA1 3NU

Advisors**Bankers**

NatWest
1-9 St Ann's Road
Harrow
Middlesex HA1 1EB

Solicitors

Harrison Clark Rickerbys Limited
Ellenborough House
Wellington Street
Cheltenham GL50 1YD

Auditor

PKF Littlejohn LLP
Statutory Auditors
15 Westferry Circus
Canary Wharf
London E14 4HD

Insurance Brokers

Marsh Education Practice
Capital House
1-5 Perrymount Road
Haywards Heath
West Sussex RH16 3SY

The Governors present their Annual Report for the year ended 31 August 2022 together with the audited Financial Statements for the year, and confirm that these comply with the requirements of the Companies Act 2006, the Governing Instruments of the Charity and the Statement of Recommended Practice, Accounting and Reporting by Charities ("FRS 102 SORP").

Reference and Administrative Information

Orley Farm School Trust (the Trust) is a company limited by guarantee registered as company number 628541. The Trust is also registered with the Charity Commission under charity number 312637. The Governors, executive officers and principal address of the Charity are listed, along with particulars of its professional advisors, on pages 2 and 3.

Structure, Governance and Management

Governing Instruments

The Charity is governed by its Memorandum and Articles of Association, which date from 1959 and were substantially revised in 2004. In June 2007 the Charity Commission permitted an extension to the objects. In the furtherance of these objects the Directors, as the Trustees of the Charity, have complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the interpretation of the Public Benefit requirement under that Act.

Governing Body

The Board, detailed on page 2, is a self-appointing body with one exception being the Headmaster of Harrow School who is a member by virtue of this position. Service on the Board is for a term of three years which may be renewed no more than twice on retirement. The Chair is elected to serve for five years which may be renewed once only. The new Chair as elected by the board commenced their tenure from 1st September 2022.

Trustee Recruitment and Training

The Charity's elected Governors are appointed at Board meetings on the basis of nominations received from members of the Board and others, based on specifications concerning sympathy with the Charity's objects, eligibility, personal competencies, specialist skills and local availability. New Governors receive induction in respect of Board Policies and Procedures, in addition to familiarisation with current Strategic and Financial Planning. Following their appointment Governors are made aware of specialist training opportunities by the Clerk as appropriate and they are encouraged to attend relevant training courses especially those organised by AGBIS and ISBA for which the School are members. Governors receive ongoing training, such as safeguarding and many under take their own continuous professional development in their specialist areas.

Organisational Management

Orley Farm School Trust Governors, as the Trustees of the Charity, are legally responsible for the overall governance and control of the School. To discharge this duty they meet as a full Board at least three times each year. The work of implementing most of their policies is carried out by three committees which have agreed, and annually revised, Terms of Reference to assist their functionality. These committees are as follows: Education Committee, Estates Committee and Finance Committee. Further subcommittees may be constituted as required.

The operational management of the School is delegated to the Headmaster, who together with the Director of Finance and Director of Operations is supported by a Senior Leadership Team and a Senior Management Team. The Headmaster attends meetings of all of the above committees. The Director of Finance attends the Finance Committee, Remuneration Committee and the Board Meetings. The Director of Operations attends the Estates Committee, Health & Safety Committee and the Board Meetings. The Deputy Heads attend Education Committee and Board Meetings.

Organisational Management (continued)

The School, through its officers, is represented in a number of organisations including the Association of Governing Bodies of Independent Schools, the Independent Association of Preparatory Schools and the Independent Schools Bursars' Association.

Group Structure and Relationships

The Charity has two wholly-owned non-charitable subsidiary companies, whose activities are explained below.

South Hill Estates, Harrow Limited (Registered in England as Company Number 109974)

South Hill Estates Harrow Ltd was incorporated in 1910 and is limited by shares. The Trust is the beneficial owner of the whole of the share capital of the Company which owns roads on the South Hill Estate, and the benefit of certain covenants relating to privately-owned residential and other properties on this Estate. The Directors include two members of the Trust's Full Board committee, the Director of Operations and two residents of South Hill Estates. The Company's assets and transactions in the year are not considered material, therefore the Governors consider it is not appropriate to prepare consolidated accounts of the Trust and its subsidiary. Copies of the subsidiary's accounts are made available to the Governors of the Trust.

Orley Farm School Enterprises Limited (Registered in England as Company Number 5345071)

The Company was made dormant on 1st September 2007 and will remain dormant until such a time as the level of trading activity within the Trust necessitates its management by a subsidiary company or when the Trustees elect that this be so.

Risk Management

The Board of Governors is responsible for identifying the key risks faced by the School and for ensuring these risks are managed. Each year the Senior Leadership Team and the Finance and General Purpose Committee identify and assess risks and implement controls to mitigate against these. In addition, each year a formal review of the risk management process is undertaken. The major risks have been identified as that of the impact of the current international and national crisis on securing energy for UK consumers along with the soaring inflation on day to day business expenditure, the on-going impact of Coronavirus Pandemic on the provision of education services and possible spike in rates over winter months, the impact of Brexit on pricing and availability of goods and services required to maintain the School's provision, monitoring the financial impact of any future increase to employer contributions from the participation in the Teachers' Pension Scheme, a decline in the demand for places resulting from a general economic downturn which has been exacerbated by increased inflationary pressures on household incomes, the risk that senior schools will increasingly take boys at age 11 rather than 13 years old, and that the costs of the School's development plan escalate out of control.

The key controls implemented by the School are as follows:

- Formal agendas for all Board and Committee activities;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and understood lines of reporting;
- Formal written policies;
- Clear, authoritative and agreed approval levels;
- The appointment of suitably qualified professional advisers; and
- Ability to switch our educational delivery into remote learning in the event of any future lockdown measures.

Through the established systems for managing risk, the Governors are satisfied that for the major risks identified steps have been taken to manage these risks. It is, of course, recognised by the Governors that systems can provide reasonable but not absolute assurance that major risks have been adequately managed.

Objects, Aims, Objectives and Activities

Charitable Objects

To advance the education of boys and girls by the provision of a school known as Orley Farm School Trust in Harrow-on-the-Hill, and any other boarding school or day school for the education of boys and girls and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

Aims and Intended Impact

Within these objects, the School aims to be a leading co-educational preparatory school for children aged between 4 and 13 years old, by building on the strategies as stated in the 'Whole School Aims' which are summarised below, the full text being published in the School's prospectus and other media.

Whole School Aims

The School aims to provide a challenging environment to stimulate, maintain and develop a lively and enquiring mind: to encourage all pupils to reach their true potential and eventually become independent learners who value learning with and from others, as a life-long process.

We aim to appoint, develop and retain a staff of the highest quality and to develop a school community of responsible citizens, which affords equal value to all of its members, is seen to be just and encourages mutual respect, truthfulness and concern for others.

While carrying out our charitable purpose – the provision of education – we aim to deliver substantial benefit to all stakeholders, including our local communities, through the provision of an excellent and broad education and through access to our services, facilities and expertise.

Impact and Responsiveness

In accordance with our Governing Instruments, we continue to provide education for children aged 4 to 13 years – such provision relieving the state of relevant costs. In addition, the School continues to provide bursary support for current and new pupils. The School continues to build on the links with a wide section of the local community.

Key Elements of the School's Strategy

The School faces new and evolving educational, legislative, economic, environmental, demographic and social challenges. To respond to them positively and to enable Orley Farm School to head towards its 200th anniversary with confidence there must be equally careful planning. These Strategic Priorities and the School Development Plan are designed to set the destination and the broad outline of the journey. The Board of Governors and Senior Leadership Team intend that Orley Farm School:

- Continues to be one of the leading co-educational day schools in London;
- Will provide quality education and pastoral care for boys and girls in the 4-13 years age range;
- Will remain a preparatory school with a strong record of success in preparing pupils for entry to their senior independent schools;
- Continue to be blessed with a magnificent site and maintain an excellent range of facilities; and
- Build on its long and distinguished history.

Key Elements of the School's Strategy (continued)

The Board of Governors continues to oversee the pursuit of the School's strategic priorities and the maintenance of its agreed profile. These are reviewed regularly through the work of the Board and its Committees. The Governors intend that the School will:

- Remain a preparatory school providing quality education and pastoral care for boys and girls;
- Continue to recruit on the basis of academic potential alone and the School will continue to develop its bursary funds to give true effect to this aim;
- Continue to prepare boys and girls for entry to independent senior schools – with the aim that boys, and increasingly girls, will transfer at 13+; currently most girls transfer at 11+;
- Continue to plan with the aid of professional advisors, the further development of the estate in order to provide excellent buildings and facilities that support an outstanding educational provision;
- Develop and enact an ICT Strategy, a Communications Strategy and an Outdoor Education Strategy; and
- Continue to develop a Leadership and Development Programme for staff.

The Governors measure the success of this strategy through a comprehensive review of the annual strategic school development and management action plans, and through the termly reporting of key performance measures produced by senior management for the Board to discuss. Ad hoc subcommittees are established to focus cross-governance/management effort on areas of interest, opportunity and concern.

Strategic Report: Review of Objectives for the year, Achievements and Performance**Objective 1: Maintain the excellence of the educational provision throughout the School.**

The excellence of the education at the School was rewarded by the granting of a total of 37 scholarships to senior schools, of which a total of 23 were taken up by our pupils. Highlights include 11 Academic Scholarships and 11 awards across a breadth of Sport Scholarships, Drama, Music, and Design and Engineering awards.

Objective 2: To continue to develop relations with the Grange School in Harrow.

Partnerships with the Grange School in Harrow continue to evolve and develop. The School has supported the Grange School in the following ways: making donation towards Christmas gifts for the Grange school pupils of the School; lending the School minibuses; running a termly lunch time sports club, and inviting Grange School children to watch our Christmas and Summer matinee productions.

Objective 3: To continue the review of our procedures and policies to ensure total regulatory compliance.

School Policies continue to be reviewed to ensure regulatory compliance with the frequently changing regulations. These policies are reviewed by staff and presented at the relevant committee meetings for Governors to review and approved.

Objective 4: Continue to improve the Former Pupils' Association (Orlumni).

With the support of a former parent, the School has rebranded and launched the Orlumni. The objective of the Orlumni is to bring together former Orleyans and parents to enrich our current community through school hosted events. During the year the school successfully hosted three events including an outdoor launch event, a soft ball and picnic event and a university starter reconnection events.

Objective 5: To ensure the provision of IT within the School continues to meet the academic and business needs of the school.

The IT network continues to be upgraded to ensure IT support throughout the School for both pupils and administrative staff is up to date and is moving in line with current trends. During the year the School obtained its Cyber Essentials Certification. The process to obtain this certification included a self - assessment questionnaire and an external vulnerability scan that verifies the School's security status as well as an internal vulnerability scan of the School's network, PCs and mobile devices.

The School has invested in virtual reality headsets and has successfully integrated the use of this throughout the school within ICT lessons. The School continues to review IT platforms to ensure they remain update to date and deliver an intuitive and easy user experience. As a result of the Pandemic, the School has integrated the use of its remote learning platform of its educational provision more widely across the School.

Objective 6: Continue to manage the relationships with the School's neighbours, tenants and the wider community to best effect.

The continues to develop a new working partnership with South Hill Estates (Harrow) Ltd and the residents of the estate via the South Hill Estates board comprising two School trustees, two residents and the Director of Operations.

Objective 7: Continue to manage the School's education provision, estate management, and responsibility to pupils, staff and the wider school community to best effect whilst managing the risk of the Coronavirus Pandemic.

The School has identified two short term building projects that it is pursuing, one which will enhance the educational provision of its youngest pupils through improved play facilities, and the other consisting of a large landscaping project for the benefit of the entire School to enhance creative play and create outdoor teaching space.

The School is also building a 'Masterplan' to scope and service the future needs of the School for the coming decade. The aim is to join up the short, mid and long term aims with a cohesive overview to ensure that all future developments are embedded in the educational philosophy and aims of the School.

Objective 8: To conduct due diligence on the creation of an outdoor curriculum offering at the School.

The Head of Pre Prep has successfully conducted due diligence into the creation of an outdoor curriculum offering at the School and will be piloting the offering next academic year within the Pre Prep on a phased year group basis.

Pupil destinations and Scholarship Awards in 2022

Pupils often apply for, and are awarded, scholarships for more than one school. On these occasions, only the scholarship for their future school is accepted.

Boys:

Destination School	Number of Pupils	Scholarships Awarded
City of London	1	-
Hampton School	1	-
Haberdashers'	1	1
John Lyon	7	6
King Heights Academy, Canada	1	-
Merchant Taylors	7	5
St Alban's	3	-
St Margaret's School	1	-
St Paul's	3	2
Westminster	1	1
TOTAL	26	15

Girls:

Destination School	Number of Pupils	Scholarships Awarded
Bentley Wood High	1	-
Belmont School	1	-
Dr Challoners High	1	-
Francis Holland School	-	1
Godolphin & Latymer	1	-
Haberdashers' Aske's	3	-
Haileybury	1	-
Hatch End High School	1	-
Henrietta Barnet School	1	-
King Fahad Academy	1	-
North London Collegiate	2	-
Nower Hill High School	1	-
Notting Hill & Ealing	1	-
Northwood College	2	4
Pinner High School	1	-
Rickmansworth School	1	-
Royal Masonic	5	5
St Marylebone CE School	1	1
South Hampstead High	1	3
St Helen's	5	4
St Margaret's	2	3
St Paul's Girls'	1	-
Queen's College London	1	1
TOTAL	35	22

Financial Review and Results for the Year

It has been another year that has presented a host of challenges and much uncertainty for the Orley Farm Community, as has been the case for many organisations, as they navigate the impact of the pandemic combined with the inflationary pressures felt by all nationally.

This academic year, the School has resumed its onsite provision of education in full including the much awaited Residential Expeditions Week enjoyed by all pupils. Despite the School's provision returning to pre pandemic days, the Governing Body were well aware of the ongoing uncertainty facing many of our parents as the impact of the pandemic and economic landscapes unfolds and continued to offer the Hardship Support Scheme. This Scheme, in conjunction with the Fee Support Scheme, provided financial support to 11 pupils. Further details are available below under the heading Fee Support.

During the Summer break, the School continued cautiously with the second phase of its Pre Prep refurbishment project - refurbishment of 3 Pre Prep classrooms, Pre Prep Atrium and staff room. As voted for by Orley parents, works for a 'Wellbeing Hub', with the aim of creating a flexible space where parents can reconnect with each other and have informal conversations with teachers, as well as a space for outdoor school events, have continued to be developed over the academic year. The operating costs for the year were £7,231,524 (2021 - £6,751,064). This expenditure has been closely monitored and balanced against the School's existing banking facilities as it carefully navigates its way back to Pre Pandemic operations. The School's cautious approach to spending as a result of the Pandemic has allowed the School to generate surpluses that can be reinvested into the School's key, essential infrastructure projects, which are no longer able to remain on hold, whilst meeting its financial obligations. The School generated net fee income of £7,966,750 (2021 - £7,667,088), which was the primary source of revenue. Whilst the School does generate additional income in the form of lettings income and rents, the overriding primary source of income is derived from pupil fees.

The focus for the School is to prioritise key and essential infrastructure projects around the school site. The surplus of £1,076,605 (2021: Surplus of £1,177,135) generated within the year will place the School in a strong position to embark on the delayed key and essential infrastructure projects which are now seen as a priority for the School which include the development of the play areas in and around the school site, refurbishment of the School's Astro field, and refurbishment of the school's properties and its outdoor provisions. The Board of Governors are confident that the School's financial situation is in a sound position which will enable the School to manage the current economic uncertainty, including the lasting impact of the Pandemic and Brexit along with the inflationary pressures specifically surrounding energy costs, whilst balancing the interests of all key stakeholders.

There has been no outsourced fundraising via professional fundraisers or other third parties. As a result. The charity is not registered with the fundraising regulator and received no fundraising complaints in the year.

Freehold Properties

In addition to the School buildings, the School owns four residential properties at New Julians (Headmaster's House), Oakmead House and Orley Farm Cottage (for staff occupation only), and Westbourne House (nine flats, part staff and part non-staff occupancy). Income generated from property, including school lettings, this year was £177,229 (2021 - £147,233).

Extra-Curricular Activities

Our extra-curricular programme continues to be built around our weekly programme of lunchtime and after school clubs, subject to government guidelines. The much awaited traditional Expeditions Week resumed this academic year and continues to thrive.

Public benefit

As required by the Charities Act 2011, the Governors have referred to the general guidance on public benefit and have due regard to the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)'.

As part of our public benefit, we co-operate with a range of local charities in our ongoing endeavours to widen public access to the schooling we provide; to optimise the *educational* use of our cultural and sporting facilities and to awaken in our pupils an awareness of the wider social context of the education they receive at the School. We are proud of the community links we have developed and continue to develop as listed below and we always look to strengthen these in line with the Charity Commission's guide to public benefit.

- **Partnership with Grange School.** The School continues to support the Grange School, Harrow. This support has included providing transport and invitations to sporting tournaments and drama productions; in addition, provided access to the use of our School minibuses, and donating to their Christmas Box Project appeal, providing a Christmas present to all pupils at Grange school
- **Partnership with Weldon Park.** The School hosts a number of science workshops for pupil of Weldon Park across the academic year.
- **Partnership with Alexander School.** The School runs a music club at the Alexander School each Friday lunch through our Edge Programme.
- **Use of Sporting facilities.** St Dominic's College, make use of our sports fields which include cricket pitches, Astroturf and soccer pitches.
- **Work Experience.** The School continues to offer work experience placements to students from various colleges whereby some students gain sports coaching experience.
- **Harrow Cricket Club.** By continuing to subsidise the overheads of Harrow Cricket Club, over two hundred youth cricketers and a number of adult teams from the wider community have access to the sport. The junior colt's teams also make use of the sports hall during winter months in support of their expanding junior cricket programme.
- **Charitable Giving.** The school has raised £5,506 for Winston's Wish and £2,641 for Henry van Straubenzee Memorial Fund.

Fee Support

This year we supported a total of 11 pupils at a cost of £155,521 (2021: 27 Pupils £144,240) through our own Fee Support Scheme and our Hardship Support Scheme. Whilst the Support Scheme supported fewer pupils this academic year, the values of the awards were higher.

Plans for Future Periods

These plans remain:

1. To enact the School's Estates Strategy;
2. To enact our financial plans in support of this Estates Strategy; and
3. To enact the School's other development plans and priorities as articulated in the 5 Year Strategy agreed by the Governors for which a designated fund has been created.

Objectives for 2022/2023

1. Maintain the excellence of the educational provision throughout the School;
2. Carry on relations with the Grange School in Harrow and other Schools;
3. Continue the review of our procedures and policies to ensure total regulatory compliance;
4. Continue to develop the Orumni;
5. Ensure the provision of IT within the School continues to meet the academic and business needs of the school;
6. Continue to manage the relationships with the School's neighbours, tenants and the wider community to best effect;
7. Continue to manage the School's education provision, estate management, and responsibility to pupils, staff and the wider school community to best effect.
8. Enact the Estates Strategy to improve the School's infrastructure, particularly focusing on key and essential infrastructure projects including continuing refurbishing and updating the outdoor play spaces;
9. Continue to develop the School's Master Plan with a Governor led strategy committee; and
10. Continue to conduct due diligence on the creation and phased implementation of an outdoor curriculum offering at the School.
11. Governors will focus on managing the impact of any financial implications which may arise from political and economic factors outside the School's control to ensure that the School will continue to thrive in the future.

Reserves Policy

The total reserves for the School were £15,750,492 of which £1,552,731 related to designated funds and a further 13,172,092 represented by fixed assets, leaving £1,025,669 of free reserves. The Reserves Policy of the School takes into account of a number of parameters such as:-

- Risks included in the School's risk register
- The School's objectives; and
- The current and future obligations of the School, including any commitments that it has already entered into.

Based on their assessment, the Governors consider that the minimum targeted level of reserves desired is working capital at the level of three month's expenditure which equates to £1.8m. The Governors will continue to strive to generate funds in line with minimum targeted levels.

The Governors will review the reserves policy on an annual basis.

Remuneration Policy

The Remuneration Committee are tasked with reviewing remuneration, including Key Management Personnel, on an annual basis. Consideration is given to the current market conditions, performance and objectives set at the beginning of each academic year.

Responsibilities of the Governors

The Governors (who are also directors of Orley Farm School Trust for the purposes of company 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 these 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

Auditors

During the year the Trust undertook an audit tender exercise, resolving that Crowe U.K. LLP would be appointed for the year ending 31 August 2023. A resolution proposing their appointment will be submitted at the Annual General Meeting.

Approved by the Board of Governors of Orley Farm School Trust on 28/11/22 2022 and signed on its behalf by:



Dr M E Short
Chair

Independent auditor's report to the members of Orley Farm School Trust**Opinion**

We have audited the financial statements of Orley Farm School Trust (the 'charitable company') for the year ended 31 August 2022 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 FRS 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 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

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

Other information

The other information comprises the information included in the Annual Report of the Governors, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Annual 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

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 Strategic Report and the Directors' Report included within the Annual 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (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 Trustees 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.

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:

- We obtained an understanding of the charitable company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, sector research and application of cumulative audit knowledge and experience.

- We determined the principal laws and regulations relevant to the charitable company in this regard to be those arising from the Companies Act 2006, Charities Act 2011, Charities (Accounts and Reports) Regulations 2008, Financial Reporting Standard 102 and the Charities SORP.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the charity with those laws and regulations. These procedures included, but were not limited to enquiries of management, review of minutes and review of legal and regulatory correspondence.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there was a potential for management bias in the allocation of support costs against charitable activity categories. We addressed this through reviewing the method used for reasonableness and re-performing the calculation to ensure it had been performed accurately in line with the stated method.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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.

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.



Alastair Duke (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

Date: 9 March 2023

		2022	2021
		£	£
	Note		
Income from:			
Charitable Activities			
School fees receivable	1	7,966,750	7,667,088
Registration fees		19,550	11,000
Ancillary income	2a	68,078	50,773
Other income	3	245,633	182,206
Grant income	4	5,069	16,604
Investments		3,049	528
		<hr/>	<hr/>
Total Income		8,308,129	7,928,199
		<hr/>	<hr/>
Expenditure on:			
Raising funds			
Financing costs		79,512	75,490
Charitable Activities			
Ancillary costs	2b	35,345	51,983
Primary educational costs	5	7,116,667	6,623,591
		<hr/>	<hr/>
Total Expenditure		7,231,524	6,751,064
		<hr/>	<hr/>
Net Income and Movements in Funds for the Year	7	1,076,605	1,177,135
Balance at beginning of year		14,673,887	13,496,752
		<hr/>	<hr/>
Balance at End of Year		15,750,492	14,673,887
		<hr/>	<hr/>

All of the activities of the School are continuing. The School has no recognised gains or losses other than as stated above.

All income and expenditure was unrestricted in both years.

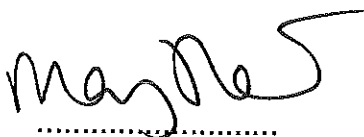
The Accounting Policies and Notes on pages 21 to 30 form part of these Financial Statements.

ORLEY FARM SCHOOL TRUST
Company Number: 628541

BALANCE SHEET
At 31 August 2022

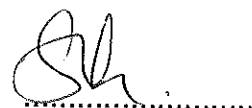
Fixed Assets	Note	2022	2021
		£	£
Tangible fixed assets	8	13,172,092	13,161,203
Investments	9	20,950	20,950
		<hr/>	<hr/>
		13,193,042	13,182,153
		<hr/>	<hr/>
Current Assets			
Debtors	10	242,207	172,372
Cash at bank and in hand		5,629,957	4,881,084
		<hr/>	<hr/>
		5,872,164	5,053,456
Creditors: due within one year	11	(1,265,207)	(1,184,505)
		<hr/>	<hr/>
Net Current Assets		4,606,957	3,868,951
Creditors: due in more than one year	12	(2,049,507)	(2,377,218)
		<hr/>	<hr/>
Net Assets		15,750,492	14,673,887
		<hr/>	<hr/>
Unrestricted Funds	14		
General fund		14,197,761	12,673,887
Designated Funds:			
Building Refurbishment fund		1,552,731	2,000,000
		<hr/>	<hr/>
		15,750,492	14,673,887
		<hr/>	<hr/>

Approved and authorised for issues by the Board of Governors on 28/11/22 2022 and signed on its behalf by:



Dr M E Short

Chair



Mrs S Kothari

Chair of Finance Committee

The Accounting Policies and Notes on pages 21 to 30 form part of these Financial Statements.

ORLEY FARM SCHOOL TRUST

STATEMENT OF CASH FLOWS
Year ended 31 August 2022

		2022 £	2021 £
	Note		
Net Cash Inflow from Operating Activities	15	1,591,248	1,803,146
Cash flows from Investing Activities			
Payments to acquire tangible fixed assets		(450,982)	(332,651)
Interest received		3,049	528
Interest paid		<u>(79,512)</u>	<u>(75,490)</u>
Net Cash Outflow from Investing Activities		(527,445)	(407,613)
Cash flow from Financing Activities			
Loan Repayment		(314,931)	(134,548)
Increase in cash in the year	15	<u>748,872</u>	<u>1,260,984</u>
Reconciliation of Net Cashflow to Movement in Net Funds			
Increase in cash in the year		748,872	1,260,984
Net decrease in bank loan		<u>314,931</u>	<u>134,548</u>
Change in funds resulting from cash flows and Movement in net funds in the year	15	1,063,803	1,395,532
Net funds at beginning of the year		<u>2,217,373</u>	<u>821,841</u>
Net Funds at End of the Year	15	<u>3,281,176</u>	<u>2,217,373</u>

The Accounting Policies and Notes on pages 21 to 30 form part of these Financial Statements.

Basis of Accounting

Orley Farm School Trust is a charitable company in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities is the operation of Orley Farm School.

The charity 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 UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are 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 charity.

The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the School to continue as a going concern. The Governors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Governors have considered the School's forecasts and projections and have taken account of pressures on fee income, particularly in light of the impact of the current economic uncertainty including the inflationary cost pressures and the exposure to significant increases in utility costs, before these financial statements were approved and is explained in more detail in the Risk Management section of the Governors Report in these financial statements. After making enquiries the Governors have concluded that there is a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future.

As such the School can expect to be able to meet its liabilities as they fall due in the period of at least 12 months from the date of approval of these accounts. However, there can be no certainty in relation to these matters. On this basis the Governors have concluded that the School is a going concern. The financial statements do not include any adjustments that would result from the School not being able to meet its liabilities as they fall due.

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.

The Trust is the beneficial owner of the whole of the share capital of South Hill Estates Ltd. The Company's assets and transactions in the year are not considered material, therefore the Governors consider it is not appropriate to prepare consolidated accounts of the Trust and its subsidiary.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand.

Judgements and key sources of estimation and uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The judgements (apart from those involving estimates) that have had the most significant effect on amounts recognised in the financial statements related to the useful economic lives of tangible fixed assets, and judgements in relation to the recoverability of debtor balances.

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the School is legally entitled to the income, after any performance conditions have been met, when the amount can be measured reliably and when it is probable that the income will be received.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees received prior to the end of the year in respect of the following terms are shown on the balance sheet as deferred income.

Investment income is earned through holding assets for investment purposes such as property. It includes interest and rent; Interest income is recognised when receivable and rent is recognised when the charity's right to receive payment is established.

Expenditure

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Charitable activities costs include all expenditure directly relating to the objects of the School.

Governance costs comprise the costs of running the charity including strategic planning for future development, auditors' remuneration, certain legal costs, Governors' expenses and the costs of complying with constitutional and statutory requirements. These costs are contained within 'Support and Management Costs-other' (see note 4).

All costs, including support costs, are allocated between expenditure categories and departments on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

Unrestricted Funds

Unrestricted funds consist of general reserves which are available for the Governors to apply to the general purposes of the School.

Designated funds consist of certain unrestricted funds which the Governors have earmarked for particular purposes.

Tangible Fixed Assets

Expenditure on land and buildings which, in the opinion of the Governors, has not enhanced their long-term value is charged to the SOFA. Expenditure on improvements to land and buildings which, in the opinion of the Governors, has enhanced their long-term value is capitalised. Expenditure on plant, equipment (including IT equipment) and furniture which is in excess of £1,000 per item, or group of items, is capitalised.

Assets in the course of construction are capitalised and depreciated when brought into use.

Depreciation is provided on all other tangible fixed assets, including freehold property, to write off their cost less residual value over their estimated useful lives when brought into use, at the following rates:

Freehold buildings	2% on cost
Buildings of non-permanent construction	4% on cost
All weather pitch	10% on cost
Furniture, fixtures and equipment	15% reducing value
Computers	25% on reducing value
Motor vehicles	25% on reducing value
Telephone System	20% on reducing value

The residual value for all classes of assets, including recent additions to the school buildings, is deemed to be zero. The exception to this rule being the original freehold buildings, for which the residual value is deemed to be 50% of the original cost to reflect land values.

Investments

Listed investments are stated at market value. Realised gains and losses arising on sales of investments and unrealised gains and losses arising on the revaluation of the investments at the year-end are taken to unrestricted funds on the SOFA.

Investments in subsidiary undertakings are recorded at cost less any provision for impairment.

Operating Leases

Rentals paid under operating leases are charged to the SOFA.

Taxation

The School, as a registered charity, is generally exempt from Corporation Tax but not from Value Added Tax (VAT). Irrecoverable VAT is included in the cost of those items to which it relates. The School's subsidiary trading companies are liable for Corporation Tax on taxable profits not paid to the School as qualifying donations under the Taxes Acts.

Pension Schemes

The School contributes to the Teachers' Pension Scheme, which is a defined benefit scheme, at rates set by the Government Actuary and advised to the Governors. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with Financial Reporting Standard (FRS 102) – Retirement Benefits, the Scheme is therefore accounted for as a defined contribution scheme. Contributions to the Scheme are charged to the SOFA as they become payable in accordance with the rules of the Scheme.

The School also contributes to individual personal pension schemes for non-teaching staff.

1. School Fees Receivable	2022	2021
	£	£
Fees receivable consist of:		
Gross fees	8,203,940	7,913,916
Less: total bursaries, grants and allowances	(237,190)	(246,828)
	<u>7,966,750</u>	<u>7,667,088</u>
2a. Ancillary Income	2022	2021
	£	£
Coaches	2,065	1,365
After School Clubs	9,420	8,219
Disbursements	29,116	16,004
Pupil Insurance	27,477	25,185
	<u>68,078</u>	<u>50,773</u>
2b. Ancillary Costs	2022	2021
	£	£
Coaches	224	30
After School Clubs	27	-
Disbursements	10,341	29,266
Pupil Insurance	24,753	22,687
	<u>35,345</u>	<u>51,983</u>
3. Other Income	2022	2021
	£	£
Property	177,229	147,233
Holiday Club	27,221	21,593
Miscellaneous	41,183	13,381
	<u>245,633</u>	<u>182,206</u>
4. Grant income		

During the year the School received Coronavirus Statutory Sick Pay Scheme of £2,216 and Gift Aid Claim of £2,853 (2021: the School received a grant of £16,604 in relation to the Coronavirus Job Retention scheme).

5. Analysis of Charitable Expenditure

	Salaries £	Other £	Depreciation £	Total £	2021 £
Teaching	3,994,997	486,792	-	4,481,789	4,209,834
Welfare	230,597	194,629	-	425,226	344,377
Premises	398,698	549,816	440,093	1,388,607	1,301,525
Support and management costs	556,115	264,930	-	821,045	767,856
	<u>5,180,407</u>	<u>1,496,167</u>	<u>440,093</u>	<u>7,116,667</u>	<u>6,623,591</u>

6. Employees and Key Management

	2022 £	2021 £
Staff costs		
Salaries and wages	4,063,719	3,825,039
Social security costs	424,597	387,057
Pension costs	692,091	675,841
	<u>5,180,407</u>	<u>4,887,937</u>

Neither the Governors nor persons connected to them received any remuneration or benefits or reimbursements of expenses from the School with the exception of the items reported in note 16 of the statutory accounts.

The number of higher paid employees whose remuneration for the year fell within the following bands was:

	2022	2021
£60,001 - £70,000	1	1
£70,001 - £80,000	-	2
£80,001 - £90,000	2	-
£130,001 - £140,000	-	1
£160,001 - £170,000	1	-

Pension contributions of £77,683 (2021 - £74,022) were made on behalf of these employees. Of these employee's pension contributions in respect of the School defined contribution scheme were £5,311 (2021 - £5,233).

Staff Numbers

	No.	No.
The average number of full time equivalent staff employed by the school within each category was:		
Teaching staff	50	50
Other staff	50	47
	<u>100</u>	<u>97</u>

The key management personnel of the school includes the Governors, the Headmaster, the Director of Finance and the Director of Operations. The aggregate employee benefits of key management personnel of the School were £362,167 (2021 - £324,987).

7. Net Movement in Funds	2022	2021
	£	£
This is stated after charging/(crediting):		
Auditors' remuneration - current year audit	13,050	12,430
Depreciation	440,093	416,154

8. Tangible Fixed Assets	Freehold land and buildings	Furniture, equipment and vehicles	Assets in the course of construction	Total
Cost	£	£	£	£
At 1 September 2021	16,013,405	2,087,578	33,426	18,134,409
Additions	236,739	214,243	-	450,982
Transfers	-	-	-	-
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2022	16,250,144	2,301,821	33,426	18,585,391
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 September 2021	3,159,051	1,814,155	-	4,973,206
Charge for the year	367,934	72,159	-	440,093
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2022	3,526,985	1,886,314	-	5,413,299
	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Value				
At 31 August 2022	12,723,159	415,507	33,426	13,172,092
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2021	12,854,354	273,423	33,426	13,161,203
	<hr/>	<hr/>	<hr/>	<hr/>

9. Fixed Assets Investments	2022	2021
	£	£
i) Investment in subsidiaries - shares at cost		
South Hill Estates, Harrow Limited	20,950	20,950
Orley Farm School Enterprises Limited	-	-
	<hr/>	<hr/>
	20,950	20,950
	<hr/>	<hr/>

The Trust owns 100% of the share capital in the following two subsidiary companies; South Hill Estates (Harrow) Limited, which owns and manages land and roads in the Harrow area, and Orley Farm School Enterprises Limited. Both companies are registered in England and Wales.

ORLEY FARM SCHOOL TRUST

NOTES TO FINANCIAL STATEMENTS
Year ended 31 August 2022

The results of the subsidiary companies as extracted from their audited Financial Statements are as follows:

	South Hill Estates		Orley Farm School Enterprises	
	2022	2021	2022	2021
	£	£	£	£
Capital and reserves	3,142	28,425	-	-
Loss for the year	(25,284)	(3,763)	-	-

A decision was made in June 2007 to subsume the activities of Orley Farm School Enterprises within the School. The Company became dormant with effect from 1 September 2007.

10. Debtors	2022	2021
	£	£
Fees and extras in arrears	57,870	57,728
Amount due from subsidiary company	54,913	19,174
Other debtors	10,719	10,719
Prepayments	118,705	84,751
	<u>242,207</u>	<u>172,372</u>

11. Creditors due within one year	2022	2021
	£	£
Deposits	314,250	310,022
Tax and social security	182,887	181,866
Accruals and deferred income	261,286	320,049
Other creditors	207,510	86,073
Bank loan repayable within one year	299,274	286,495
	<u>1,265,207</u>	<u>1,184,505</u>

Deferred income consists of fees received in advance totalling £222,967 (2021 - £162,988)

12. Creditors due in more than one year	2022	2021
	£	£
Amounts repayable between two and five years	2,049,507	2,377,218
	<u>2,049,507</u>	<u>2,377,218</u>

The loans are unsecured and repayable over 120 months from 31 March 2015. The interest rates applicable to the loans are:

LIBOR loan	2.5% per annum over LIBOR plus mandatory cost
Business loan	2.95% per annum over base rate

13. Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £583,429 (2021 - £574,562) and at the year-end £47,064 (2021 - £48,933) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

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

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

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

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation 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 also contributes to a defined contribution scheme on behalf of its support staff. Employer contributions payable to this scheme was £108,662 (2021: £101,032) and at the year-end £9,232 (2021: £8,338) was accrued in respect of these scheme.

14. Unrestricted Funds

	General fund £	Refurb- ishment fund £	Total funds £
At 1 September 2021	12,673,887	2,000,000	14,673,887
Net income	1,076,605	-	1,076,605
Expenditure/Transfers (to)/from designated funds	447,269	(447,269)	-
	<hr/>	<hr/>	<hr/>
At 31 August 2022	14,197,761	1,552,731	15,750,492
	<hr/>	<hr/>	<hr/>
	General fund £	Refurb- ishment fund £	Total funds £
At 1 September 2020	12,496,752	1,000,000	13,496,752
Net income	1,177,135	-	1,177,135
Expenditure/Transfers (to)/from designated funds	(1,000,000)	1,000,000	-
	<hr/>	<hr/>	<hr/>
At 31 August 2021	12,673,887	2,000,000	14,673,887
	<hr/>	<hr/>	<hr/>

Designated Funds

The Governors have reconsidered the Designated Funds and have agreed in line with the Charity Commission guidance to establish the Refurbishment Fund to enable the School Refurbishment Plan which is due to be implemented with the next twelve to eighteen months.

15. Cash Flow Statement

	2022 £	2021 £
Net Cash Inflow from Operating Activities		
Net income	1,076,605	1,177,135
Depreciation	440,093	416,154
(Increase) / decrease in debtors	(69,835)	70,427
Increase in creditors	67,922	64,468
Interest paid	79,512	75,490
Interest received	(3,049)	(528)
	<hr/>	<hr/>
	1,591,248	1,803,146
	<hr/>	<hr/>

Note 15 continued.

Analysis of Net Funds	As at 1 September 2021 £	Cash flow £	Other Non-cash changes £	As at 31 August 2022 £
Net cash balances	4,881,085	748,872	-	5,629,957
Other loans	(2,663,712)	314,931	-	(2,348,781)
	<hr/>	<hr/>	<hr/>	<hr/>
Total	2,217,373	1,063,803	-	3,281,176
	<hr/>	<hr/>	<hr/>	<hr/>

	As at 1 September 2020 £	Cash flow £	Other Non-cash changes £	As at 31 August 2021 £
Net cash balances	3,620,101	748,872	-	4,881,085
Other loans	(2,798,260)	134,548	-	(2,663,712)
	<hr/>	<hr/>	<hr/>	<hr/>
Total	821,841	1,395,532	-	2,217,373
	<hr/>	<hr/>	<hr/>	<hr/>

16. Related Party Transactions

- i. During the year amounts totalling £13,473 (2021 - £10,428) were payable to the subsidiary company, South Hill Estates, Harrow Limited relating to road levy charges. At the year-end £54,913 (2021 - £19,173) was due from the subsidiary company.
- ii. During the year Mrs Z Kemal, a teacher of the School, provided baking services at a cost of £262 (2021: £nil).
- iii. A Governor, Mr A Land, receives a fee discount of 20% under the Harrow Masters Fund. This fund is no longer open to new entrants.
- iv. During the year the School hired facilities from harrow School Enterprises Ltd for various school events at a cost of £3,040 (2021: £3,291). Mr A Land, a Governor at the school, is a director of this company.
- vi. During the year 3D Motors Limited provided vehicle maintenance services to the school at a cost of £2,246 (2021: £1,236). Mr R Raithatha, a Governor at the school, is a director of this company.
- vii. Mrs R Gascoigne, a teacher at the school, is an owner of G&T School of Performing Arts, an organisation that hires parts of the school premises to provide drama activities during weekend. The hire charge for the year was £8,452 (2021: £3,946).

There were no other related party transactions in either years.

17. Capital Commitments

At 31 August 2022 capital works authorised by the Board of Governors but not contracted for amounted to £1,593,324 (2021- £1,235,000).

ORLEY FARM SCHOOL TRUST

England & Wales - Charity number 312637

Accounts

ORLEY FARM SCHOOL TRUST

(A Registered Charity and a Company Limited by Guarantee)

Registered Company No: 628541

Registered Charity No: 312637

ANNUAL REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2021

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Governors

The Governors are members of the Governing Body, are the Charity Trustees and are the Directors of the Company for Companies Act purposes. The Governors who have served during the year and since the year end are indicated below. Alongside each Governor are details of the subcommittees on which they serve.

	Full Board	Education	F&GP Finance	- F&GP Estates	- H&S	Remuneration
Mr C J Hayfield: Chairman	•	•	•	•		•
Dr M Short: Deputy Chairman	•	•	•	•		•
Mr M Andrews	•		•	•		
Mrs Carol Cliffe	•	•				
Mrs S Kothari	•		•	•		•
Mr A Land	•	•				
Mrs L Malde	•		•	•		
Mr D Navapurkar Resigned 18 th November 2021	•		•	•	•	
Mr R Raithatha	•					
Mr A Smith	•					
Mr A Sofat	•		•	•		
Mrs T Lashkari Elected 1 st October 2021	•		•	•		

Officers

Headmaster	Mr T G Calvey
Secretary	Mrs T K Vaid
Director of Finance	Mrs T K Vaid
Director of Operations and Clerk	Mr J Shakespeare

**Principal Address
and Registered Office**

South Hill Avenue
Harrow-on-the-Hill
Middlesex
HA1 3NU

Advisors

Bankers

NatWest
1-9 St Ann's Road
Harrow
Middlesex HA1 1EB

Solicitors

Harrison Clark Rickerbys Limited
Ellenborough House
Wellington Street
Cheltenham GL50 1YD

Auditors

PKF Littlejohn LLP
Statutory Auditors
15 Westferry Circus
Canary Wharf
London E14 4HD

Insurance Brokers

Marsh Education Practice
Capital House
1-5 Perrymount Road
Haywards Heath
West Sussex RH16 3SY

The Governors present their Annual Report for the year ended 31 August 2021 together with the audited Financial Statements for the year, and confirm that the latter comply with the requirements of the Companies Act 2006, the Governing Instruments of the Charity and the Statement of Recommended Practice, Accounting and Reporting by Charities (“FRS 102 SORP”).

Reference and Administrative Information

Orley Farm School Trust (the Trust) is a company limited by guarantee registered as company number 628541. The Trust is also registered with the Charity Commission under charity number 312637. The Governors, executive officers and principal address of the Charity are listed, along with particulars of its professional advisors, on page 2.

Structure, Governance and Management

Governing Instruments

The Charity is governed by its Memorandum and Articles of Association, which date from 1959 and were substantially revised in 2004. In June 2007 the Charity Commission permitted an extension to the objects. In the furtherance of these objects the Directors, as the Trustees of the Charity, have complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission’s published general and relevant sub-sector guidance concerning the interpretation of the Public Benefit requirement under that Act.

Governing Body

The Board, detailed on page 2, is a self-appointing body with one exception being the Headmaster of Harrow School who is a member by virtue of this position. Service on the Board is for a term of three years which may be renewed no more than twice on retirement. The Chairman is elected to serve for five years which may be renewed once only. Due to exceptional circumstances, the Board has approved to extend the current Chairman’s tenure.

Trustee Recruitment and Training

The Charity’s elected Governors are appointed at Board meetings on the basis of nominations received from members of the Board and others, based on specifications concerning sympathy with the Charity’s objects, eligibility, personal competencies, specialist skills and local availability. New Governors receive induction in respect of Board Policies and Procedures in addition to familiarisation with current Strategic and Financial Planning. Following their appointment Governors are made aware of specialist training opportunities by the Clerk as appropriate. Governors receive ongoing training, such as safeguarding and many under take their own continuous professional development in their specialist areas.

Organisational Management

Orley Farm School Trust Governors, as the Trustees of the Charity, are legally responsible for the overall governance and control of the School. To discharge this duty they meet as a full Board at least three times each year. The work of implementing most of their policies is carried out by two committees which have agreed, and annually revised, Terms of Reference to assist their functionality. These committees are as follows: Finance and General Purpose Committee and Education Committee. Further subcommittees may be constituted as required.

The operational management of the School is delegated to the Headmaster, who together with the Director of Finance and Director of Operations is supported by a Senior Leadership Team and a Senior Management Team. The Headmaster attends meetings of all of the above committees. The Director of Finance attends the F&GP – Finance Committee, Remuneration Committee and the Board Meetings. The Director of Operations attends the F&GP – Estates, Health & Safety Committee and the Board Meetings. The Deputy Heads attend Education Committee and Board Meetings.

Organisational Management (continued)

The School, through its officers, is represented in a number of organisations including the Association of Governing Bodies of Independent Schools, the Independent Association of Preparatory Schools and the Independent Schools Bursars' Association.

Group Structure and Relationships

The Charity has two wholly-owned non-charitable subsidiary companies, whose activities are explained below.

South Hill Estates, Harrow Limited (Registered in England as Company Number 109974)

South Hill Estates Harrow Ltd was incorporated in 1910 and is limited by shares. The Trust is the beneficial owner of the whole of the share capital of the Company which owns roads on the South Hill Estate, and the benefit of certain covenants relating to privately-owned residential and other properties on this Estate. The Directors include the Trust's Chairman and member of the Trust's Board's Finance and General Purpose Committee, the Director of Operations and two residents of South Hill Estates. The Company's assets and transactions in the year are not considered material, therefore the Governors consider it is not appropriate to prepare consolidated accounts of the Trust and its subsidiary. Copies of the subsidiary's accounts are made available to the Governors of the Trust.

Orley Farm School Enterprises Limited (Registered in England as Company Number 5345071)

The Company was made dormant on 1st September 2007 and will remain dormant until such a time as the level of trading activity within the Trust necessitates its management by a subsidiary company or when the Trustees elect that this be so.

Risk Management

The Board of Governors is responsible for identifying the key risks faced by the School and for ensuring these risks are managed. Each year the Senior Leadership Team and the Finance and General Purpose Committee identify and assess risks and implement controls to mitigate against these. In addition, each year a formal review of the risk management process is undertaken. The major risks have been identified as that of the recent impact of Coronavirus Pandemic on the provision of education services and health and safety of the entire school community, the impact of Brexit on pricing and availability of goods and services required to maintain the School's provision, monitoring the financial impact of the recent increase and any future increased to employer contributions from the participation of the Teachers' Pension Scheme, a decline in the demand for places resulting from a general economic downturn which has been exacerbated by the Coronavirus Pandemic, the risk that senior schools will increasingly take boys at age 11 rather than 13 years old, and that the costs of the School's development plan escalate out of control.

The key controls implemented by the School are as follows:

- Formal agendas for all Board and Committee activities;
- Detailed and regularly reviewed Terms of Reference for all committees;
- Strategic planning, budgeting and management accounting;
- Established organisational structure and understood lines of reporting;
- Formal written policies;
- Clear, authoritative and agreed approval levels;
- The appointment of suitably qualified professional advisers;
- Successful implementation of remote learning during the lockdown; and
- Ability to switch our educational delivery into remote learning in the event of any future lockdown measures.

Through the established systems for managing risk, the Governors are satisfied that for the major risks identified steps have been taken to manage these risks. It is, of course, recognised by the Governors that systems can provide reasonable but not absolute assurance that major risks have been adequately managed.

Objects, Aims, Objectives and Activities

Charitable Objects

To advance the education of boys and girls by the provision of a school known as Orley Farm School Trust in Harrow-on-the-Hill, and any other boarding school or day school for the education of boys and girls and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

Aims and Intended Impact

Within these objects, the School aims to be a leading co-educational preparatory school for children aged between 4 and 13 years old, by building on the strategies as stated in the 'Whole School Aims' which are summarised below, the full text being published in the School's prospectus and other media.

Whole School Aims

The School aims to provide a challenging environment to stimulate, maintain and develop a lively and enquiring mind: to encourage all pupils to reach their true potential and eventually become independent learners who value learning with and from others, as a life-long process.

We aim to appoint, develop and retain a staff of the highest quality and to develop a school community of responsible citizens, which affords equal value to all of its members, is seen to be just and encourages mutual respect, truthfulness and concern for others.

While carrying out our charitable purpose – the provision of education – we aim to deliver substantial benefit to all stakeholders, including our local communities, through the provision of an excellent and broad education and through access to our services, facilities and expertise.

Impact and Responsiveness

In accordance with our Governing Instruments, we continue to provide education for children aged 4 to 13 years – such provision relieving the state of relevant costs. In addition, the School continues to provide bursary support for current and new pupils. The School continues to build on the links with a wide section of the local community.

Key Elements of the School's Strategy

The School faces new and evolving educational, legislative, economic, environmental, demographic and social challenges. To respond to them positively and to enable Orley Farm School to head towards its 200th anniversary with confidence there must be equally careful planning. These Strategic Priorities and the School Development Plan are designed to set the destination and the broad outline of the journey. The Board of Governors and Senior Leadership Team intend that Orley Farm School:

- Continues to be one of the leading co-educational day schools in London;
- Will provide quality education and pastoral care for boys and girls in the 4-13 years age range;
- Will remain a preparatory school with a strong record of success in preparing pupils for entry to their senior independent schools;
- Continue to be blessed with a magnificent site and maintain an excellent range of facilities; and
- Build on its long and distinguished history.

Key Elements of the School's Strategy (continued)

The Board of Governors continues to oversee the pursuit of the School's strategic priorities and the maintenance of its agreed profile. These are reviewed regularly through the work of the Board and its Committees. The Governors intend that the School will:

- Remain a preparatory school providing quality education and pastoral care for boys and girls;
- Continue to recruit on the basis of academic potential alone and the School will continue to develop its bursary funds to give true effect to this aim;
- Continue to prepare boys and girls for entry to independent senior schools – with the aim that boys, and increasingly girls, will transfer at 13+; currently most girls transfer at 11+;
- Continue to plan with the aid of professional advisors, the further development of the estate in order to provide excellent buildings and facilities that support an outstanding educational provision;
- Develop and enact an ICT Strategy, a Communications Strategy and an Outdoor Education Strategy; and
- Develop a Leadership and Development Programme for staff.

The Governors measure the success of this strategy through a comprehensive review of the annual strategic school development and management action plans, and through the termly reporting of key performance measures produced by senior management for the Board to discuss. Ad hoc subcommittees are established to focus cross-governance/management effort on areas of interest, opportunity and concern.

Objectives for the Year

The objectives for 2020/2021 were:

1. Maintain the excellence of the educational provision throughout the School;
2. Obtain the necessary building and planning consents to improve the School's infrastructure by continuing refurbishing our Pre Prep and build an outdoor play area within our meadow;
3. To enact future phases of the Refurbishment Plan;
4. To enact phases of the School's Master Plan;
5. To carry on relations with the Grange School in Harrow;
6. To continue the review of our procedures and policies to ensure total regulatory compliance;
7. Continue to improve the Former Pupils' Association (The Orleyans);
8. To ensure the provision of IT within the School continues to meet the academic and business needs of the School;
9. Continue to manage the relationships with the School's neighbours, tenants and the wider community to best effect; and
10. Continue to manage the School's education provision, estate management, responsibility to pupils, staff and the wider school community to best effect whilst managing the risk of the Coronavirus Pandemic.

Strategic Report**Review of Objectives, Achievements and Performance**

- The excellence of the education at the School was rewarded by the granting of a total of 37 scholarships to senior schools, of which a total of 20 were taken up by our pupils. Highlights include 17 Academic Scholarships, including a Queen's Scholar to Westminster, a John Colet Scholar to Scholar to St. Paul's Boys' School and 6 Academic Scholarships to Haberdashers' Aske's. The School had a record 7 Sport Scholarships along with a breadth of Drama, Music, and Design and Engineering awards.
- Under the school improvement plan we have addressed the following:
 - a. Our Edge Programme, a unique set of experiences and opportunities aimed at Upper School pupils has been extended further down the school – due to the success and feedback from pupils. It includes our pupils visiting the elderly at St. Peter's Church, supporting young readers at the Grange School, learning about and using public transport, service to the school, film making etc.;

Review of Objectives, Achievements and Performance (continued)

- b. We have identified two short term building projects that we are pursuing, one which will enhance the educational provision of our youngest pupils through improved play facilities, and the other consists of a large landscaping project for the benefit of the entire School to enhance creative play and create outdoor teaching space;
 - c. We are continuing to build a stronger alumni (The Orleyans) with a view to restarting events bringing former pupils and parents together to enrich our current community;
 - d. The School is building a 'Masterplan' to scope and service the future needs of the School for the coming decade. The aim is to join up the short, mid and long term aims with a cohesive overview to ensure that all future developments are embedded in the educational philosophy and aims of the School; and
 - e. Orley Farm School continues to develop a new working partnership with South Hill Estates (Harrow) Ltd and the residents of the estate.
- Relations with The Grange Primary School continue to evolve;
 - A total of 17 pupils received financial support towards their fees through the School's Bursary and Hardship Support Scheme, the latter which was specifically created in response to the Coronavirus Pandemic;
 - School Policies continue to be reviewed to ensure regulatory compliance with the frequently changing regulations;
 - The IT network continues to be upgraded to ensure IT support throughout the School for both pupils and administrative staff is up to date;
 - Use of WCBS PASS, iSAMS and firefly intranet software continue to evolve;
 - Elements of the 5-year strategic plan agreed by the Governing Body in 2015 continue to be implemented;
 - The pupil pick-up system continues, and has been adapted in response to the Coronavirus Pandemic, resulting in a substantial decrease in traffic congestion on the South Hill Estate;
 - The school continues to support our parent community currently facing ongoing financial challenges as a result of the Pandemic through the School's Hardship support scheme; and
 - The School has continued with use of its remote learning platform for the delivery of its educational provision during periods of nationwide lockdown whilst supporting 75 key worker children.

Pupil destinations and Scholarship Awards in 2021

Pupils often apply for, and are awarded, scholarships for more than one school. On these occasions, only the scholarship for their future school is accepted.

Boys:

Destination School	Number of Pupils	Scholarships Awarded
Aldenham	1	-
Berkhamsted	2	1
Eton	1	-
Haberdashers'	3	6
Haileybury	1	1
Harrow	3	1
John Lyon	6	6
Marlborough	1	-
Merchant Taylors	9	6
Mill Hill	1	-
Rugby	1	-
St Albans	1	-
St Paul's	2	1
Westminster	4	1
TOTAL:	36	23

Girls:

Destination School	Number of Pupils	Scholarships Awarded
Bushey Meads School	1	-
Haberdashers'	2	2
Mill Hill	-	1
Godolphin & Latymer	1	-
North London Collegiate	1	-
Notting Hill & Ealing	1	-
Northwood College	2	3
Rickmansworth	1	-
Royal Masonic	8	4
Moving abroad	1	-
South Hampstead High	-	1
Dragon School	1	-
St Helen's	6	1
St Margaret's	1	2
TOTAL:	26	14

Response to the on-going Coronavirus Pandemic, Financial Review and Results for the Year

It has been another year that has presented a host of challenges and much uncertainty for the Orley Farm Community, as has been the case for many nationally and globally. The Governing Body continue to be impressed and incredibly proud of our Orley Farm Community and its response to the on-going Coronavirus Pandemic.

The School continues to use the committee set up in the prior year, comprising of members of the Governing Body and the Senior Leadership team, to tackle and ensure a focused and timely response to the Coronavirus Pandemic. This committee ensured all areas of the School's operations, including the education provision, finance, and health and safety, were carefully assessed against a backdrop of rapidly changing legislation and Government policy. The outcomes from this committee were reported to the whole Governing Body ensuring all Governors were kept abreast with the challenges faced by the School and its responses.

The School smoothly pivoted to the delivery of the education provision remotely during the first half of the Spring Term and the School now looks to integrate elements of the use of technology for the provision of education more widely as the School resumes its onsite provision.

Over the Summer Term, the teaching and learning experience of pupils remained of paramount importance for the staff at Orley Farm School and, with their dedication and support, the School were able to offer a number of activities, all within Government guidelines, to provide an opportunity for the School community to reconnect with each other. These activities included an alternative to the usual 'Residential Expedition Week' where the Oakmead field was converted into a camp site and the pupils enjoyed a variety of exciting, fun activities and challenges along with fun packed day trips; staging of outdoor productions for both Upper

school and Pre-Prep; an opportunity for new Reception pupils to meet their teacher; resuming of Sports Day; and staging of an outdoor Speech Day, which became 'Orley Farm Celebration Day', for our leavers.

There were numerous required changes which both teachers and support staff had to adapt to in order to prepare for the safe return of all staff and pupils on the School site for the start of the new academic year. Throughout the year, the School had to quickly respond and adapt to rapidly changing Government guidelines. For example, following the Government's announcement of a 'Rapid Testing Programme' in schools, the meeting room in Oakmead was converted into the School's designated testing site and a 'testing workforce' was developed with a number of those staff members involved undertaking training. The testing programme began with lateral flow testing of school staff and was followed by testing of Year 7 and 8 pupils, before transitioning to self-testing at home. The Government guidance necessitated both physical changes to the way the School operated as well as operational changes to the provision of a number of support services. From an operational perspective in particular, this required a significant degree of planning by caretaking, cleaning and catering staff in order to ensure the School buildings were adequately ventilated and cleaned each day, along with adapting to staggered and separate break and lunch times between 'bubbles', and the creation of one-way systems for all staff and pupils to navigate the School. The grounds and maintenance teams had to adapt to staggered drop off and collection times via the drive through, and the increase in traffic generally with less car sharing and use of public transport, whilst the administration and nursing teams dealt with a significant increase in calls from both staff and parents in relation to coronavirus seeking help, guidance and often just reassurance.

The Governing Body were well aware of the ongoing uncertainty facing many of our parents during these unprecedented times and continued to offer the Hardship Support Scheme. This Scheme, in conjunction with the Fee Support Scheme, provided financial support to 17 pupils. Further details are available below under the heading Fee Support.

During the Summer break, the School cautiously resumed its Pre Prep refurbishment project, albeit on a phased basis, starting with the refurbishment of 6 Pre Prep classrooms, the Reception outdoor play spaces, and the Pre Prep toilets, which were in need of attention. As voted in by Orley parents, works for a 'Wellbeing Hub', with the aim of creating a flexible space where parents can reconnect with each other and have informal conversations with teachers, as well as a space for outdoor school events, commenced and will continue to be developed over the course of next academic year. The operating costs for the year were £6,751,259 (2020 - £6,617,988). This expenditure has been closely monitored and balanced against the School's existing banking facilities as it carefully navigates its way back to Pre Pandemic operations. The School's cautionary approach to spending as a result of the Pandemic has allowed the School to generate surpluses that can be reinvested back into the School's key, essential infrastructure projects, which are no longer able to remain on hold, whilst meeting its financial obligations in respect of its existing loans. The School generated net fee income of £7,667,088 (2020 - £6,983,682), which was the primary source of revenue. The additional income, as reported within the Statement of Financial Activity, was mainly generated from rental income and lettings, albeit at a reduced level due to the Coronavirus Pandemic, along with a government grant from the participation of the Coronavirus Job Retention scheme.

The focus for the School is to prioritise key and essential infrastructure projects around the school site. The surplus of £1,176,940 (2020: Surplus of £903,056) generated within the year will place the School in a strong position to embark on these infrastructure projects which, as mentioned above, are no longer able to be kept on hold and vital. These key and essential infrastructure projects include the continuation of the phased refurbishment programme for the Pre Prep building, development of the play areas in and around the school site, refurbishment of the School's Astro field, refurbishment of the school's properties and the continued development of the Wellbeing Hub. The Board of Governors are confident that the School's financial situation is in a sound position which will enable the School to manage the current economic uncertainty, including the ongoing impact of the Pandemic and Brexit, whilst balancing the interests of all key stakeholders.

Freehold Properties

In addition to the School buildings, the School owns four residential properties at New Julians (Headmaster's House), Oakmead House and Orley Farm Cottage (for staff occupation only), and Westbourne House (nine flats, part staff and part non-staff occupancy). Income generated from property revenue this year was £132,769 (2020 - £129,386).

Extra-Curricular Activities

Our extra-curricular programme continues to be built around our weekly programme of lunchtime and after school clubs, subject to government guidelines. This year the School organised an in house 'Residential Expeditions Week' in line with government guidelines as explained above.

Public benefit

As required by the Charities Act 2011, the Governors have referred to the general guidance on public benefit and have due regard to the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)'.

As part of our public benefit, we co-operate with a range of local charities in our ongoing endeavours to widen public access to the schooling we provide; to optimise the *educational* use of our cultural and sporting facilities and to awaken in our pupils an awareness of the wider social context of the education they receive at the School. Of note, the following activities have taken place:

- **Partnership with Grange School.** The School continues to support the Grange Middle School, Harrow. This support has included providing transport and invitations to sporting tournaments and drama productions; in addition, our senior pupils are part of their paired reading scheme, Maths Day and they support younger children in class through our community "Edge" Programme. Whilst the Pandemic has placed restrictions on the activities, the School endeavours to continue to build on this strong relationship.
- **Use of Sporting facilities.** St Dominic's College, make use of our sports fields which include cricket pitches, Astroturf and soccer pitches. St. Georges School continue to make occasional use of our soccer pitches.
- **Work Experience.** The School continues to offer work experience placements to students from various colleges whereby some students gain sports coaching experience.
- **Harrow Cricket Club.** By continuing to subsidise the overheads of Harrow Cricket Club, over two hundred youth cricketers and a number of adult teams from the wider community have access to the sport. The junior colts teams also make use of the sports hall during winter months in support of their expanding junior cricket programme.
- **Charitable Giving.** The school has raised £3,332 for Place to Be Hospital and £613 for Henry van Straubenzee Memorial Fund.

Fee Support

This year we supported a total of 17 pupils at a cost of £144,240 (2020: 27 Pupils £138,679) through our own Fee Support Scheme and our Hardship Support Scheme, the latter created as a direct response to the Coronavirus Pandemic. Whilst the Support Scheme supported less number of pupils this academic year, the values of the awards were higher.

Plans for Future Periods

These plans remain:

1. To enact the School's Estates Strategy;
2. To enact our financial plans in support of this Estates Strategy;
3. To enact the School's other development plans and priorities as articulated in the 5 Year Strategy agreed by the Governors for which a designated fund has been created.

Objectives for 2021/2022

1. Maintain the excellence of the educational provision throughout the School;
2. To carry on relations with the Grange School in Harrow;
3. To continue the review of our procedures and policies to ensure total regulatory compliance;
4. Continue to improve the Former Pupils' Association (The Orleyans);
5. To ensure the provision of IT within the School continues to meet the academic and business needs of the school;
6. Continue to manage the relationships with the School's neighbours, tenants and the wider community to best effect;
7. Continue to manage the School's education provision, estate management, responsibility to pupils, staff and the wider school community to best effect whilst managing the risk of the Coronavirus Pandemic.
8. Enacting the Estates Strategy to improve the School's infrastructure, particularly focusing on key and essential infrastructure projects including continuing refurbishing the Pre Prep on a phased basis and updating the outdoor play spaces;
9. To establish a Governor strategy committee to develop the School's Master Plan;
10. To conduct due diligence on the creation of a forest school offering at the School.

Reserves Policy

The total reserves for the school were £14,673,692 of which £1,000,000 related to designated funds leaving £13,673,692 of reserves. As the assets of the school are £14,673,692 the school does not hold any free reserves. The aim of the school is to build up its reserves to ensure it has at least working capital which is greater than three months' expenditure and to have an additional amount to cover any existing commitments the school may have entered into. At 31 August 2021 working capital stood at £3,868,757 which is greater than three month's expenditure as desired. The Governors will continue to strive to generate funds in line with minimum targeted levels. The Reserves Policy will be reviewed on an annual basis.

Remuneration Policy

The Remuneration Committee are tasked with reviewing remuneration, including Key Management Personnel, on an annual basis. Consideration is given to the current market conditions, performance and objectives set at the beginning of each academic year.

Responsibilities of the Governors

The Governors (who are also directors of Orley Farm School Trust for the purposes of company 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 these 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

Auditors

PKF Littlejohn LLP has signified its willingness to continue in office as auditors.

A resolution proposing their re-appointment will be submitted at the Annual General Meeting.

Approved by the Board of Governors of Orley Farm School Trust on 29th November 2021 and signed on its behalf by:



C J Hayfield
Chairman

Independent auditor's report to the members of Orley Farm School Trust**Opinion**

We have audited the financial statements of Orley Farm School 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 FRS 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, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

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

Other information

The other information comprises the information included in the Annual Report of the Governors, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Annual 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Annual Report of the Governors (which includes the Trustees' report and 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 Annual Report of the Governors (which includes the Trustees' report and Directors' report) has been prepared in accordance with applicable legal requirements.

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 Annual 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (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 Trustees 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.

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:

- We obtained an understanding of the charitable company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, sector research and application of cumulative audit knowledge and experience.
- We determined the principal laws and regulations relevant to the charitable company in this regard to be those arising from the Companies Act 2006, Charities Act 2011, Charities (Accounts and Reports) Regulations 2008, Financial Reporting Standard 102 and the Charities SORP.

- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the charity with those laws and regulations. These procedures included, but were not limited to enquiries of management, review of minutes and review of legal and regulatory correspondence.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there was a potential for management bias in the allocation of support costs against charitable activity categories. We addressed this through reviewing the method used for reasonableness and re-performing the calculation to ensure it had been performed accurately in line with the stated method.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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.

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.



Alastair Duke (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

Date: 11 January 2022

Incoming Resources from		2021	2020
		£	£
	Note		
Charitable Activities:			
School fees receivable	1	7,667,088	6,983,682
Registration fees		11,000	10,150
Ancillary income	2a	50,773	55,141
Other income	3	182,206	167,532
Grant income	4	16,604	298,062
Other Activities to Generate Funds:			
Investments		528	6,477
		<hr/>	<hr/>
Total Income		7,928,199	7,521,044
		<hr/>	<hr/>
Expenditure on:			
Raising funds			
Financing costs		75,490	91,942
Charitable Activities			
Ancillary costs	2b	51,983	22,639
Primary educational costs	5	6,623,591	6,503,407
		<hr/>	<hr/>
Total Resources Expended		6,751,064	6,617,988
		<hr/>	<hr/>
Net Movements in Funds for the Year	7	1,177,135	903,056
Balance at beginning of year		13,496,752	12,593,696
		<hr/>	<hr/>
Balance at End of Year		14,673,886	13,496,752
		<hr/> <hr/>	<hr/> <hr/>

All of the activities of the School are continuing. The School has no recognised gains or losses other than as stated above.

All incoming resources are unrestricted.

The Accounting Policies and Notes on pages 21 to 30 form part of these Financial Statements.

Fixed Assets	Note	2021 £	2020 £
Tangible fixed assets	8	13,161,203	13,244,706
Investments	9	20,950	20,950
		<hr/>	<hr/>
		13,182,153	13,265,656
		<hr/>	<hr/>
Current Assets			
Debtors	10	172,372	242,797
Cash at bank and in hand		4,881,084	3,620,101
		<hr/>	<hr/>
		5,053,456	3,862,898
Creditors: due within one year	11	(1,184,505)	(951,106)
		<hr/>	<hr/>
Net Current Assets		3,868,951	2,911,793
Creditors: due in more than one year	12	(2,377,218)	(2,680,696)
		<hr/>	<hr/>
Net Assets		14,673,887	13,496,752
		<hr/>	<hr/>
Unrestricted Funds	14		
General fund		12,673,887	12,496,752
Designated Funds:			
Building Refurbishment fund		2,000,000	1,000,000
		<hr/>	<hr/>
		14,673,887	13,496,752
		<hr/>	<hr/>

Approved by the Board of Governors on 29th November 2021 and signed on its behalf by:



C J Hayfield

Chairman

The Accounting Policies and Notes on pages 21 to 30 form part of these Financial Statements.

ORLEY FARM SCHOOL TRUST

STATEMENT OF CASH FLOWS
Year ended 31 August 2021

		2021 £	2020 £
	Note		
Net Cash Inflow from Operating Activities	15	1,803,146	1,515,885
Cash flows from Investing Activities			
Payments to acquire tangible fixed assets		(332,651)	(41,608)
Interest received		528	6,477
Interest paid		<u>(75,490)</u>	<u>(91,942)</u>
Net Cash Inflow/(Outflow) from Investing Activities		(407,613)	(127,073)
Cash flow from Financing Activities			
Loan Repayment		(134,548)	(145,935)
Increase/(Decrease) in cash in the year	15	<u>1,260,984</u>	<u>1,242,877</u>
Reconciliation of Net Cashflow to Movement in Net Funds			
Increase/(Decrease) in cash in the year		1,260,984	1,242,877
Net decrease/(increase) in bank loan		<u>134,548</u>	<u>145,935</u>
Change in funds resulting from cash flows and Movement in net funds in the year	15	1,395,532	1,388,812
Net funds at beginning of the year		<u>821,841</u>	<u>(566,971)</u>
Net Funds at End of the Year	15	<u>2,217,373</u>	<u>821,841</u>

The Accounting Policies and Notes on pages 21 to 30 form part of these Financial Statements.

Basis of Accounting

Orley Farm School Trust is a charitable company in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities is the operation of Orley Farm School.

The charity 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 UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are 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 charity.

The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the School to continue as a going concern. The Governors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Governors have considered the School's forecasts and projections and have taken account of pressures on fee income, particularly in light of the impact of the Coronavirus Pandemic which occurred before these financial statements were approved and is explained in more detail in the Risk Management section of the Governors Report in these financial statements. After making enquiries the Governors have concluded that there is a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future.

As such the School can expect to be able to meet its liabilities as they fall due in the period of at least 12 months from the date of approval of these accounts. However, there can be no certainty in relation to these matters. On this basis the Governors have concluded that the School is a going concern. The financial statements do not include any adjustments that would result from the School not being able to meet its liabilities as they fall due.

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.

The Trust is the beneficial owner of the whole of the share capital of South Hill Estates Ltd. The Company's assets and transactions in the year are not considered material, therefore the Governors consider it is not appropriate to prepare consolidated accounts of the Trust and its subsidiary.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand.

Judgements and key sources of estimation and uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The judgements (apart from those involving estimates) that have had the most significant effect on amounts recognised in the financial statements related to the useful economic lives of tangible fixed assets, and judgements in relation to the recoverability of debtor balances.

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the School is legally entitled to the income, after any performance conditions have been met, when the amount can be measured reliably and when it is probable that the income will be received.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees received prior to the end of the year in respect of the following terms are shown on the balance sheet as deferred income.

Investment income is earned through holding assets for investment purposes such as property. It includes interest and rent; Interest income is recognised when receivable and rent is recognised when the charity's right to receive payment is established.

Expenditure

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Charitable activities costs include all expenditure directly relating to the objects of the School.

Governance costs comprise the costs of running the charity including strategic planning for future development, auditors' remuneration, certain legal costs, Governors' expenses and the costs of complying with constitutional and statutory requirements. These costs are contained within 'Support and Management Costs-other' (see note 4).

Unrestricted Funds

Unrestricted funds consist of general reserves which are available for the Governors to apply to the general purposes of the School.

Designated funds consist of certain unrestricted funds which the Governors have earmarked for particular purposes.

Tangible Fixed Assets

Expenditure on land and buildings which, in the opinion of the Governors, has not enhanced their long-term value is charged to the SOFA. Expenditure on improvements to land and buildings which, in the opinion of the Governors, has enhanced their long-term value is capitalised. Expenditure on plant, equipment (including IT equipment) and furniture which is in excess of £1,000 per item, or group of items, is capitalised.

Assets in the course of construction are capitalised and depreciated when brought into use.

Depreciation is provided on all other tangible fixed assets, including freehold property, to write off their cost less residual value over their estimated useful lives when brought into use, at the following rates:

Freehold buildings	2% on cost
Buildings of non-permanent construction	4% on cost
All weather pitch	10% on cost
Furniture, fixtures and equipment	15% reducing value
Computers	25% on reducing value
Motor vehicles	25% on reducing value
Telephone System	20% on reducing value

The residual value for all classes of assets, including recent additions to the school buildings, is deemed to be zero. The exception to this rule being the original freehold buildings, for which the residual value is deemed to be 50% of the original cost to reflect land values.

Investments

Listed investments are stated at market value. Realised gains and losses arising on sales of investments and unrealised gains and losses arising on the revaluation of the investments at the year-end are taken to unrestricted funds on the SOFA.

Investments in subsidiary undertakings are recorded at cost less any provision for impairment.

Operating Leases

Rentals paid under operating leases are charged to the SOFA.

Taxation

The School, as a registered charity, is generally exempt from Corporation Tax but not from Value Added Tax (VAT). Irrecoverable VAT is included in the cost of those items to which it relates. The School's subsidiary trading companies are liable for Corporation Tax on taxable profits not paid to the School as qualifying donations under the Taxes Acts.

Pension Schemes

The School contributes to the Teachers' Pension Scheme, which is a defined benefit scheme, at rates set by the Government Actuary and advised to the Governors. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with Financial Reporting Standard (FRS 102) – Retirement Benefits, the Scheme is therefore accounted for as a defined contribution scheme. Contributions to the Scheme are charged to the SOFA as they become payable in accordance with the rules of the Scheme.

The School also contributes to individual personal pension schemes for non-teaching staff.

1. School Fees Receivable	2021	2020
	£	£
Fees receivable consist of:		
Gross fees	7,913,916	7,197,462
Less: total bursaries, grants and allowances	(246,828)	(213,780)
	<u>7,667,088</u>	<u>6,983,682</u>

Included within bursaries, grants and allowances of £246,828 (2020: £213,780) is amount of £144,240 (2020: £138,679) in respect of our Fee Support Scheme and our specifically created Hardship Support Scheme during the period as a direct response to the Coronavirus Pandemic.

2a. Ancillary Income	2021	2020
	£	£
Coaches	1,365	2,221
After School Clubs	8,219	19,835
Excursions	-	-
Disbursements	16,004	11,961
Pupil Insurance	25,185	21,124
	<u>50,773</u>	<u>55,141</u>

2b. Ancillary Costs	2021	2020
	£	£
Coaches	30	-
After School Clubs	-	-
Excursions	-	-
Disbursements	29,266	11,915
Pupil Insurance	22,687	10,724
	<u>51,983</u>	<u>22,639</u>

3. Other Income	2021	2020
	£	£
Property	147,233	150,269
Holiday Club	21,593	12,328
Miscellaneous	13,381	4,935
	<u>182,206</u>	<u>167,532</u>

4. Grant income

The School received a grant of £16,604 (2020: £298,062) in relation to the Coronavirus Job Retention scheme.

5. Analysis of Charitable Expenditure	Salaries £	Other £	Depreciation £	Total £	2020 £
Teaching	3,778,596	431,238	-	4,209,834	4,115,978
Welfare	207,667	136,710	-	344,377	356,188
Premises	364,499	520,872	416,154	1,301,525	1,265,426
Support and management costs	537,175	230,681	-	767,856	765,815
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	4,887,937	1,319,501	416,154	6,623,591	6,503,407
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

6. Employees and Key Management	2021 £	2020 £
Staff costs		
Salaries and wages	3,825,039	3,875,598
Social security costs	387,057	391,567
Pension costs	675,841	684,062
	<hr/>	<hr/>
	4,887,937	4,951,227
	<hr/> <hr/>	<hr/> <hr/>

Neither the Governors nor persons connected to them received any remuneration or benefits or reimbursements of expenses from the School with the exception of the items reported in note 16 of the statutory accounts.

The number of higher paid employees whose remuneration for the year fell within the following bands was:

	2021	2020
£60,001 - £70,000	1	1
£70,001 - £80,000	2	2
£100,001 - £110,000	-	1
£130,001 - £140,000	1	-

Pension contributions of £74,022 (2020 - £68,356) were made on behalf of these employees. Of these employee's pension contributions in respect of the School defined contribution scheme were £5,232 (2020 - £7,228).

Staff Numbers	No.	No.
The average number of full time equivalent staff employed by the school within each category was:		
Teaching staff	50	52
Other staff	47	48
	<hr/>	<hr/>
	97	100
	<hr/> <hr/>	<hr/> <hr/>

The key management personnel of the school includes the Governors, the Headmaster, the Director of Finance and the Director of Operations. The aggregate employee benefits of key management personnel of the School were £324,987 (2020 - £251,725).

7. Net Movement in Funds	2021 £	2020 £
This is stated after charging/(crediting):		
Auditors' remuneration - current year audit	12,430	12,190
Depreciation	416,154	411,987
	<u>428,584</u>	<u>424,177</u>

8. Tangible Fixed Assets	Freehold land and buildings	Furniture, equipment and vehicles	Assets in the course of construction	Total
Cost	£	£	£	£
At 1 September 2020	15,730,069	2,038,263	33,426	17,801,758
Additions	283,336	49,315	-	332,651
Transfers	-	-	-	-
Disposals	-	-	-	-
	<u>16,013,405</u>	<u>2,087,578</u>	<u>33,426</u>	<u>18,134,409</u>
Depreciation				
At 1 September 2020	2,803,363	1,753,689	-	4,557,052
Charge for the year	355,688	60,466	-	416,154
Disposals	-	-	-	-
	<u>3,159,051</u>	<u>1,814,155</u>	<u>-</u>	<u>4,973,206</u>
Net Book Value				
At 31 August 2021	<u>12,854,354</u>	<u>273,423</u>	<u>33,426</u>	<u>13,161,203</u>
At 31 August 2020	<u>12,926,706</u>	<u>284,574</u>	<u>33,426</u>	<u>13,244,706</u>

9. Fixed Assets Investments	2021 £	2020 £
i) Investment in subsidiaries - shares at cost		
South Hill Estates, Harrow Limited	20,950	20,950
Orley Farm School Enterprises Limited	-	-
	<u>20,950</u>	<u>20,950</u>

The Trust owns 100% of the share capital in the following two subsidiary companies; South Hill Estates (Harrow) Limited, which owns and manages land and roads in the Harrow area, and Orley Farm School Enterprises Limited. Both companies are registered in England and Wales.

The results of the subsidiary companies as extracted from their audited Financial Statements are as follows:

	South Hill Estates		Orley Farm School Enterprises	
	2021 £	2020 £	2021 £	2020 £
Capital and reserves	28,425	32,188	-	-
Profit / (Loss) for the year	(3,763)	548	-	-

A decision was made in June 2007 to subsume the activities of Orley Farm School Enterprises within the School. The Company became dormant with effect from 1 September 2007.

10. Debtors	2021 £	2020 £
Fees and extras in arrears	57,728	108,541
Amount due from subsidiary company	19,174	11,832
Other debtors	10,719	10,719
Prepayments	84,751	111,705
	172,372	242,797

11. Creditors due within one year	2021 £	2020 £
Deposits	310,022	312,672
Tax and social security	181,866	220,809
Accruals and deferred income	320,049	167,299
Other creditors	86,073	132,761
Bank loan repayable within one year	286,495	117,565
	1,184,505	951,106

Deferred income consists of fees received in advance totalling £162,988 (2020 - £134,574)

12. Creditors due in more than one year	2021 £	2020 £
Amounts repayable between two and five years	2,377,218	2,425,287
Amounts repayable in more than five years	-	255,409
	2,377,218	2,680,696

The loans are unsecured and repayable over 120 months from 31 March 2015. The interest rates applicable to the loans are:

LIBOR loan	2.5% per annum over LIBOR plus mandatory cost
Business loan	2.95% per annum over base rate

13. Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £574,562 (2020 - £587,002) and at the year-end £48,933 (2020 - £49,980) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

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

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

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

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 review 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 also contributes to a defined contribution scheme on behalf of its support staff. Employer contributions payable to this scheme was £101,032 (2020: £99,620) and at the year-end £8,338 (2020: £8,591) was accrued in respect of these scheme.

14. Unrestricted Funds

	General fund £	Refurb- ishment fund £	Total funds £
At 1 September 2020	12,496,752	1,000,000	13,496,752
Net incoming resources	1,177,135	-	1,176,940
Expenditure/Transfers (to)/from designated funds	(1,000,000)	1,000,000	-
	<hr/>	<hr/>	<hr/>
At 31 August 2021	12,673,887	2,000,000	14,673,887
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	General fund £	Refurb- ishment fund £	Total funds £
At 1 September 2019	12,593,696	-	12,593,696
Net incoming resources	903,056	-	903,056
Expenditure/Transfers (to)/from designated funds	(1,000,000)	1,000,000	-
	<hr/>	<hr/>	<hr/>
At 31 August 2020	12,496,752	1,000,000	13,496,752
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Designated Funds

The Governors have reconsidered the Designated Funds and have agreed in line with the Charity Commission guidance to establish the Refurbishment Fund to enable the School Refurbishment Plan which is due to be implemented with the next twelve to eighteen months.

15. Cash Flow Statement

	2021 £	2020 £
Net Cash Inflow from Operating Activities		
Net incoming resources	1,177,135	903,056
Depreciation	416,154	411,987
Loss on disposal of fixed assets	-	-
Decrease / (Increase) in debtors	70,427	(75,405)
Increase / (Decrease) in creditors	64,663	190,782
Interest paid	75,490	91,942
Interest received	(528)	(6,477)
	<hr/>	<hr/>
	1,803,146	1,515,885
	<hr/> <hr/>	<hr/> <hr/>

Note 15 continued.

Analysis of Net Funds	As at beginning of year £	Cash flow £	Other Non-cash changes £	As at end of year £
Net cash balances	3,620,101	1,260,984	-	4,881,085
Other loans	(2,798,260)	134,548	-	(2,663,712)
	<hr/>	<hr/>	<hr/>	<hr/>
Total	821,841	1,395,532	-	2,217,373
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

16. Related Party Transactions

- i. During the year amounts totalling £19,173 (2020 - £11,832) were payable to the subsidiary company, South Hill Estates, Harrow Limited relating to road levy charges.
- ii. Mr P Ryan, a teacher at the school, is the owner of World Cup Sports Ltd, the company that provided school sports activities during holidays. The profit share paid to the School by his company was £21,593 (2020 - £12,328).
- iii. Mrs C Cliffe, a School Governor at the school, provided teaching services to the School of £nil (2020- £1,828).
- iv. A Governor, Mr A Land, receives a fee discount of 20% under the Harrow Masters Fund. This fund is no longer open to new entrants.
- vi. During the year 3D Motors Limited provided vehicle maintenance services to the school at a cost of £1,236 (2020: £1,057). Mr R Raithatha, a Governor at the school, is a director of this company.

17. Capital Commitments

At 31st August 2021 capital works authorised by the Board of Governors but not contracted for amounted to £1,235,000 (2020- £nil).

ORLEY FARM SCHOOL TRUST

England & Wales - Charity number 312637

Accounts

ORLEY FARM SCHOOL TRUST

(A Registered Charity and a Company Limited by Guarantee)

Registered Company No: 628541

Registered Charity No: 312637

ANNUAL REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2020



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Governors

The Governors are members of the Governing Body, are the Charity Trustees and are the Directors of the Company for Companies Act purposes. The Governors who have served during the year and since the year end are indicated below. Alongside each Governor are details of the subcommittees on which they serve.

Mr C J Hayfield	Chairman
Dr M Short	Deputy Chairman
Mr M Andrews	
Mrs Carol Cliffe	
Mrs P Jackson	Retired 31st August 2020
Mrs S Kothari	
Mr A Land	
Mrs L Malde	
Mr D Navapurkar	
Mr R Raithatha	
Mr A Smith	
Mr A Sofat	

Officers

Headmaster	Mr T G Calvey
Secretary	Mrs T K Vaid
Director of Finance	Mrs T K Vaid
Director of Operations and Clerk	Mr J Shakespeare
	Appointed 15 th June 2020

Principal Address and Registered Office	South Hill Avenue Harrow-on-the-Hill Middlesex HA1 3NU
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Advisors

Bankers	NatWest 1-9 St Ann's Road Harrow Middlesex HA1 1EB
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Solicitors	Harrison Clark Rickerbys Limited Ellenborough House Wellington Street Cheltenham GL50 1YD
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Auditors	PKF Littlejohn LLP Statutory Auditors 15 Westferry Circus Canary Wharf London E14 4HD
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Insurance Brokers	Marsh Education Practice Capital House 1-5 Perrymount Road Haywards Heath West Sussex RH16 3SY
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The Governors present their Annual Report for the year ended 31 August 2020 together with the audited Financial Statements for the year, and confirm that the latter comply with the requirements of the Companies Act 2006, the Governing Instruments of the Charity and the Statement of Recommended Practice, Accounting and Reporting by Charities ("FRS 102 SORP").

Reference and Administrative Information

Orley Farm School Trust (the Trust) is a company limited by guarantee registered as company number 628541. The Trust is also registered with the Charity Commission under charity number 312637. The Governors, executive officers and principal address of the Charity are listed, along with particulars of its professional advisors, on page 2.

Structure, Governance and Management

Governing Instruments

The Charity is governed by its Memorandum and Articles of Association, which date from 1959 and were substantially revised in 2004. In June 2007 the Charity Commission permitted an extension to the objects. In the furtherance of these objects the Directors, as the Trustees of the Charity, have complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the interpretation of the Public Benefit requirement under that Act.

Governing Body

The Board, detailed on page 2, is a self-appointing body with one exception being the Headmaster of Harrow School who is a member by virtue of this position. Service on the Board is for a term of three years which may be renewed no more than twice on retirement. The Chairman is elected to serve for five years which may be renewed once only. Due to exceptional circumstances, the Board has approved to extend the current Chairman's tenure.

Trustee Recruitment and Training

The Charity's elected Governors are appointed at Board meetings on the basis of nominations received from members of the Board and others, based on specifications concerning sympathy with the Charity's objects, eligibility, personal competencies, specialist skills and local availability. New Governors receive induction in respect of Board Policies and Procedures in addition to familiarisation with current Strategic and Financial Planning. Following their appointment Governors are made aware of specialist training opportunities by the Clerk as appropriate. Governors receive ongoing training, such as safeguarding and many undertake their own continuous professional development in their specialist areas.

Organisational Management

Orley Farm School Trust Governors, as the Trustees of the Charity, are legally responsible for the overall governance and control of the School. To discharge this duty they meet as a full Board at least three times each year. The work of implementing most of their policies is carried out by two committees which have agreed, and annually revised, Terms of Reference to assist their functionality. These committees are as follows: Finance and General Purpose Committee and Education Committee. Further subcommittees may be constituted as required.

The operational management of the School is delegated to the Headmaster, who together with the Director of Finance and Director of Operations is supported by a Senior Leadership Team and a Senior Management Team. The Headmaster and Director of Operations attend meetings of all of the above committees. The Director of Finance attends the Finance Committee and the Board Meetings. The Deputy Heads attend Education Committee and Board Meetings.

Organisational Management (continued)

The School, through its officers, is represented in a number of organisations including the Association of Governing Bodies of Independent Schools, the Independent Association of Preparatory Schools and the Independent Schools Bursars' Association.

Group Structure and Relationships

The Charity has two wholly-owned non-charitable subsidiary companies, whose activities are explained below.

South Hill Estates, Harrow Limited (Registered in England as Company Number 109974)

South Hill Estates Harrow Ltd was incorporated in 1910 and is limited by shares. The Trust is the beneficial owner of the whole of the share capital of the Company which owns roads on the South Hill Estate, and the benefit of certain covenants relating to privately-owned residential and other properties on this Estate. The Directors include the Trust's Chairman and member of the Trust's Board's Finance and General Purpose Committee, the Director of Operation and two residents of South Hill Estates. The Company's assets and transactions in the year are not considered material, therefore the Governors consider it is not appropriate to prepare consolidated accounts of the Trust and its subsidiary. Copies of the subsidiary's accounts are made available to the Governors of the Trust.

Orley Farm School Enterprises Limited (Registered in England as Company Number 5345071)

The Company was made dormant on 1st September 2007 and will remain dormant until such a time as the level of trading activity within the Trust necessitates its management by a subsidiary company or when the Trustees elect that this be so.

Risk Management

The Board of Governors is responsible for identifying the key risks faced by the School and for ensuring these risks are managed. Each year the Senior Leadership Team and the Finance and General Purpose Committee identify and assess risks and implement controls to mitigate against these. In addition, each year a formal review of the risk management process is undertaken. The major risks have been identified as that of the recent impact of Coronavirus Pandemic on the provision of education services and health and safety of the entire school community, a decline in the demand for places resulting from a general economic downturn which has been exacerbated by the Coronavirus Pandemic, the risk that senior schools will increasingly take boys at age 11 rather than 13 years old, the risk that academies/free schools will take children whose parents might have previously sent them to Orley Farm School and that the costs of the School's development plan escalate out of control.

The key controls implemented by the School are as follows:

- Formal agendas for all Board and Committee activities;
- Detailed and regularly reviewed Terms of Reference for all committees;
- Strategic planning, budgeting and management accounting;
- Established organisational structure and understood lines of reporting;
- Formal written policies;
- Clear, authoritative and agreed approval levels;
- The appointment of suitably qualified professional advisers; and
- Successful implementation of remote learning during the Summer Term, and continuous use of this where Coronavirus cases have been identified; and
- Ability to switch our educational delivery into remote learning in the event of any further lockdown measures.

Through the established systems for managing risk, the Governors are satisfied that for the major risks identified steps have been taken to manage these risks. It is, of course, recognised by the Governors that systems can provide reasonable but not absolute assurance that major risks have been adequately managed.

Objects, Aims, Objectives and Activities

Charitable Objects

To advance the education of boys and girls by the provision of a school known as Orley Farm School Trust in Harrow-on-the-Hill, and any other boarding school or day school for the education of boys and girls and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

Aims and Intended Impact

Within these objects, the School aims to be a leading co-educational preparatory school for children aged between 4 and 13 years old, by building on the strategies as stated in the 'Whole School Aims' which are summarised below, the full text being published in the School's prospectus and other media.

Whole School Aims

The School aims to provide a challenging environment to stimulate, maintain and develop a lively and enquiring mind: to encourage all pupils to reach their true potential and eventually become independent learners who value learning with and from others, as a life-long process.

We aim to appoint, develop and retain a staff of the highest quality and to develop a school community of responsible citizens, which affords equal value to all of its members, is seen to be just and encourages mutual respect, truthfulness and concern for others.

While carrying out our charitable purpose – the provision of education – we aim to deliver substantial benefit to all stakeholders, including our local communities, through the provision of an excellent and broad education and through access to our services, facilities and expertise.

Impact and Responsiveness

In accordance with our Governing Instruments, we continue to provide education for children aged 4 to 13 years – such provision relieving the state of relevant costs. In addition, the School continues to provide bursary support for current and new pupils. The School continues to build on the links with a wide section of the local community.

Key Elements of the School's Strategy

In the 21st Century, the School faces new and evolving educational, legislative, economic, environmental, demographic and social challenges. To respond to them positively and to enable Orley Farm School to head towards its 200th anniversary with confidence there must be equally careful planning. These Strategic Priorities and the School Development Plan are designed to set the destination and the broad outline of the journey. The Board of Governors and Senior Leadership Team intend that Orley Farm School:

- continues to be one of the leading co-educational day schools in London;
- will provide quality education and pastoral care for boys and girls in the 4-13 years age range;
- will remain a preparatory school with a strong record of success in preparing pupils for entry to their senior independent schools;
- continue to be blessed with a magnificent site and maintain an excellent range of facilities; and
- build on its long and distinguished history.

Key Elements of the School's Strategy (continued)

The Board of Governors continues to oversee the pursuit of the School's strategic priorities and the maintenance of its agreed profile. These are reviewed regularly through the work of the Board and its Committees. The Governors intend that the School will:

- Remain a preparatory school providing quality education and pastoral care for boys and girls;
- Continue to recruit on the basis of academic potential alone and the School will continue to develop its bursary funds to give true effect to this aim;
- Continue to prepare boys and girls for entry to independent senior schools – with the aim that boys, and increasingly girls, will transfer at 13+; currently most girls transfer at 11+;
- Continue to plan with the aid of professional advisors, the further development of the estate in order to provide excellent buildings and facilities that support an outstanding educational provision;
- Develop and enact an ICT Strategy, a Communications Strategy and an Outdoor Education Strategy; and
- Develop a Leadership and Development Programme for staff.

The Governors measure the success of this strategy through a comprehensive review of the annual strategic school development and management action plans, and through the termly reporting of key performance measures produced by senior management for the Board to discuss. Ad hoc subcommittees are established to focus cross-governance/management effort on areas of interest, opportunity and concern.

Objectives for the Year

The objectives for 2019/2020 were:

1. Maintain the excellence of the educational provision throughout the school;
2. To continue to review and improve the extra curricula programme known as the "Edge Programme";
3. To review future phases of the Refurbishment Plan;
4. To review future phases of the School's Master Plan;
5. To carry on relations with the Grange School in Harrow;
6. To continue the review of our procedures and policies to ensure total regulatory compliance;
7. To continue to improve the Former Pupils' Association (The Orleyans);
8. To ensure the provision of IT within the School continues to meet the academic and business needs of the school; and
9. Continue to manage the relationships with the School's neighbours, tenants and the wider community to best effect.

Strategic Report**Review of Objectives, Achievements and Performance**

- The School underwent a full educational inspection in March 2020 by the Independent Schools Inspectorate and it has been awarded Excellent in all categories of the inspection report.
- The excellence of the education at the School was rewarded by the granting of a total of 51 scholarships to senior schools, of which a total of 24 were taken up by our pupils;
- Under the school improvement plan we have addressed the following:
 - a. Our Edge Programme, a unique set of experiences and opportunities aimed at Upper School pupils has been extended further down the school – due to the success and feedback from pupils. It includes our pupils visiting the elderly at St. Peter's Church, supporting young readers at the Grange School, learning about and using public transport, service to the school, film making etc.;
 - b. We have identified two short term building projects that we are pursuing, one which will enhance the educational provision of our youngest pupils through improved play facilities, and the other consists of a large landscaping project for the benefit of entire school to enhance creative play and create outdoor teaching space;

Review of Objectives, Achievements and Performance (continued)

- c. We have arranged a number of events bringing former pupils and parents together to enrich our current community. We are continuing to build a stronger alumni (The Orleyans);
 - d. The school is building a 'Masterplan' to scope and service the future needs of the school for the coming decade. The aim is to join up the short, mid and long term aims with a cohesive overview to ensure that all future developments are embedded in the educational philosophy and aims of the school; and
 - e. Orley Farm School continues to develop a new working partnership with South Hill Estates (Harrow) Ltd and the residents of the estate.
- Relations with The Grange Primary School continue to evolve;
 - A total of 27 pupils received financial support towards their fees through the School's Bursary and Hardship Support Scheme which was specifically created in response to the Coronavirus Pandemic;
 - School Policies continue to be reviewed to ensure regulatory compliance with the frequently changing regulations;
 - The IT network continues to be upgraded to ensure IT support throughout the School for both pupils and administrative staff is up to date;
 - Use of WCBS PASS, iSAMS, My School Portal and firefly intranet software continue to evolve;
 - Elements of the 5-year strategic plan agreed by the Governing Body in 2015 continue to be implemented;
 - The pupil pick-up system continues, and in addition the Pre Prep Playground is used for parent parking provided they are dropping off 3 children, resulting in a substantial decrease in traffic congestion on the South Hill Estate;
 - The School applied a 20% reduction to Summer Term 2020 fees in response to the Coronavirus Pandemic and it established a Hardship Support Scheme to support our parent community; and
 - The School successfully pivoted the delivery of its educational provision from onsite to remote in response to the Coronavirus Pandemic whilst supporting 31 key worker children

Pupil destinations and Scholarship Awards in 2020

Pupils often apply for, and are awarded, scholarships for more than one school. On these occasions, only the scholarship for their future school is accepted.

Boys:

Destination School	Number of Pupils	Scholarships Awarded
Aldenham	1	-
Haberdashers'	6	5
Haileybury	2	2
Harrow	1	1
John Lyon	6	7
Merchant Taylors	7	3
Mill Hill	1	-
Rugby	1	-
St Albans	1	-
Westminster	2	-
TOTAL:	28	18

Girls:

Destination School	Number of Pupils	Scholarships Awarded
Haberdashers'	3	-
St Marylebone CE	-	1
Northwood College	3	1
Parmiter's	1	-
Royal Masonic	5	3
South Hampstead	2	-
St Bernard's Grammar	1	-
St Helen's	6	-
St Margaret's	-	1
St Paul's	1	-
Queenswood	1	-
TOTAL:	23	6

Response to the Coronavirus Pandemic, Financial Review and Results for the Year

It goes without saying that this year has presented a host of challenges and much uncertainty for the Orley Farm Community, as has been the case for many nationally and globally. On reflection, the Governing Body are incredibly proud of our Orley Farm Community and its response to the on-going Coronavirus Pandemic.

Early into the Coronavirus Pandemic outbreak, a separate committee comprising of members of the Governing Body and the Senior Leadership team was created to ensure a focused and timely response to the Coronavirus Pandemic. This committee ensured all areas of the School's operations including the education provision, finance and health and safety were carefully assessed against a backdrop of rapidly changing legislation and Government policy. The outcomes from this committee were reported to the whole Governing Body ensuring all Governors were kept abreast with the challenges faced by the School and its responses.

At the very start of this Pandemic, our teachers had to quickly adapt to a new way of teaching; this entailed intensive training on our remote learning platforms in order to deliver our teaching and learning for our pupils. The Headmaster, Senior Leadership team and teaching staff made great efforts in the way they actively engaged with our pupils in delivering creative learning opportunities through the various remote learning platforms and the Governing Body are delighted that pupils also swiftly adapted to the new way of learning. The School continues to use these remote learning platforms to deliver remote teaching for those families who are self-isolating whilst we continue our journey through these uncharted territories.

Over the Summer Term, the teaching and learning experience of pupils remained of paramount importance for the staff at Orley Farm School and, it is with their dedication and support, the School were able to offer a number of activities, all within Government guidelines, to provide an opportunity for the school community to reconnect with each other. These activities included a creative alternative to the traditional 'Expeditions Week' which became 'Connections Week'; a 2-day carousel of exciting and fun activities and challenges on the school site for every year group and, for the remaining 3 days of that week, all children were invited to reflect and respond in their own personal way to the highs and lows of the year. The culmination of this was each pupil putting together a presentation in a variety of media to show their form the following week.

Other events included welcoming pupils back in Reception, Y1 and Y6 in the Summer Term, offering support to key worker children and staging an alternative outdoor Speech Day, which became 'Orley Farm Celebration Day', for our leavers.

There were numerous required changes which both teachers and support staff had to adapt to in order to prepare for the safe return of all staff and pupils on the school site for the start of the new academic year. These necessitated both physical changes to the way the school operates as well as operational changes to the provision of a number of support services. From an operational perspective in particular, this required a significant degree of planning by caretaking, cleaning and catering staff in order to ensure the school buildings were adequately ventilated and cleaned each day, along with adapting to staggered and separate break and lunch times between 'bubbles' and the creation one way systems to for all staff and pupils to navigate the School. The grounds and maintenance teams had to adapt to staggered drop off and collection times via the drive through, and the increase in traffic generally with less car sharing and use of public transport, whilst the administration and nursing teams have dealt with a significant increase in calls from both staff and parents in relation to coronavirus seeking help, guidance and often just reassurance.

The Governing Body were well aware of the uncertainty facing many of our parents during these difficult and unprecedented times and offered an amendment to Summer Term 2020 fees as well as committing to a fee freeze for the 2020/21 academic year. In addition to this, a Hardship Support Scheme was created during the period which, in conjunction with Fee Support Scheme, provided financial support to 27 pupils. Further details are available below under the heading Fee Support. The Headmaster was also all too aware of the challenges facing our Orley Farm parent community and decided to support these parents by taking a reduced salary for two months.

As a direct consequence of the Coronavirus Pandemic, the School made a conscious decision to scale back all its non-essential expenditure and pause on two short term building projects until a clearer picture of the economic landscape is established. The operating costs of the year were £6,617,988 (2019 - £6,853,126). However, due to the Coronavirus Pandemic a number of routine services and repairs have been postponed in to the forthcoming academic year; these postponed costs are expected to be in the region of £155,000. It is also anticipated that additional costs will be incurred in the forthcoming academic year in respect of technology, both hardware and software, to ensure that our remote learning delivery continues to develop as well as increased spend on onsite health and safety provisions.

The school generated net fee income of £6,983,682 (2019 - £7,264,324), which was the primary source of revenue. The substantial drop in net fee income compared to the prior year was as a consequence of offering an amendment to the Summer Term fees, thus reducing expected fee income by £506,527, and also providing additional support to our parents via our Hardship Support Scheme. The additional income, as reported within the Statement of Financial Activity, was mainly generated from investments, rent and interest along with a government grant from the participation of the Coronavirus Job Retention scheme. The school also made an application to its bank for a capital repayment holiday on its loans that was successfully granted in the summer months, and in turn alleviated the pressure on the School's cashflow.

All the above has helped generate the surplus of £903,056 (2019: Surplus of £709,685) of the year. The school has earmarked £50,000 of this surplus to be used to supplement our Fee Support Scheme in the forthcoming year, and the remainder towards projects that were placed on hold totalling £1,000,000. The Board of Governors are confident that the School's financial situation is in a sound position which will enable the School to manage the current economic uncertainty and imminent recession whilst balancing the interests of all key stakeholders.

Freehold Properties

In addition to the School buildings, the School owns four residential properties at New Julians (Headmaster's House), Oakmead House and Orley Farm Cottage (for staff occupation only), and Westbourne House (nine flats, part staff and part non-staff occupancy). Income generated from property revenue this year was £129,386 (2019 - £130,674).

Extra-Curricular Activities

Our extra-curricular programme continues to be built around our weekly programme of lunchtime and after school clubs. However due to the Coronavirus Pandemic, we were unable to offer our Orley Farm tradition of Expeditions. Nevertheless, the School are looking for ways to reinstate the Expedition Week for the 2020/21 in line with government guidelines.

Public benefit

As required by the Charities Act 2011, the Governors have referred to the general guidance on public benefit and have due regard to the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)'.

As part of our public benefit, we co-operate with a range of local charities in our ongoing endeavours to widen public access to the schooling we provide; to optimise the *educational* use of our cultural and sporting facilities and to awaken in our pupils an awareness of the wider social context of the education they receive at the School. Of note, the following activities have taken place:

- **Partnership with Grange School.** The School continues to support the Grange Middle School, Harrow. This support has included providing transport and invitations to sporting tournaments and drama productions; in addition, our senior pupils are part of their paired reading scheme, Maths Day and they support younger children in class through our community "Edge" Programme.
- **Use of Sporting facilities.** St Dominic's College, make use of our sports fields which include cricket pitches, Astroturf and soccer pitches. St. Georges School continue to make occasional use of our soccer pitches.
- **Work Experience.** The School continues to offer work experience placements to students from various colleges whereby some students gain sports coaching experience.
- **Sports Tournaments.** The School has again organised football and netball tournaments and Year 2 Multisport. Local schools attended on a number of occasions. These events continue to evolve.
- **Harrow Cricket Club.** By continuing to subsidise the overheads of Harrow Cricket Club, over two hundred youth cricketers and a number of adult teams from the wider community have access to the sport. The junior colt's teams also make use of the sports hall during winter months in support of their expanding junior cricket programme.
- **Local church youth worker.** The School supports Christ Church Roxeth by subsidising the costs for a youth worker to support the community in educating the local youth in the danger of knife crime.
- **Charitable Giving.** The school has raised £2,935 for Place to Be Hospital and £120 for Henry van Straubensee Memorial Fund. In addition to this a donation from our Parent community of £2,016 was made towards the Henry van Straubensee Memorial Fund.

Fee Support

This year we supported a total of 27 pupils at a cost of £138,679 through our own Fee Support Scheme and our Hardship Support Scheme created during the period, as a direct response to the Coronavirus Pandemic. Our parent community kindly donated £9,303 into the Hardship Support Scheme. This support, which is available on a needs basis, was determined by the Chair of the Finance and General Purposes Committee in consultation with the Headmaster and the Director of Finance.

Plans for Future Periods

These plans remain:

1. To enact the School's Estates Strategy, of which £1m has been set aside for 2020/2021;
2. To enact our financial plans in support of this Estates Strategy;
3. To enact the School's other development plans and priorities as articulated in the 5 Year Strategy agreed by the Governors for which a designated fund has been created.

Objectives for 2020/2021

1. Maintain the excellence of the educational provision throughout the school;
2. Obtain the necessary building and planning consents to improve the school's infrastructure by refurbishing our Pre-Prep and build an outdoor play area within our meadow;
3. To enact future phases of the Refurbishment Plan;
4. To enact phases of the School's Master Plan;
5. To carry on relations with the Grange School in Harrow;
6. To continue the review of our procedures and policies to ensure total regulatory compliance;
7. Continue to improve the Former Pupils' Association (The Orleyans);
8. To ensure the provision of IT within the School continues to meet the academic and business needs of the school;
9. Continue to manage the relationships with the School's neighbours, tenants and the wider community to best effect;
10. Continue to manage the School's education provision, estate management, responsibility to pupils, staff and the wider school community to best effect whilst managing the risk of the Coronavirus Pandemic.

Reserves Policy

The total reserves for the school were £13,496,752 of which £1,000,000 related to designated funds leaving £12,496,752 as total free reserves. As the assets of the school are £13,496,752 the school does not hold any free reserves. The aim of the school is to build up its reserves to ensure it has at least working capital which is greater than one months' expenditure and to have an additional amount to cover any existing commitments the school may have entered into. At 31 August 2020 working capital stood at £3,620,101 which is greater than one month's expenditure as desired. The Governors will continue to strive to generate funds in line with minimum targeted levels. The Reserves Policy will be reviewed on an annual basis.

Remuneration Policy

The Remuneration Committee are tasked with reviewing remuneration on an annual basis. Consideration is given to the current market conditions, performance and objectives set at the beginning of each academic year.

Responsibilities of the Governors

The Governors (who are also directors of Orley Farm School Trust for the purposes of company 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 these 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

Auditors

PKF Littlejohn LLP has signified its willingness to continue in office as auditors.

A resolution proposing their re-appointment will be submitted at the Annual General Meeting.

Approved by the Board of Governors of Orley Farm School Trust on 30th November 2020 and signed on its behalf by:



C J Hayfield
Chairman

Independent auditor's report to the members of Orley Farm School Trust**Opinion**

We have audited the financial statements of the Orley Farm School Trust (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees 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 Annual Report of the Governors, other than the financial statements and our auditor's report thereon. The trustees 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 Annual Report of the Governors (incorporating the Trustees' Report and Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Annual Report of the Governors (incorporating the Trustees' Report and Directors' Report) has been prepared in accordance with applicable legal requirements.

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 Annual 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (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 trustees 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.

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.

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.

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.



Alastair Duke (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor
Date: 3 December 2020

15 Westferry Circus
Canary Wharf
London E14 4HD

ORLEY FARM SCHOOL TRUST

STATEMENT OF FINANCIAL ACTIVITIES
Incorporating an Income and Expenditure Account
Year ended 31 August 2020

Incoming Resources from		2020	2019
	Note	£	£
Charitable Activities:			
School fees receivable	1	6,983,682	7,264,324
Registration fees		10,150	11,000
Ancillary trading income	2a	55,141	82,546
Other income	3	167,532	203,159
Grant income	4	298,062	-
Other Activities to Generate Funds:			
Investments		6,477	1782
Total Income		<u>7,521,044</u>	<u>7,562,811</u>
Expenditure on:			
Raising funds			
Financing costs		91,942	106,329
Charitable Activities			
Ancillary trading costs	2b	22,639	54,908
Primary educational costs	5	6,503,407	6,691,889
Total Resources Expended		<u>6,617,988</u>	<u>6,853,126</u>
Net Movements in Funds for the Year	7	903,056	709,685
Balance at beginning of year		<u>12,593,696</u>	<u>11,884,011</u>
Balance at End of Year		<u>13,496,752</u>	<u>12,593,696</u>

All of the activities of the School are continuing. The School has no recognised gains or losses other than as stated above.

All incoming resources are unrestricted.

The Accounting Policies and Notes on pages 19 to 28 form part of these Financial Statements.

ORLEY FARM SCHOOL TRUST
Company Number: 628541

BALANCE SHEET
At 31 August 2020

Fixed Assets	Note	2020 £	2019 £
Tangible fixed assets	8	13,244,706	13,615,085
Investments	9	20,950	20,950
		<u>13,265,656</u>	<u>13,636,035</u>
Current Assets			
Debtors	10	242,797	167,391
Cash at bank and in hand		3,620,101	2,377,224
		<u>3,862,898</u>	<u>2,544,615</u>
Creditors: due within one year	11	(951,106)	(917,694)
		<u>2,911,793</u>	<u>1,626,921</u>
Net Current Assets			
Creditors: due in more than one year	12	(2,680,696)	(2,669,260)
		<u>13,496,752</u>	<u>12,593,696</u>
Net Assets			
Unrestricted Funds	14		
General fund		12,496,752	12,593,696
Designated Funds:			
Building Refurbishment fund		1,000,000	-
		<u>13,496,752</u>	<u>12,593,696</u>

Approved by the Board of Governors on 30th November 2020 and signed on its behalf by:



C J Hayfield

Chairman

The Accounting Policies and Notes on pages 19 to 28 form part of these Financial Statements.

ORLEY FARM SCHOOL TRUST

STATEMENT OF CASH FLOWS
Year ended 31 August 2020

		2020 £	2019 £
	Note		
Net Cash Inflow from Operating Activities	15	1,515,885	974,960
Cash flows from Investing Activities			
Payments to acquire tangible fixed assets		(41,608)	(110,161)
Interest received		6,477	1,782
Interest paid		<u>(91,942)</u>	<u>(106,329)</u>
Net Cash Inflow/(Outflow) from Investing Activities		(127,073)	(214,708)
Cash flow from Financing Activities			
Loan Repayment		(145,935)	(253,164)
Increase/(Decrease) in cash in the year	15	<u>1,242,877</u>	<u>507,088</u>
Reconciliation of Net Cashflow to Movement in Net Funds			
Increase/(Decrease) in cash in the year		1,242,877	507,088
Net decrease/(increase) in bank loan		<u>145,935</u>	<u>253,164</u>
Change in funds resulting from cash flows and Movement in net funds in the year	15	1,388,812	760,252
Net funds at beginning of the year		<u>(566,971)</u>	<u>(1,327,223)</u>
Net Funds at End of the Year	15	<u>821,841</u>	<u>(566,971)</u>

The Accounting Policies and Notes on pages 19 to 28 form part of these Financial Statements.

Basis of Accounting

Orley Farm School Trust is a charitable company in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities is the operation of Orley Farm School.

The charity 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 UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are 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 charity.

The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the School to continue as a going concern. The Governors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Governors have considered the School's forecasts and projections and have taken account of pressures on fee income, particularly in light of the impact of the Coronavirus Pandemic which occurred before these financial statements were approved and is explained in more detail in the Risk Management section of the Governors Report in these financial statements. After making enquiries the Governors have concluded that there is a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future.

As such the School can expect to be able to meet its liabilities as they fall due in the period of at least 12 months from the date of approval of these accounts. However, there can be no certainty in relation to these matters. On this basis the Governors have concluded that the School is a going concern. The financial statements do not include any adjustments that would result from the School not being able to meet its liabilities as they fall due.

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.

The Trust is the beneficial owner of the whole of the share capital of South Hill Estates Ltd. The Company's assets and transactions in the year are not considered material, therefore the Governors consider it is not appropriate to prepare consolidated accounts of the Trust and its subsidiary.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand.

Judgements and key sources of estimation and uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The judgements (apart from those involving estimates) that have had the most significant effect on amounts recognised in the financial statements related to the useful economic lives of tangible fixed assets, and judgements in relation to the recoverability of debtor balances.

Grant income policy

Income from grant is furlough income received from HMRC. It is recognised in line with the period to which each claim relates

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the School is legally entitled to the income, after any performance conditions have been met, when the amount can be measured reliably and when it is probable that the income will be received.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees received prior to the end of the year in respect of the following terms are shown on the balance sheet as deferred income.

Income from donations is recognised on receipt, there are no conditions attached to any donation that require a level of performance before entitlement can be obtained. Gift Aid on donations is accounted for when the related donation is received.

Legacy income is recognised when Orley Farm School Trust becomes aware that probate has been granted, there are sufficient assets in the estate to pay the legacy and that any conditions attached to the legacy are either in control of the charity or have already been met. On occasion legacies can be notified where it is not possible to measure the amount expected to be distributed with sufficient reliability. On these occasions, the legacy would be treated as a contingent asset and disclosed.

Assets donated to the Trust would be shown as a donation and capitalised at what would have been a reasonable cost for the Trust to acquire the assets in its own right on an arm's length basis.

Donations and legacies for the general purposes of Orley Farm School Trust are credited to unrestricted funds. From time to time the Governors designate unrestricted donations for specific purposes. Donations and legacies subject to specific wishes of the donors would be credited to relevant restricted funds or to endowed funds, if the amount is required to be held as permanent or expendable capital.

Investment income is earned through holding assets for investment purposes such as property. It includes interest and rent; Interest income is recognised when receivable and rent is recognised when the charity's right to receive payment is established.

Expenditure

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Charitable activities costs include all expenditure directly relating to the objects of the School.

Governance costs comprise the costs of running the charity including strategic planning for future development, auditors' remuneration, certain legal costs, Governors' expenses and the costs of complying with constitutional and statutory requirements. These costs are contained within 'Support and Management Costs-other' (see note 4).

Unrestricted Funds

Unrestricted funds consist of general reserves which are available for the Governors to apply to the general purposes of the School.

Designated funds consist of certain unrestricted funds which the Governors have earmarked for particular purposes.

Tangible Fixed Assets

Expenditure on land and buildings which, in the opinion of the Governors, has not enhanced their long-term value is charged to the SOFA. Expenditure on improvements to land and buildings which, in the opinion of the Governors, has enhanced their long-term value is capitalised. Expenditure on plant, equipment (including IT equipment) and furniture which is in excess of £1,000 per item, or group of items, is capitalised.

Assets in the course of construction are capitalised and depreciated when brought into use.

Depreciation is provided on all other tangible fixed assets, including freehold property, to write off their cost less residual value over their estimated useful lives when brought into use, at the following rates:

Freehold buildings	2% on cost
Buildings of non-permanent construction	4% on cost
All weather pitch	10% on cost
Furniture, fixtures and equipment	15% reducing value
Computers	25% on reducing value
Motor vehicles	25% on reducing value
Telephone System	20% on reducing value

The residual value for all classes of assets, including recent additions to the school buildings, is deemed to be zero. The exception to this rule being the original freehold buildings, for which the residual value is deemed to be 50% of the original cost to reflect land values.

Investments

Listed investments are stated at market value. Realised gains and losses arising on sales of investments and unrealised gains and losses arising on the revaluation of the investments at the year-end are taken to unrestricted funds on the SOFA.

Investments in subsidiary undertakings are recorded at cost less any provision for impairment.

Operating Leases

Rentals paid under operating leases are charged to the SOFA.

Taxation

The School, as a registered charity, is generally exempt from Corporation Tax but not from Value Added Tax (VAT). Irrecoverable VAT is included in the cost of those items to which it relates. The School's subsidiary trading companies are liable for Corporation Tax on taxable profits not paid to the School as qualifying donations under the Taxes Acts.

Pension Schemes

The School contributes to the Teachers' Pension Scheme, which is a defined benefit scheme, at rates set by the Government Actuary and advised to the Governors. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with Financial Reporting Standard (FRS 102) – Retirement Benefits, the Scheme is therefore accounted for as a defined contribution scheme. Contributions to the Scheme are charged to the SOFA as they become payable in accordance with the rules of the Scheme.

The School also contributes to individual personal pension schemes for non-teaching staff.

1. School Fees Receivable	2020	2019
	£	£
Fees receivable consist of:		
Gross fees	7,197,462	7,491,730
Less: total bursaries, grants and allowances	(213,780)	(227,406)
	<u>6,983,682</u>	<u>7,264,324</u>

Included within bursaries, grants and allowances of £213,790 (2019: £227,406) is amount of £138,679 (2019: £100,997) in respect of our Fee Support Scheme and our specifically created Hardship Support Scheme during the period as a direct response to the Coronavirus Pandemic.

2a. Ancillary Trading	2020	2019
	£	£
Coaches	2,221	2,250
After School Clubs	19,835	27,466
Excursions	-	12,178
Disbursements	11,961	21,822
Pupil Insurance	21,124	18,830
	<u>55,141</u>	<u>82,546</u>

2b. Ancillary Trading Costs	2020	2019
	£	£
Coaches	-	-
After School Clubs	-	-
Excursions	-	18,385
Disbursements	11,915	17,280
Pupil Insurance	10,724	19,243
	<u>22,639</u>	<u>54,908</u>

3. Other Income	2020	2019
	£	£
Shop sales	-	35
Property	150,269	167,842
Holiday Club	12,328	20,430
Miscellaneous	4,935	14,852
	<u>167,532</u>	<u>203,159</u>

4. Grant income

The School received a grant of £298,062 (2019: Nil) in relation to the Coronavirus Job Retention scheme. At the year-end an amount of £23,231 had been accrued as income in relation to the grant due for August 2020.

ORLEY FARM SCHOOL TRUST

NOTES TO FINANCIAL STATEMENTS
Year ended 31 August 2020

5. Analysis of Charitable Expenditure

	Salaries £	Other £	Depreciation £	Total £	2019 £
Teaching	3,802,294	313,684	-	4,115,978	4,179,420
Welfare	222,842	133,346	-	356,188	402,611
Premises	386,818	466,621	411,987	1,265,426	1,291,120
Support and management costs	539,273	226,542	-	765,815	818,738
	<u>4,951,227</u>	<u>1,140,193</u>	<u>411,987</u>	<u>6,503,407</u>	<u>6,691,889</u>

6. Employees and Key Management

	2020 £	2019 £
Staff costs		
Salaries and wages	3,875,598	3,884,628
Social security costs	391,567	391,377
Pension costs	684,062	521,676
	<u>4,951,227</u>	<u>4,797,681</u>

Neither the Governors nor persons connected to them received any remuneration or benefits or reimbursements of expenses from the School with the exception of the items reported in note 16 of the statutory accounts.

The number of higher paid employees whose remuneration for the year fell within the following bands was:

	2020	2019
£60,001 - £70,000	1	4
£70,001 - £80,000	2	-
£100,001 - £110,000	1	-
£110,001 - £120,000	-	1

Pension contributions of £68,356 (2019 - £51,435) were made on behalf of these employees.

Staff Numbers

The average number of full time equivalent staff employed by the school within each category was:

	No.	No.
Teaching staff	52	53
Other staff	48	49
	<u>100</u>	<u>102</u>

The key management personnel of the school includes the Governors, the Headmaster, the Director of Finance and the Director of Operations. The aggregate employee benefits of key management personnel of the School were £251,725 (2019 - £247,992).

ORLEY FARM SCHOOL TRUST

NOTES TO FINANCIAL STATEMENTS
Year ended 31 August 2020

7. Net Movement in Funds	2020	2019
	£	£
This is stated after charging/(crediting):		
Auditors' remuneration - current year audit	12,190	11,950
Depreciation	411,987	416,212
(Profit) or loss on the disposal of fixed assets	-	28,846
	<u>424,177</u>	<u>457,008</u>

8. Tangible Fixed Assets		Furniture, equipment and vehicles	Assets in the course of construction	
Cost	Freehold land and buildings	£	£	Total £
At 1 September 2019	15,723,613	2,003,111	33,426	17,760,150
Additions	6,456	35,152	-	41,608
Transfers	-	-	-	-
Disposals	-	-	-	-
	<u>15,730,069</u>	<u>2,038,263</u>	<u>33,426</u>	<u>17,801,758</u>
Depreciation				
At 1 September 2019	2,451,907	1,693,158	-	4,145,065
Charge for the year	351,456	60,531	-	411,987
Disposals	-	-	-	-
	<u>2,803,363</u>	<u>1,753,689</u>	<u>-</u>	<u>4,557,052</u>
Net Book Value				
At 31 August 2020	12,926,706	284,574	33,426	13,244,706
At 31 August 2019	13,271,706	309,953	33,426	13,615,085

9. Fixed Assets Investments	2020	2019
	£	£
i) Investment in subsidiaries - shares at cost		
South Hill Estates, Harrow Limited	20,950	20,950
Orley Farm School Enterprises Limited	-	-
	<u>20,950</u>	<u>20,950</u>

The Trust owns 100% of the share capital in the following two subsidiary companies; South Hill Estates (Harrow) Limited, which owns and manages land and roads in the Harrow area, and Orley Farm School Enterprises Limited. Both companies are registered in England and Wales.

The results of the subsidiary companies as extracted from their audited Financial Statements are as follows:

	South Hill Estates		Orley Farm School Enterprises	
	2020 £	2019 £	2020 £	2019 £
Capital and reserves	32,188	31,640	-	-
Profit / (Loss) for the year	548	(6,963)	-	-

A decision was made in June 2007 to subsume the activities of Orley Farm School Enterprises within the School. The Company became dormant with effect from 1 September 2007.

10. Debtors	2020 £	2019 £
Fees and extras in arrears	108,541	48,539
Amount due from subsidiary company	11,832	8,133
Other debtors	10,719	11,000
Prepayments	111,705	99,899
	<u>242,797</u>	<u>167,391</u>

11. Creditors due within one year	2020 £	2019 £
Deposits	312,672	296,847
Tax and social security	220,809	195
Accruals and deferred income	167,299	231,505
Other creditors	132,761	114,212
Bank loan repayable within one year	117,565	274,935
	<u>951,106</u>	<u>917,694</u>

Deferred income consists of fees received in advance totalling £134,574 (2019 - £176,588)

12. Creditors due in more than one year	2020 £	2019 £
Amounts repayable between two and five years	2,425,287	1,242,451
Amounts repayable in more than five years	255,409	1,426,809
	<u>2,680,696</u>	<u>2,669,260</u>

The loans are unsecured and repayable over 120 months from 31 March 2015. The interest rates applicable to the loans are:

LIBOR loan	2.5% per annum over LIBOR plus mandatory cost
Business loan	2.95% per annum over base rate

13. Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £587,002 (2019 - £431,980) and at the year-end £49,980 (2019 - £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. A consultation was launched by the government on 16 July 2020, and closed responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

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 consultation and the cost cap mechanism review are 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.

14. Unrestricted Funds

	General fund £	Refurb- ishment fund £	Total funds £
At 1 September 2019	12,593,696		12,593,696
Net incoming resources	903,056	-	903,056
Expenditure/Transfers (to)/from designated funds	(1,000,000)	1,000,000	-
	<hr/>	<hr/>	<hr/>
At 31 August 2020	12,496,752	1,000,000	13,496,752
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	General fund £	Total funds £
At 1 September 2018	11,884,011	11,884,011
Net incoming resources	709,685	709,685
	<hr/>	<hr/>
At 31 August 2019	12,593,696	12,593,696
	<hr/> <hr/>	<hr/> <hr/>

Designated Funds

The Governors have reconsidered the Designated Funds and have agreed in line with the Charity Commission guidance to establish the Refurbishment Fund to enable the School Refurbishment Plan which is due to be implemented with the next twelve to eighteen months.

15. Cash Flow Statement

	2020 £	2019 £
Net Cash Inflow from Operating Activities		
Net incoming resources	903,056	709,685
Depreciation	411,987	416,212
Loss on disposal of fixed assets	-	28,846
Decrease / (Increase) in debtors	(75,405)	(33,938)
Increase / (Decrease) in creditors	190,782	(250,392)
Interest paid	91,942	106,329
Interest received	(6,477)	(1,782)
	<hr/>	<hr/>
	1,515,885	974,960
	<hr/> <hr/>	<hr/> <hr/>

Note 15 continued.

Analysis of Net Funds

	As at beginning of year £	Cash flow £	Other Non-cash changes £	As at end of year £
Net cash balances	2,377,224	1,242,877	-	3,620,101
Other loans	(2,944,195)	145,935	-	(2,798,260)
	<hr/>	<hr/>	<hr/>	<hr/>
Total	(566,971)	1,388,812	-	821,841
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

16. Related Party Transactions

- i. During the year amounts totalling £11,832 (2019 - £8,133) were payable to the subsidiary company, South Hill Estates, Harrow Limited relating to road levy charges.
- ii. Mr Peter Ryan, a teacher at the school, is the owner of World Cup Sports Ltd, the company that provided school sports activities during holidays. The profit share paid to the School by his company was £12,328 (2019 - £20,430).
- iii. Mrs Carol Cliffe, a School Governor at the school, provided teaching services to the School at a cost of £1,828 (2019- Nil)
- iv. RBC London LLP provided building services to the school at a cost of £Nil (2019 – £2,640). The owner of RBC London LLP is the spouse of the Director of Finance.
- vi. A Governor, Mr A Land, receives a fee discount of 20% in line with the discount offered to other Harrow School Teachers.